

DR. REDDY'S LABORATORIES LIMITED
UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2010

All amounts in Indian Rupees lakhs, except share data

Sl. No.	PARTICULARS	Quarter ended		Nine Months ended		Year ended
		31.12.10	31.12.09	31.12.10	31.12.09	31.03.10
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Sales / Income from operations (including Excise Duty)	137,327	103,919	392,433	327,191	443,274
	Less: Excise duty	848	783	2,500	2,315	3,161
	Net sales / income from operations	136,479	103,136	389,933	324,876	440,113
2	License fees and service income	1,013	995	2,058	10,708	11,109
3	Other operating income	1,484	943	3,784	2,508	4,098
4	Total income (1 + 2 + 3)	138,976	105,074	395,775	338,092	455,320
5	Total expenditure	111,052	86,044	318,757	266,856	362,873
a	(Increase) / decrease in stock	(5,052)	(4,841)	(7,957)	(9,084)	(11,729)
b	Material consumed	48,772	40,443	134,570	123,379	164,178
c	Research and development expenses, net	12,982	9,479	35,133	27,159	36,428
d	Personnel costs	16,916	12,297	51,215	36,990	51,001
e	Selling expenses	12,638	9,801	36,542	32,226	44,848
f	Other expenditure	18,407	13,411	51,010	40,039	52,693
g	Depreciation and amortisation	6,389	5,454	18,244	16,147	22,243
h	Provision for decline in the value of long-term investments	-	-	-	-	3,211
6	Profit from operations before other income, interest and	27,924	19,030	77,018	71,236	92,447
7	Other income	3,721	3,564	9,049	5,929	17,144
8	Profit before interest and exceptional items (6 + 7)	31,645	22,594	86,067	77,165	109,591
9	Interest	54	275	113	619	1,108
10	Profit before exceptional items (8 - 9)	31,591	22,319	85,954	76,546	108,483
11	Exceptional items	-	-	-	-	-
12	Profit from ordinary activities before tax (10 - 11)	31,591	22,319	85,954	76,546	108,483
13	Tax expense	5,314	5,477	13,209	17,254	23,875
14	Net Profit from ordinary activities after tax (12 - 13)	26,277	16,842	72,745	59,292	84,608
15	Extra-ordinary items	-	-	-	-	-
16	Net profit for the period / year (14 - 15)	26,277	16,842	72,745	59,292	84,608
17	Paid - up equity share capital (face value Rs.5/- each)	8,461	8,441	8,461	8,441	8,442
18	Reserves (excluding revaluation reserve)					583,007
19	Earnings per share for the period (in Rupees) per Rs.5/- share					
	a) Before Extra-ordinary items					
	- Basic	15.53	9.98	43.02	35.15	50.15
	- Diluted	15.45	9.92	42.76	34.90	49.81
	b) After Extra-ordinary items					
	- Basic	15.53	9.98	43.02	35.15	50.15
	- Diluted	15.45	9.92	42.76	34.90	49.81
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)
20	Public share holding*					
	-Number of shares (Face value Rs.5/- each)	92,947,595	100,364,156	92,947,595	100,364,156	100,778,704
	-Percentage of share holding	54.92	59.45	54.92	59.45	59.69
21	Promoters and promoter group Shareholding					
a	Pledged/Encumbered					
	- Number of shares	2,100,000	2,100,000	2,100,000	2,100,000	2,225,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	4.84	4.83	4.84	4.83	5.11
	- Percentage of shares (as a % of the total share capital of the company)	1.24	1.24	1.24	1.24	1.32
b	Non-encumbered					
	- Number of shares	41,317,812	41,417,812	41,317,812	41,417,812	41,292,812
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	95.16	95.17	95.16	95.17	94.89
	- Percentage of shares (as a % of the total share capital of the company)	24.42	24.53	24.42	24.53	24.46

*Public Share Holding as defined under Clause 40A of Listing Agreement (excludes shares held by Promoters, Promoter Group and American Depository Receipt Holder)

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All amounts in Indian Rupees lakhs

Sl. No.	PARTICULARS	Quarter ended		Nine Months ended		Year ended
		31.12.10	31.12.09	31.12.10	31.12.09	31.03.10
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment wise revenue, results and capital employed:					
	Segment revenue :					
	a) Pharmaceutical Services and Active Ingredients	55,621	42,428	148,875	139,942	185,602
	b) Global Generics	91,214	63,990	270,488	212,421	287,661
	c) Proprietary Products	88	154	202	170	297
	Total	146,923	106,572	419,565	352,533	473,560
	Less: Inter segment revenue	8,701	7,185	23,678	20,164	27,970
	Add : Other unallocable Income	4,475	9,251	8,937	11,652	26,874
	Total income	142,697	108,638	404,824	344,021	472,464
2	Segment results :					
	Profit / (loss) before tax and interest from each segment					
	a) Pharmaceutical Services and Active Ingredients	9,742	7,531	20,436	28,946	33,957
	b) Global Generics	26,234	16,743	80,446	58,936	80,385
	c) Proprietary Products	(3,262)	(2,340)	(7,818)	(7,651)	(9,233)
	Total	32,714	21,934	93,064	80,231	105,109
	Less: (i) Interest	54	275	113	619	1,108
	(ii) Other un-allocable expenditure, net off	1,069	(660)	6,997	3,066	(4,482)
	Total profit before tax	31,591	22,319	85,954	76,546	108,483
3	Capital Employed :					
	a) Pharmaceutical Services and Active Ingredients	161,404	133,495	161,404	133,495	136,672
	b) Global Generics	252,209	152,694	252,209	152,694	166,017
	c) Proprietary Products	71	3,841	71	3,841	2,365
	d) Unallocated	250,716	298,884	250,716	298,884	286,395
	Total	664,400	588,914	664,400	588,914	591,449

Notes:

- 1 Pursuant to clause 41 of the Listing Agreement, the investor complaints received, disposed off and lying unresolved for the quarter ended 31 December 2010 are given in the table below:

Nature of Complaints	Opening balance	Received	Disposal	Closing Balance
Non receipt of Shares, Dividend and Annual Report	Nil	4	4	Nil

- 2 During the year ended 31 March 2010 the Company recorded a capital advance of Rs. 26,800 lakhs with a corresponding liability representing its relief from future royalty payable to I-Ven Pharma Capital Limited (I-Ven) as per the agreement entered between the parties in earlier periods. On 1 Oct 2010, in settlement of this liability the Company and the shareholders of I-Ven entered into an agreement for the sale of controlling interest in I-Ven to DRL Investments Limited, a wholly owned subsidiary of the Company, at an amount of Rs. 26,800 lakhs (of which Rs. 1,500 lakhs to be set aside for certain contingencies in an escrow account).
- 3 The unaudited results have been taken on record by the Board of Directors of the Company at its meeting held on 25 January 2011
- 4 The figures for the previous periods have been re-grouped/re-classified, wherever necessary, to conform with the current period classification

By order of the Board
For Dr. Reddy's Laboratories Limited

Place: Hyderabad
Date: 25 January 2011

Satish Reddy
Managing Director & Chief Operating Officer