



DR. REDDY'S

Dr. Reddy's Laboratories Ltd.

8-2-337, Road No. : 3, Banjara Hills
Hyderabad - 500 034, A.P., India.
Tel : + 91 40 4900 2900
Fax : +91 40 4900 2999

www.drreddys.com

February 14, 2013

The Secretary / Executive Director
BSE Limited
National Stock Exchange of India Ltd.
New York Stock Exchange Inc.

Dear Sir/Madam,

Sub: Outcome of Board Meeting – Unaudited Financial Results for the quarter and nine months ended December 31, 2012

Further to our letter dated January 18, 2013, we would like to inform you that the Board of Directors of the Company at their meeting held on February 14, 2013, have approved the Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2012.

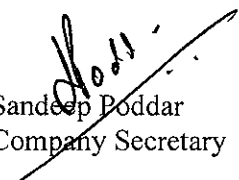
In terms of the above, we are enclosing herewith the following:

1. Unaudited Standalone Financial Results of the Company for the quarter and nine months ended December 31, 2012 as per Indian GAAP.
2. Unaudited Consolidated Financial Results of the Company prepared in compliance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB).
3. Press Release on Financial Results of the Company for the above period.

Pursuant to the Clause 41 of the Listing Agreement, as amended, the Limited Review Reports of the Statutory Auditors on the unaudited standalone and consolidated financial results of the Company for the quarter and nine months ended December 31, 2012 are also enclosed.

Please take the above information on record.

With regards,


Sandeep Poddar
Company Secretary

Encl : as above



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DR. REDDY'S LABORATORIES LIMITED

PART I : STATEMENT OF UNAUDITED STANDALONE RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2012

All amounts in Indian Rupees lakhs, except share data

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations						
	a) Net sales / income from operations (Net of excise duty)	212,460	204,129	156,680	591,344	485,507	660,378
	b) License fees and service income	1,265	4,882	2,159	9,793	4,732	6,399
	c) Other operating income	2,119	1,844	1,930	6,016	4,902	7,193
	Total income from operations (net)	215,844	210,855	160,769	607,153	495,141	673,970
2	Expenses						
	a) Cost of materials consumed	62,836	57,345	44,717	170,709	130,509	179,201
	b) Purchase of stock-in-trade	10,892	9,706	7,225	29,601	23,956	30,763
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(6,879)	(3,384)	(5,582)	(17,403)	(10,937)	(10,476)
	d) Research and development expenses, net	15,808	16,754	14,947	46,587	41,385	58,129
	e) Employee benefits expense	28,655	28,719	21,413	83,469	63,016	86,614
	f) Selling expenses	20,373	19,420	19,585	59,366	48,004	62,506
	g) Provision for decline in the value of long-term investments	-	2,219	-	2,219	-	19,248
	h) Other expenditure	30,239	37,096	37,747	95,835	87,342	93,768
	i) Depreciation and amortisation	7,907	7,603	7,488	22,822	21,721	30,115
	Total expenses	169,831	175,478	147,540	493,205	404,996	549,868
3	Profit from ordinary activities before other income, finance costs	46,013	35,377	13,229	113,948	90,145	124,102
4	Other income	2,786	16,389	2,417	10,146	4,983	8,178
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	48,799	51,766	15,646	124,094	95,128	132,280
6	Finance costs	1,154	1,504	1,693	4,380	4,795	6,362
7	Profit from ordinary activities before exceptional items (5 - 6)	47,645	50,262	13,953	119,714	90,333	125,918
8	Exceptional items	-	-	-	-	-	-
9	Profit from ordinary activities before tax (7 - 8)	47,645	50,262	13,953	119,714	90,333	125,918
10	Tax expense	12,981	13,959	3,150	30,981	20,275	34,682
11	Net Profit from ordinary activities after tax (9 - 10)	34,664	36,303	10,803	88,733	70,058	91,236
12	Extra-ordinary items	-	-	-	-	-	-
13	Net profit for the period / year (11 - 12)	34,664	36,303	10,803	88,733	70,058	91,236
14	Paid - up equity share capital (face value Rs.5/- each)	8,492	8,492	8,476	8,492	8,476	8,478
15	Reserves (excluding revaluation reserve)						663,317
16	Earnings per share for the period (in Rupees) per Rs.5/- share						
	a) Before Extra-ordinary items						
	- Basic	20.41	21.38	6.37	52.27	41.35	53.83
	- Diluted	20.31	21.27	6.34	52.01	41.13	53.56
	b) After Extra-ordinary items						
	- Basic	20.41	21.38	6.37	52.27	41.35	53.83
	- Diluted	20.31	21.27	6.34	52.01	41.13	53.56
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	



