



Dr. Reddy's Laboratories Ltd.

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

www.drreddys.com

October 30, 2012

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 half-year ended September 30, 2012

Further to our letter dated October 8, 2012, we would like to inform you that the Board of Directors of the Company at their meeting held on October 30, 2012, have approved the Unaudited Financial Results of the Company for the quarter and half-year ended September 30, 2012.

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

1. Unaudited Standalone Financial Results of the Company for the quarter and half-year ended September 30, 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 half-year ended September 30, 2012 are also enclosed.

Please take the above information on record.

With regards,


Sandeep Poddar
Company Secretary

Encl : as above



DR. REDDY'S

Dr. Reddy's Laboratories Ltd.

8-2-337, Road No. : 3, Banjara Hills
Hyderabad - 500 034, A.P., India.

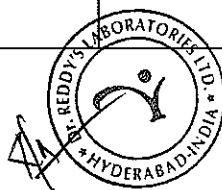
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DR. REDDY'S LABORATORIES LIMITED
PART I : STATEMENT OF UNAUDITED STANDALONE RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2012

Sl. No.	Particulars	All amounts in Indian Rupees lakhs, except share data					
		Quarter ended		Half year ended		Year ended	
		30.09.12 (Unaudited)	30.06.12 (Unaudited)	30.09.11 (Unaudited)	30.09.12 (Unaudited)	30.09.11 (Unaudited)	31.03.2012 (Audited)
1	Income from operations						
	a) Net sales / income from operations (Net of excise duty)	204,129	174,755	161,256	378,884	328,827	660,378
	b) License fees and service income	4,882	3,646	1,766	8,528	2,573	6,399
	c) Other operating income	1,844	2,053	1,676	3,897	2,994	7,193
	Total income from operations (net)	210,855	180,454	164,698	391,309	334,394	673,970
2	Expenses						
	a) Cost of materials consumed	57,345	50,528	43,435	107,873	82,156	179,201
	b) Purchase of stock-in-trade	9,706	9,003	9,322	18,709	16,731	30,763
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,384)	(7,140)	(2,209)	(10,524)	(5,355)	(10,476)
	d) Research and development expenses, net	16,754	14,025	14,527	30,779	26,438	58,129
	e) Employee benefits expense	28,719	26,095	20,492	54,814	41,603	86,614
	f) Selling expenses	19,420	19,573	14,491	38,993	28,419	62,506
	g) Provision for decline in the value of long-term investments	2,219	-	-	2,219	-	19,248
	h) Other expenditure	37,096	40,569	38,960	65,596	53,253	93,768
	i) Depreciation and amortisation	7,603	7,312	7,340	14,915	14,233	30,115
	Total expenses	175,478	159,965	146,358	323,374	257,478	549,868
3	Profit from ordinary activities before other income, finance costs and exceptional items (1 - 2)	35,377	20,489	18,340	67,935	76,916	124,102
4	Other income	16,389	3,040	1,305	7,360	2,566	8,178
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	51,766	23,529	19,645	75,295	79,482	132,280
6	Finance costs	1,504	1,722	1,578	3,226	3,102	6,362
7	Profit from ordinary activities before exceptional items (5 - 6)	50,262	21,807	18,067	72,069	76,380	125,918
8	Exceptional items	-	-	-	-	-	-
9	Profit from ordinary activities before tax (7 - 8)	50,262	21,807	18,067	72,069	76,380	125,918
10	Tax expense	13,959	4,041	4,217	18,000	17,125	34,682
11	Net Profit from ordinary activities after tax (9 - 10)	36,303	17,766	13,850	54,069	59,255	91,236
12	Extra-ordinary items	-	-	-	-	-	-
13	Net profit for the period / year (11 - 12)	36,303	17,766	13,850	54,069	59,255	91,236
14	Paid - up equity share capital (face value Rs.5/- each)	8,492	8,490	8,476	8,492	8,476	8,478
15	Paid up debt capital				176,694	168,748	152,811
16	Reserves (excluding revaluation reserve & debenture redemption reserve)						654,653
17	Debenture redemption reserve				12,902	4,428	8,664
18	Earnings per share for the period (in Rupees) per Rs.5/- share						
	a) Before Extra-ordinary items						
	- Basic	21.38	10.47	8.17	31.86	34.98	53.83
	- Diluted	21.27	10.41	8.13	31.69	34.79	53.56
	b) After Extra-ordinary items						
	- Basic	21.38	10.47	8.17	31.86	34.98	53.83
	- Diluted	21.27	10.41	8.13	31.69	34.79	53.56
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	
19	a) Debt equity ratio				0.071	0.078	0.077
	b) Debt service coverage ratio				0.648	0.816	0.606
	c) Interest service coverage ratio				17.797	22.544	18.154



