Cipla
Cipla Ltd.
Mumbai Central
Mumbai 400 008

14th November, 2011

(1) Bombay Stock Exchange Ltd
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Scrip Code: 500087

(2) National Stock Exchange of India Ltd
Listing Department
Exchange Plaza, 5th floor,
Plot no. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

Scrip Code: CIPLA EQ

Dear Sirs,

Please find enclosed copy of the note displayed on our website www.cipla.com

for your reference.

Kindly acknowledge the receipt.

Thank you,

Yours faithfully,
For Cipla Limited

M. A. Sanghvi

Mital Sanghvi
Company Secretary

Encl: as above

Financial Review – Period ended September 2011 *(Rupees in crore)*

	Quarter Ended			Half Year Ended		
	30/09/2011	30/09/2010	% change	30/09/2011	30/09/2010	% change
Domestic	847.03	756.41	12.0%	1590.65	1431.56	11.1%
Exports - Formulations	751.58	663.91	13.2%	1410.45	1289.63	9.4%
APIs & others	159.48	168.27	-5.2%	330.80	308.43	7.3%
Total Exports	911.06	832.18	9.5%	1741.25	1598.06	9.0%
% of exports to total sales	51.8%	52.4%		52.3%	52.7%	
Total Sales	1758.09	1588.59	10.7%	3331.90	3029.62	10.0%
Other operating income						
Technology knowhow/fees	7.77	11.97		17.60	27.85	
Others	38.42	42.54		69.68	65.28	
Total	46.19	54.51	-15.3%	87.28	93.13	-6.3%
Income from Operations	1804.28	1643.10	9.8%	3419.18	3122.75	9.5%
Material Cost	711.65	748.70		1379.88	1418.93	
% to total sales	40.5%	47.1%		41.4%	46.8%	
Operating margin	437.61	366.56	19.4%	807.15	704.45	14.6%
% to income from operations	24.3%	22.3%		23.6%	22.6%	
Profit before tax	393.92	319.01	23.5%	713.81	631.43	13.0%
% to income from operations	21.8%	19.4%		20.9%	20.2%	
Profit after tax	308.97	263.01	17.5%	562.31	520.43	8.0%
% to income from operations	17.1%	16.0%		16.4%	16.7%	

During the quarter, the company posted a growth of about 10% in income from operations. Operating margins and profits after tax have increased by about 20% and 18% respectively on a year-on-year basis. During the quarter, domestic sales grew by 12% and export sales grew by about 10%. Other operating income includes an amount of Rs. 14 cr on account of gains from foreign exchange.

Material cost for the quarter is lower by Rs. 37 cr mainly due to improved realizations, reduction in input costs of certain category of products and changes in product mix. In addition, there has been higher cost efficiencies due to increased utilization of Indore SEZ facilities. Consequently, operating margins and profits after tax have increased substantially by 2% and 1% respectively.

Excise Duty on sales has increased by Rs. 17 cr due to increase in duty rate by 1% and increase in dutiable clearances. The increase in staff cost (Rs. 50 cr) is due to annual increments and increase in manpower. Other expenditure has increased mainly due to increase in factory expenditure, selling expenses and provision for doubtful debts. Tax for the current quarter has increased mainly due to expiry of tax benefits on EOUs.