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DR. REDDY'S LABORATORIES LIMITED
PART II : SELECTED INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2012
A PARTICULARS OF SHAREHOLDING

Sl No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
1	Public shareholding*						
	- Number of shares (face value Rs.5/- each)	98,126,503	97,663,976	96,543,537	98,126,503	96,543,537	97,627,569
	- Percentage of shareholding	57.78	57.51	56.94	57.78	56.94	57.57
2	Promoters and promoter group shareholding						
	a) Pledged / Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of shares	43,417,812	43,417,812	43,417,812	43,417,812	43,417,812	43,417,812
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	25.56	25.56	25.61	25.56	25.61	25.61

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

B INVESTOR COMPLAINTS

Pending at the beginning of the quarter	Nil
Received during the quarter	5
Disposed off during the quarter	5
Remaining unresolved at the end of the quarter	Nil

Segment Information

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment wise revenue, results and capital employed:						
	Segment revenue :						
	a) Pharmaceutical Services and Active Ingredients	72,564	73,556	63,092	203,636	179,214	259,069
	b) Global Generics	158,654	147,294	111,603	443,088	351,471	468,035
	c) Proprietary Products	1	93	44	2,790	130	189
	Total	231,219	220,943	174,739	649,514	530,815	727,293
	Less: Inter segment revenue	15,218	13,411	13,936	41,729	35,670	53,364
	Add : Other unallocable Income	2,629	19,712	2,383	9,514	4,979	8,219
	Total income	218,630	227,244	163,186	617,299	500,124	682,148
2	Segment results :						
	Profit / (loss) before tax and interest from each segment						
	a) Pharmaceutical Services and Active Ingredients	7,628	9,662	17,172	23,329	33,117	48,602
	b) Global Generics	63,026	43,427	33,579	141,822	133,297	157,976
	c) Proprietary Products	(4,185)	(3,708)	(5,301)	(9,407)	(12,311)	(16,800)
	Total	66,469	49,381	45,450	155,744	154,103	189,778
	Less: (i) Interest	1,154	1,504	1,693	4,380	4,795	6,362
	(ii) Other un-allocable expenditure, net	17,670	(2,385)	29,804	31,650	58,975	57,498
	Total profit before tax	47,645	50,262	13,953	119,714	90,333	125,918
3	Capital Employed :						
	a) Pharmaceutical Services and Active Ingredients	238,153	222,542	200,208	238,153	200,208	203,180
	b) Global Generics	364,367	341,791	285,365	364,367	285,365	272,931
	c) Proprietary Products	(1,733)	(1,296)	(3,386)	(1,733)	(3,386)	(1,754)
	d) Unallocated	163,246	168,950	190,191	163,246	190,191	197,438
	Total	764,033	731,987	672,378	764,033	672,378	671,795

Global Generics includes operations of Biologics business. Inter-segment revenue represents sale from Pharmaceutical Services and Active Ingredients to Global Generics.

Notes:

- Pursuant to the judgement rendered by the A.P. High Court on 4 December 2012, the Company, based on its best estimate, has recorded an expense of ₹ 2,181 lakhs during the quarter ended 31 December 2012 towards Fuel Surcharge Adjustments (additional electricity cost) for the period from 01 April 2008 to 31 December 2012. The aforesaid expense is included in 'Other expenditure'.
- The unaudited results have been reviewed by the Audit Committee of the Board on 13 February 2013 and approved by the Board of Directors of the Company at their meeting held on 14 February 2013.
- The figures of the earlier periods have been re-grouped to be in conformity with the new format prescribed under Clause 41 of the listing agreement.
- The results for the quarter and nine months ended 31 December 2012 have been subjected to a 'Limited Review' by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.