18/11/12

DR. REDDY'S LABORATORIES LIMITED
PART II : SELECTED INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2012
A PARTICULARS OF SHAREHOLDING

Sl No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.12	30.06.12	30.09.11	30.09.12	30.09.11	31.03.2012
1	Public shareholding*						
	- Number of shares (face value Rs. 5/- each)	97,663,976	97,877,295	96,165,909	97,663,976	96,165,909	97,627,569
	- Percentage of shareholding	57.51	57.64	56.73	57.51	56.73	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	25.57	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

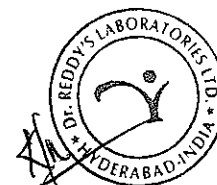
Pending at the beginning of the quarter	Nil
Received during the quarter	4
Disposed of during the quarter	4
Remaining unresolved at the end of the quarter	Nil

Segment Information

All amounts in Indian Rupees lakhs

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.12	30.06.12	30.09.11	30.09.12	30.09.11	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	73,556	57,019	63,222	131,072	116,122	259,069
	b) Global Generics	147,294	133,901	113,035	284,434	239,868	468,035
	c) Proprietary Products	93	2,779	50	2,789	86	189
	Total	220,943	193,699	176,307	418,295	356,076	727,293
	Less: Inter segment revenue	13,411	13,100	12,442	26,511	21,733	53,364
	Add : Other unallocable Income	19,712	2,895	2,138	6,885	2,617	8,219
	Total income	227,244	183,494	166,003	398,669	336,960	682,148
2	Segment results :						
	Profit / (loss) before tax and interest from each segment						
	a) Pharmaceutical Services and Active Ingredients	9,662	6,039	12,414	15,701	15,945	48,602
	b) Global Generics	43,427	35,369	40,128	78,796	99,718	157,976
	c) Proprietary Products	(3,708)	(1,514)	(4,213)	(5,222)	(7,010)	(16,800)
	Total	49,381	39,894	48,329	89,275	108,653	189,778
	Less: (i) Interest	1,504	1,722	1,578	3,226	3,102	6,362
	(ii) Other un-allocable expenditure, net	(2,385)	16,365	28,684	13,980	29,171	57,498
	Total profit before tax	50,262	21,807	18,067	72,069	76,380	125,918
3	Capital Employed :						
	a) Pharmaceutical Services and Active Ingredients	222,542	208,866	196,429	222,542	196,429	203,180
	b) Global Generics	341,791	299,262	325,123	341,791	325,123	272,931
	c) Proprietary Products	(1,296)	(1,736)	(658)	(1,296)	(658)	(1,754)
	d) Unallocated	168,950	173,113	139,627	168,950	139,627	197,438
	Total	731,987	679,505	660,521	731,987	660,521	671,795

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



12/11/12

DR. REDDY'S LABORATORIES LIMITED
Notes:

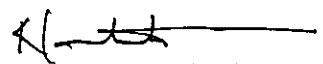
- 1 The unaudited results have been reviewed by the Audit Committee of the Board on 29 October 2012 and approved by the Board of Directors of the Company at their meeting held on 30 October 2012.
- 2 Statement of assets and liabilities