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

Satish Reddy
Managing Director & Chief Operating Officer

Place: Hyderabad
Date: 14 February 2013

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Unaudited consolidated financial results of Dr. Reddy's Laboratories Limited and its subsidiaries for the quarter and nine months ended 31 December 2012 prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)

All amounts in Indian Rupees lakhs, except share data

Sl. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Net Income from Sales and Services	286,516	288,085	276,919	828,662	701,529	967,374
2	Cost of Sales and Services						
	a) (Increase) / decrease in stock-in-trade and work-in-progress	(4,544)	(7,505)	(3,612)	(24,391)	(15,390)	(14,017)
	b) Consumption of raw materials	94,366	95,985	78,632	280,629	218,791	303,195
	c) Other expenditure	47,812	46,559	36,151	135,087	104,779	145,141
3	Gross Profit (1 - 2)	148,882	153,046	165,748	437,337	393,349	533,055
4	Selling, General and Administrative expenses	85,708	80,128	76,784	248,620	216,508	288,674
5	Research and Development expenses	20,254	17,582	15,140	53,472	41,701	59,105
6	Impairment loss on goodwill	-	1,809	-	1,809	-	-
7	Impairment loss on intangibles	-	5,067	-	5,067	-	10,404
8	Other (income) / expense, net	(2,331)	(3,964)	(1,648)	(8,480)	(5,670)	(7,650)
9	Operating profit (3) - (4 + 5 + 6 + 7 + 8)	45,251	52,424	75,472	136,849	140,810	182,522
10	Finance (expense) / income, net	(968)	3,710	1,737	626	777	1,599
11	Share of profit of equity accounted affiliate, net of income taxes	313	284	255	787	428	544
12	Profit before tax (9 + 10 + 11)	44,596	56,418	77,464	138,262	142,015	184,665
13	Tax Expense	8,265	15,674	26,168	27,589	33,665	42,044
14	Net Profit after tax (12 - 13)	36,331	40,744	51,296	110,673	108,350	142,621
15	Extra-ordinary items (net of tax expense)	-	-	-	-	-	-
16	Net Profit for the period / year (14 - 15)	36,331	40,744	51,296	110,673	108,350	142,621
17	Paid-up equity share capital (Face value of Rs. 5/- each)	8,492	8,492	8,476	8,492	8,476	8,478
18	Share premium, retained earnings, share based payment reserve, debenture redemption reserve and other components of equity						566,001
19	Earnings per share for the period / year (in Rupees) per Rs. 5/- share						
	- Basic	21.39	23.99	30.26	65.19	63.95	84.16
	- Diluted	21.33	23.93	30.16	64.95	63.68	83.81
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	
20	Public shareholding *						
	- Number of shares	98,126,503	97,663,976	96,543,537	98,126,503	96,543,537	97,627,569
	- Percentage of shareholding	57.78	57.51	56.94	57.78	56.94	57.57
21	Promoters and promoter group shareholding						
	a) Pledged / Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of shares	43,417,812	43,417,812	43,417,812	43,417,812	43,417,812	43,417,812
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	25.56	25.56	25.61	25.56	25.61	25.61
22	Details of items exceeding 10% of total expenditure						
	- Employee cost	51,647	51,330	43,483	150,646	124,440	169,275

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



12/1/14

Segment reporting (Consolidated)

All amounts in Indian Rupees lakhs

Sl. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment wise revenue and results:						
	Segment revenue :						
	a) Pharmaceutical Services and Active Ingredients	86,485	92,161	69,577	247,018	198,952	291,483
	b) Global Generics	208,277	201,031	212,866	599,971	518,462	702,434
	c) Proprietary Products	4,013	3,028	3,238	10,824	7,844	10,776
	d) Others	2,959	5,276	5,174	12,578	11,941	16,045
	Total	301,734	301,496	290,855	870,391	737,199	1,020,738
	Less: Inter-segment revenue	15,218	13,411	13,936	41,729	35,670	53,364
	Net Revenue from operations	286,516	288,085	276,919	828,662	701,529	967,374
2	Segment results :						
	Gross Profit from each segment						
	a) Pharmaceutical Services and Active Ingredients	19,531	28,189	19,284	64,925	46,628	75,077
	b) Global Generics	124,901	119,440	140,965	356,967	335,604	442,633
	c) Proprietary Products	3,715	2,624	2,704	9,822	6,470	9,032
	d) Others	735	2,793	2,795	5,623	4,647	6,313
	Total	148,882	153,046	165,748	437,337	393,349	533,055
	Less: Other un-allocable expenditure, net of other income	104,286	96,628	88,284	299,075	251,334	348,390
	Total profit before tax	44,596	56,418	77,464	138,262	142,015	184,665

Global Generics includes operations of Biologics business. Inter-segment revenue represents sale from Pharmaceutical Services and Active Ingredients to Global Generics.

Segmental Capital employed

As certain assets of the company including manufacturing facilities, development facilities and treasury assets and liabilities are often deployed interchangeably across segments, it is impractical to allocate these assets and liabilities to each segment. Hence, the details for capital employed have not been disclosed in the above table.

Notes:
1 Investor Complaints

Pending at the beginning of the quarter	Nil
Received during the quarter	5
Disposed of during the quarter	5
Remaining unresolved at the end of the quarter	Nil

2 The Company has consolidated the financial statements of the following companies:

Dr. Reddy's Farmaceutica Do Brazil Ltda., Dr. Reddy's Laboratories (EU) Limited, Dr. Reddy's Laboratories (UK) Limited, Aurigene Discovery Technologies Limited, Aurigene Discovery Technologies Inc., Cheminor Investments Limited, DRL Impex Limited, Reddy Netherlands B.V., Reddy US Therapeutics Inc., Dr. Reddy's Laboratories (Proprietary) Limited, OOO Dr. Reddy's Laboratories Limited, Promius Pharma LLC, Dr. Reddy's Bio-Sciences Limited, Trigenesis Therapeutics Inc., Industrias Químicas Falcon de Mexico SA de CV, Lacoock Holdings Limited, Reddy Holding GmbH, betapharm Arzneimittel GmbH, Reddy beta GmbH, beta institut für sozialmedizinische Forschung und Entwicklung GmbH, Dr. Reddy's Laboratories (Australia) Pty Ltd, OOO Alfa, Reddy Pharmaceuticals Hong Kong Limited, Dr. Reddy's Laboratories Inc., Reddy Cheminor S.A., Reddy Antilles N.V., Reddy Pharma Iberia, S.A., Reddy Pharma Italia S.p.A., Dr. Reddy's Laboratories SA, Eurobridge Consulting B.V, OOO DRS LLC, Dr. Reddy's New Zealand Limited, Aurigene Discovery Technologies (Malaysia) Sdn Bhd, Dr. Reddy's Laboratories Louisiana LLC, Chirotech Technology Limited, Dr. Reddy's Laboratories ILAC TICARET Limited SİRKETİ, Dr. Reddy's s.r.l., Dr. Reddy's Pharma SEZ Limited, Dr. Reddy's Laboratories International SA, Idea2Enterprises (India) Private Limited, Dr. Reddy's Laboratories Romania-SRL, 1-Ven Pharma Capital Limited, Dr. Reddy's Venezuela, C.A., Dr. Reddy's Laboratories Tennessee LLC, Dr. Reddy's Laboratories New York Inc, Dr. Reddy's Laboratories, LLC, Ukraine and Dr. Reddy's Laboratories Canada, Inc.

3 Kunshan Rotam Reddy Pharmaceutical Company Limited (a joint venture) has been accounted under the equity method of accounting in accordance with IAS-31 'Interests in Joint Ventures'.
4 DRANU, LLC (a joint venture) has been consolidated in accordance with SIC-12 'Consolidation - Special Purpose Entities'.
5 Pursuant to the judgement rendered by the A.P. High Court on 4 December 2012, the Company, based on its best estimate, has recorded an expense of ₹ 2.216 lakhs during the quarter ended 31 December 2012 towards Fuel Surcharge Adjustments (additional electricity cost) for the period from 01 April 2008 to 31 December 2012. The aforesaid expense is included in 'Cost of Sales and Services'.
6 On 14 December 2012, the Company announced its public offer to acquire all of the equity shares of OctoPlus N V ('OctoPlus'). As on 31 December 2012, the Company has acquired 15.67% of equity shares of OctoPlus for ₹ 3,116 lakhs through open market purchases and recorded the same as part of non current investments. As on 8 February 2013, the date on which offer period ended, 70.7% of shares have been tendered under the offer which together with shares acquired by the Company during the offer period represent 92.7% of the total shares. Consequently, the Company declared the offer unconditional and the settlement of the shares tendered under the offer is expected to take place on 15 February 2013.
7 The Securities and Exchange Board of India (SEBI) issued a circular, dated 5 April 2010 permitting listed entities having subsidiaries to voluntarily submit the Consolidated Financial Statements as per IFRS. Consequent to this, the Company has voluntarily prepared and published unaudited Consolidated Financial Statements as per IFRS for the quarter and nine months ended 31 December 2012 and 31 December 2011, for the quarter ended 30 September 2012 and audited Consolidated Financial Statements as per IFRS for the year ended 31 March 2012.
8 The unaudited results have been reviewed by the Audit Committee of the Board on 13 February 2013 and approved by the Board of Directors of the Company at their meeting held on 14 February 2013. The above financial results have been prepared from the consolidated financial statements, which are prepared in accordance with International Financial Reporting Standards and its interpretations (IFRS), as issued by the International Accounting Standards Board (IASB).
9 The results for the quarter and nine months ended 31 December 2012 have been subjected to a 'Limited Review' by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.
10 Unaudited financial results of Dr. Reddy's Laboratories Limited (Standalone Information) prepared as per IGAAP