Sl. No.	PARTICULARS	All amounts in Indian Rupees lakhs	
		As at	As at
		30.09.12 (Unaudited)	31.03.12 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders Funds		
	a) Share capital	8,492	8,478
	b) Reserves and surplus	723,495	663,317
	Sub-total - Shareholders' funds	731,987	671,795
2	Non-current liabilities		
	a) Long Term Borrowings	51,702	51,301
	b) Deferred Tax Liabilities (net)	7,632	2,003
	c) Other Long term liabilities	440	632
	d) Long-term provisions	2,002	2,120
	Sub-total - Non current liabilities	61,776	56,056
3	Current Liabilities		
	a) Short-term borrowings	125,918	102,036
	b) Trade payables	76,736	73,342
	c) Other current liabilities	89,500	98,437
	d) Short-term provisions	5,448	32,398
	Sub-total - Current liabilities	297,602	306,213
	TOTAL - EQUITY AND LIABILITIES	1,091,365	1,034,064
B	ASSETS		
1	Non-current Assets		
	a) Fixed Assets	266,481	251,439
	b) Non-current investments	226,870	227,049
	c) Long-term loans and advances	51,522	63,192
	Sub-total - Non-current assets	544,873	541,680
2	Current Assets		
	a) Current investments	19,700	20,702
	b) Inventories	150,580	132,662
	c) Trade receivables	219,125	194,345
	d) Cash and cash equivalents	71,723	84,904
	e) Short-term loans and advances	66,674	52,093
	f) Other current assets	18,690	6,778
	Sub-total - Current assets	546,492	492,384
	TOTAL - ASSETS	1,091,365	1,034,064

3 Ratios have been computed as follows:

- a) Debt Equity Ratio = Debt / Net Worth
[Debt: Long Term Borrowings (Current and Non current portion)]
[Net Worth: Share Capital + Reserves & Surplus]
- b) Debt Service Coverage Ratio = Earnings before interest and tax / (Interest expense during the period + Principal repayment for all the loan funds during the period)
- c) Interest Service Coverage Ratio = Earnings before interest and tax / Interest expense during the period
[Earnings before interest and tax: Profit from ordinary activities before tax + Interest expense]
- 4 Consequent to the decline in expected cash flows of some of the products forming part of product related intangibles pertaining to Company's Global Generics segment, the Company assessed the recoverability of money advanced to one of its subsidiaries which had funded the acquisition of such product related intangibles. Accordingly, the Company has created a provision for doubtful advances of Rs. 7,746 lakhs and recorded the same as part of other expenditure during the quarter ended 30 September 2012.
- 5 Following the Company's decision to discontinue its research and development on terbinafine nail lacquer, the Company assessed the recoverability of money invested in its subsidiary, Trigenesis Therapeutics Inc. and has created a provision of Rs. 2,219 lakhs for diminution in the value of long term investments.
- 6 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.
- 7 The results for the quarter and half year ended 30 September 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: 30 October 2012

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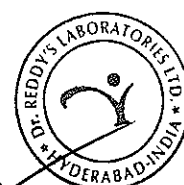
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Unaudited consolidated financial results of Dr. Reddy's Laboratories Limited and its subsidiaries for the quarter and half year ended 30 September 2012 prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)

All amounts in Indian Rupees lakhs, except share data

Sl. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.12 (Unaudited)	30.06.12 (Unaudited)	30.09.11 (Unaudited)	30.09.12 (Unaudited)	30.09.11 (Unaudited)	31.03.12 (Audited)
1	Net Income from Sales and Services	288,085	254,061	226,779	542,146	424,611	967,374
2	Cost of Sales and Services						
	a) (Increase) / decrease in stock-in-trade and work-in-progress	(7,505)	(12,342)	(6,575)	(19,847)	(11,778)	(14,017)
	b) Consumption of raw materials	95,985	90,278	76,660	186,263	140,159	303,195
	c) Other expenditure	46,559	40,716	34,649	87,275	68,628	145,141
3	Gross Profit (1 - 2)	153,046	135,409	122,045	288,455	227,602	533,055
4	Selling, General and Administrative expenses	80,128	82,784	72,158	162,912	139,724	288,674
5	Research and Development expenses	17,582	15,636	14,594	33,218	26,562	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	(3,964)	(2,185)	(2,152)	(6,149)	(4,022)	(7,650)
9	Operating profit (3) - (4 + 5 + 6 + 7 + 8)	52,424	39,174	37,445	91,598	65,338	182,522
10	Finance (expense) / income, net	3,710	(2,116)	(495)	1,594	(960)	1,599
11	Share of profit of equity accounted affiliate, net of income taxes	284	190	133	474	173	544
12	Profit before tax (9 + 10 + 11)	56,418	37,248	37,083	93,666	64,551	184,665
13	Tax Expense	15,674	3,650	6,303	19,324	7,497	42,044
14	Net Profit after tax (12 - 13)	40,744	33,598	30,780	74,342	57,054	142,621
15	Extra-ordinary items (net of tax expense)	-	-	-	-	-	-
16	Net Profit for the period / year (14 - 15)	40,744	33,598	30,780	74,342	57,054	142,621
17	Paid-up equity share capital (Face value of Rs. 5/- each)	8,492	8,490	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	23.99	19.81	18.16	43.80	33.68	84.16
	- Diluted	23.93	19.74	18.10	43.64	33.54	83.81
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	
20	Public shareholding *						
	- Number of shares	97,663,976	97,877,295	96,165,909	97,663,976	96,165,909	97,627,569
	- Percentage of shareholding	57.51	57.64	56.73	57.51	56.73	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	25.57	25.61	25.56	25.61	25.61
22	Details of items exceeding 10% of total expenditure						
	- Employee cost	51,330	47,668	40,196	98,999	80,938	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)