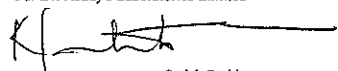
All amounts in Indian Rupees lakhs

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Total income from operations	215,844	210,855	160,769	607,153	495,141	673,970
Profit before tax and exceptional items	47,645	50,262	13,953	119,714	90,333	125,918
Profit after tax before exceptional items	34,664	36,303	10,803	88,733	70,058	91,236
Profit after tax and exceptional items	34,664	36,303	10,803	88,733	70,058	91,236

Note:

The unaudited standalone financial results for the quarter and nine months ended 31 December 2012 are available on the Stock Exchange's website : www.bseindia.com and www.nseindia.com and also on the Company's website: www.dreddys.com.

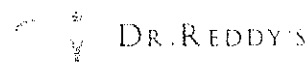
 By order of the Board
For Dr. Reddy's Laboratories Limited


Satish Reddy
Managing Director & Chief Operating Officer

 Place: Hyderabad
Date: 14 February 2013

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Press Release



Dr. Reddy's Q3 & 9 months FY13 Financial Results

Q3 FY13 Revenues at ₹28.7 billion (YoY growth of 23%)#	9 months FY13 Revenues at ₹82.9 billion (YoY growth of 26%)#
Q3 FY13 EBITDA at ₹6.0 billion	9 months FY13 EBITDA at ₹18.6 billion
*Adjusted Q3 FY13 PAT at ₹3.6 billion	**Adj 9 months FY13 PAT at ₹11.3 billion

Hyderabad, India, February 14, 2013: Dr. Reddy's Laboratories Ltd. (NYSE: RDY) today announced its unaudited consolidated financial results for the quarter ended December 31, 2012 under International Financial Reporting Standards (IFRS).

Key Highlights (Q3 FY13)

- o Consolidated revenues for Q3 FY13 at ₹28.7 billion, recorded YoY growth of 23%#. Consolidated revenues for 9 months FY13 at ₹82.9 billion, recorded YoY growth of 26%#.
- o Revenues from the Global Generics segment for Q3 FY13 at ₹20.8 billion, recorded a YoY growth of 24%# primarily driven by North America and the Emerging market territories.
- o Revenues from the PSAI segment for Q3 FY13 at ₹7.1 billion, recorded YoY growth of 28%.
- o EBITDA for Q3 FY13 at ₹6.0 billion, 21% of revenues. EBITDA for 9 months FY13 at ₹18.6 billion, 22% of the revenues.
- o PAT for Q3 FY13 at ₹3.8 billion, 13% of revenues. PAT for 9 months at ₹11.1 billion, 13% of revenues.
- o *Adjusted PAT for Q3 FY13 at ₹3.6 billion, 13% of revenues.
- o During the quarter, the company launched 17 new products, filed 13 new product registrations and filed 13 DMFs globally.

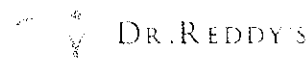
Excluding the impact of the olanzapine profit share recorded in Q3 FY 12

* Adjusted for tax normalization on account of the annual effective tax rate

** Adjusted for (a) impairment charges in Q2 FY13 and (b) tax normalization on account of the annual effective tax rate.



Press Release



All figures in millions, except EPS

All US dollar figures based on convenience translation rate of 1USD = ₹54.86

Dr. Reddy's Laboratories Limited and Subsidiaries

Unaudited Consolidated Income Statement

Particulars	Q3 FY13			Q3 FY12			Growth %
	(\$)	(Rs.)	%	(\$)	(Rs.)	%	
Revenue	522	28,651	100	505	27,692	100	3
Cost of revenues	247	13,559	47	203	11,117	40	22
Gross profit	275	15,092	53	302	16,575	60	(9)
Operating Expenses							
Selling, general & administrative expenses	156	8,571	30	140	7,679	28	12
Research and development expenses	37	2,026	7	28	1,514	5	34
Other operating (income) / expense	(4)	(233)	(1)	(3)	(165)	(1)	41
Results from operating activities	86	4,728	17	138	7,547	27	(37)
Net finance (income) / expense	2	96	0	(3)	(174)	(1)	NC
Share of (profit) / loss of equity accounted investees	(1)	(32)	(0)	(0)	(26)	(0)	23
Profit before income tax	85	4,664	16	141	7,747	28	(40)
Income tax expense	16	882	3	48	2,617	9	(66)
Profit for the period	69	3,782	13	94	5,130	19	(26)
Diluted EPS	0.4	22.20		0.5	30.16		(26)

Profit Computation:

EBITDA Computation	Q3 FY13		Q3 FY12	
	(\$)	(₹)	(\$)	(₹)
PBT	85	4,664	141	7,747
Net Interest Expenses / (Income)	(0)	(13)	3	155
Depreciation	18	971	16	899
Amortization	7	411	7	408
Reported EBITDA	110	6,033	168	9,209

Adjusted PAT Computation	Q3 FY13		Q3 FY12	
	(\$)	(₹)	(\$)	(₹)
PAT (reported)	69	3,782	94	5,130
Adjustments:				
Tax adjustment*	(3)	(138)	16	852
Adjusted PAT	66	3,644	109	5,982

* Q3 FY13 normalized to the FY13 annual effective tax rate and Q3 FY12 normalized to the FY12 annual effective tax rate

Note: The above presented unaudited consolidated income statement for 3 months ended 31 December 2012 is based on the financial submissions to be made with the US SEC in the form 6K. A charge of Rs 20.4 crs towards fuel surcharge adjustment was accounted in Q2 FY 13 after the unaudited results were announced as a subsequent event adjustment since the related judgement of AP High Court was delivered before the filing of Form 6K with US SEC for Q2 FY 13 financials. However, in the financials submitted to SEBI this charge has been considered in Q3 FY 13 only.



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Segmental Analysis

Global Generics

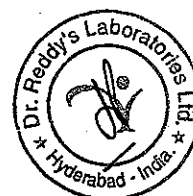
Revenues from Global Generics segment for Q3 FY13 at ₹20.8 billion, recorded YoY growth of 24%[#] driven by key markets of North America and the Emerging market territories.

- o Revenues from **North America** for Q3 FY13 at ₹9.2 billion (\$178 Mn), recorded YoY growth of 38%[#].
 - Growth is largely driven by key limited competition products of ziprasidone, tacrolimus, fondaparinux and ramp-up in antibiotics portfolio.
 - Continued focus on gaining market shares of new products such as atorvastatin, metoprolol, ibandronate and montelukast granules during the quarter.
 - 31 products from the prescription portfolio are ranked among the Top 3 in their respective market shares. (Source: IMS Health Volumes, November 2012)
 - During the quarter, 4 ANDAs were filed. Cumulatively, 65 ANDAs are pending for approval with the USFDA of which 35 are Para IVs and 8 have 'First To File' status.
- o Revenues from **Russia and Other CIS** markets for Q3 FY13 at ₹4.4 billion recorded YoY growth of 32%.
 - Revenues from **Russia** for Q3 FY13 at ₹3.7 billion recorded YoY growth of 35%, largely aided by seasonal offtake across major brands and new product launches.
 - Revenues from **Other CIS** markets for Q3 FY13 at ₹0.7 billion recorded YoY growth of 19%.
- o Revenues from **India** for Q3 FY13 at ₹3.7 billion recorded YoY growth of 12%.
 - Biosimilars portfolio grew YoY by 47% during the quarter.
 - 8 new brands were launched during the quarter.
- o Revenues from **Europe** for Q3 FY13 at ₹1.9 billion declined YoY by 20%.

Pharmaceutical Services and Active Ingredients (PSAI)

- Revenues from PSAI for Q3 FY13 at ₹7.1 billion, recorded YoY growth of 28%.
- During the quarter, 13 DMFs were filed globally, including 3 in the US and 1 in Europe. The cumulative number of DMF filings as of December 31, 2012 is 566.

[#] Excluding the impact of the olanzapine profit share recorded in Q3 FY 12



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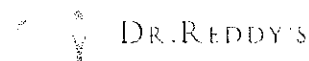
Income Statement Highlights:

- o Gross profit margin is at 53% in Q3 FY13. Gross profit margin for Global Generics and PSAI business segments are at 60% and 29% respectively.
- o Selling, General and Administration (SG&A) expenses for Q3 FY 13 including amortization at ₹8.6 billion increased YoY by 12%.
- o Research & development expenses for Q3 FY13 at ₹2.0 billion is at 7% of revenues.
- o Net Finance expense is at ₹96 million, in Q3 FY13 compared to the net finance income of ₹174 million in Q3 FY12. The change is on account of :
 - Net decline in the forex benefit primarily on account of the loss on time value of options, due to the recent depreciation in the rupee.
 - Incremental Interest income of ₹168 million primarily on account of higher interest income from Fixed Deposit and mutual funds.
- o EBITDA for Q3 FY13 is ₹6.0 billion, 21% of revenues.
- o Profit after Tax in Q3 FY13 at ₹3.8 billion, 13% of revenues.
- o *Adjusted Profit after tax in Q3 FY13 at ₹3.6 billion, 13% of revenues.
- o Diluted earnings per share in Q3 FY 13 are ₹22.2.
- o Capital expenditure for Q3 FY13 is ₹1.5 billion.

** Adjusted for tax normalization on account of the annual effective tax rate*



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All figures in millions

All US dollar figures based on convenience translation rate of 1USD = ₹54.86

Appendix 1: Key Balance Sheet Items

Particulars	As on 31st Dec 12		As on 30th Sep 12	
	(\$)	(₹)	(\$)	(₹)
Cash and cash equivalents	424	23,264	376	20,641
Trade receivables	490	26,873	478	26,247
Inventories	422	23,169	399	21,885
Property, plant and equipment	659	36,126	643	35,300
Goodwill and Other Intangible assets	226	12,436	224	12,297
Loans and borrowings (current & non current)	672	36,825	636	34,901
Trade payables	200	10,996	190	10,412
Equity	1,217	66,789	1,155	63,354

Appendix 2: Revenue Mix by Segment

Segment	Q3 FY13			Q3 FY12			Growth %
	(\$)	(₹)	%	(\$)	(₹)	%	
Global Generics	380	20,828	73	388	21,287	77	(2)
North America		9,243	44		11,114	52	(17)
Europe		1,931	9		2,426	11	(20)
India		3,718	18		3,333	16	12
Russia & Other CIS		4,380	21		3,317	16	32
RoW		1,556	7		1,097	5	42
PSAI	130	7,127	25	101	5,563	20	28
North America		1,266	18		1,170	21	8
Europe		2,472	35		1,652	30	50
India		1,268	18		862	15	47
RoW		2,121	30		1,880	34	13
Proprietary Products & Others	13	696	2	15	841	3	(17)
Total	522	28,651	100	505	27,691	100	3



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All figures in millions, except EPS

All US dollar figures based on convenience translation rate of 1USD = ₹54.86

Appendix 3: Consolidated Income Statement

Particulars	9 months FY13			9 months FY12			Growth %
	(\$)	(₹)	%	(\$)	(₹)	%	
Revenues	1,510	82,866	100	1,279	70,153	100	18
Cost of revenues	713	39,133	47	562	30,818	44	27
Gross profit	797	43,733	53	717	39,335	56	11
Operating Expenses							
Selling, general and administrative expenses	453	24,862	30	395	21,651	31	15
Research and development expenses	97	5,347	6	76	4,170	6	28
Impairment loss on goodwill and intangible assets	12	688	1	0	0	0	0
Other operating (income) / expense	(15)	(848)	(1)	(10)	(567)	(1)	50
Results from operating activities	249	13,684	17	257	14,081	20	(3)
Net finance (income) / expense	(1)	(63)	(0)	(1)	(78)	(0)	(20)
Share of (profit) / loss of equity accounted investees	(1)	(79)	(0)	(1)	(43)	(0)	84
Profit before income tax	252	13,826	17	259	14,202	20	(3)
Income tax expense	50	2,759	3	61	3,367	5	(18)
Profit for the period	202	11,067	13	197	10,835	15	2
Diluted EPS	1.2	64.95		1.2	63.68		2

Appendix 4: Profit Computation:

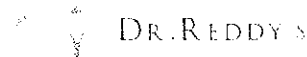
EBITDA Computation	9 months FY13		9 months FY12	
	(\$)	(₹)	(\$)	(₹)
PBT	252	13,826	259	14,202
Net Interest Expenses / (Income)	(0)	(1)	11	601
Depreciation	51	2,810	48	2,607
Amortization & Impairment	35	1,932	22	1,202
Reported EBITDA	338	18,567	339	18,612

PAT Computation	9 months FY13		9 months FY12	
	(\$)	(₹)	(\$)	(₹)
PAT (reported)	202	11,067	197	10,835
Adjustments:				
Impairment loss on goodwill and intangible assets	13	688		
Tax adjustment*	(8)	(417)	2	133
Adjusted PAT	207	11,338	199	10,968

* Adjusted for tax normalization on account of the annual effective tax rate for respective YTD financial years.



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Disclaimer

This press release includes forward-looking statements, as defined in the U.S. Private Securities Litigation Reform Act of 1995. We have based these forward-looking statements on our current expectations and projections about future events. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. Such factors include, but are not limited to, changes in local and global economic conditions, our ability to successfully implement our strategy, the market acceptance of and demand for our products, our growth and expansion, technological change and our exposure to market risks. By their nature, these expectations and projections are only estimates and could be materially different from actual results in the future.

About Dr. Reddy's

Dr. Reddy's Laboratories Ltd. (NYSE: RDY) is an integrated global pharmaceutical company, committed to providing affordable and innovative medicines for healthier lives. Through its three businesses Pharmaceutical Services and Active Ingredients, Global Generics and Proprietary Products – Dr. Reddy's offers a portfolio of products and services including APIs, custom pharmaceutical services, generics, biosimilars, differentiated formulations and NCEs. Therapeutic focus is on gastro-intestinal, cardiovascular, diabetology, oncology, pain management, anti-infective and pediatrics. Major markets include India, USA, Russia and CIS, Germany, UK, Venezuela, S. Africa, Romania, and New Zealand.

For more information, log on to: www.drreddys.com

Contact Information

Investors and Financial Analysts:

Kedar Upadhye at kedar@drreddys.com / +91-40-66834297

Saunak Savia at saunaks@drreddys.com / +91-40-49002135

Milan Kalawadia (USA) at mkalawadia@drreddys.com / +1 908-203-4931

Media:

S Rajan at rajans@drreddys.com / +91-40-49002445

Note: All discussions in this release are based on unaudited consolidated IFRS financials.



BSR & Co.

(Registered)
Chartered Accountants

Reliance Humsafar, IV Floor,
Road No. 11, Banjara Hills
Hyderabad-500 034. India

Telephone : +91 40 3046 5000
Fax : +91 40 3046 5299

Review report to the Board of Directors of Dr. Reddy's Laboratories Limited

We have reviewed the accompanying statement of unaudited financial results of Dr. Reddy's Laboratories Limited ("the Company") for the quarter and nine months ended 31 December 2012 except for the disclosures regarding 'Public shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

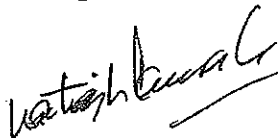
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Institute of the Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared for the quarter and nine months ended 31 December 2012 prepared in accordance with applicable accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

for BSR & Co.

Chartered Accountants

Firm registration number: 101248W



Natrajh Ramakrishna

Partner

Membership Number: 032815

Hyderabad

Date: 14 February 2013

BSR & Co.

(Registered)
Chartered Accountants

Reliance Humsafar, IV Floor,
Road No. 11, Banjara Hills
Hyderabad-500 034, India

Telephone : +91 40 3046 5000
Fax : +91 40 3046-5299

Review report to the Board of Directors of Dr. Reddy's Laboratories Limited on the consolidated financial results of Dr. Reddy's Laboratories Limited and subsidiaries.

We have reviewed the accompanying statement of unaudited consolidated financial results of Dr. Reddy's Laboratories Limited ("the Company") and the subsidiary companies as listed in Notes 2 and 4, and a joint venture listed in Note 3 of the accompanying statement for the quarter and nine months ended 31 December 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these consolidated financial statements based on our review, which have been prepared in accordance with the recognition and measurement principles laid down in International Accounting Standard (IAS) 34, Interim Financial Reporting, as issued by the International Accounting Standard Board ('IAS 34').

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results for the quarter and nine months ended 31 December 2012, prepared in accordance with applicable International accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

for BSR & Co.

Chartered Accountants

Firm registration number: 101248W



Natrajh Ramakrishna

Partner

Membership No.: 032815

Hyderabad

Date: 14 February 2013