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Segment reporting (Consolidated)

Sl. No.	Particulars	All amounts in Indian Rupees lakhs					
		Quarter ended			Half Year ended		Year ended
		30.09.12 (Unaudited)	30.06.12 (Unaudited)	30.09.11 (Unaudited)	30.09.12 (Unaudited)	30.09.11 (Unaudited)	31.03.12 (Audited)
1	Segment wise revenue and results:						
	Segment revenue :						
	a) Pharmaceutical Services and Active Ingredients	92,161	68,372	71,767	160,533	129,375	291,483
	b) Global Generics	201,031	190,663	161,357	391,694	305,597	702,434
	c) Proprietary Products	3,028	3,783	2,638	6,811	4,606	10,776
	d) Others	5,276	4,343	3,458	9,619	6,767	16,045
	Total	301,496	267,161	239,220	568,657	446,345	1,020,738
	Less: Inter-segment revenue	13,411	13,100	12,441	26,511	21,734	53,364
	Net Revenue from operations	288,085	254,061	226,779	542,146	424,611	967,374
2	Segment results :						
	Gross Profit from each segment						
	a) Pharmaceutical Services and Active Ingredients	28,189	17,205	16,901	45,394	27,344	75,077
	b) Global Generics	119,440	112,626	101,998	232,066	194,639	442,633
	c) Proprietary Products	2,624	3,483	2,150	6,107	3,766	9,032
	d) Others	2,793	2,095	996	4,888	1,853	6,313
	Total	153,046	135,409	122,045	288,455	227,602	533,055
	Less: Other un-allocable expenditure, net of other income	96,628	98,161	84,962	194,789	163,051	348,390
	Total profit before tax	56,418	37,248	37,083	93,666	64,551	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	4
Disposed of during the quarter	4
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 Investments 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, Lacock Holdings Limited, Reddy Holding GmbH, betapharm Arzneimittel GmbH, beta Healthcare Solutions 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 SIRKETI, 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, I-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'.

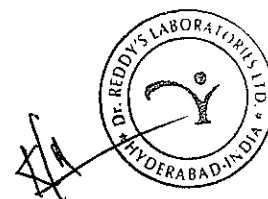
5 The Securities and Exchange Board of India (SEBI) issued a circular, dated 5 April 2010 permitting listed entities having subsidiaries to voluntarily submit the Consolidated Financial Statements as per IFRS. Consequent to this, the Company has voluntarily prepared and published unaudited Consolidated Financial Statements as per IFRS for the quarter and half year ended 30 September 2012 and 30 September 2011, for the quarter ended 30 June 2012 and audited Consolidated Financial Statements as per IFRS for the year ended 31 March 2012.

6 Based on the business performance and expected cash flows from its business in Italy, the Company carried out an impairment test of Dr. Reddy's s.r.l.'s cash-generating unit and recorded an impairment loss of goodwill and intangibles amounting to Rs. 1,809 and Rs. 93 lakhs respectively during the quarter ended 30 September 2012.

7 Consequent to the decline in expected cash flows of some of the products forming part of product related intangibles pertaining to Company's Global Generics segment, the Company carried out an impairment test of such product related intangibles and recorded an impairment loss of Rs. 4,974 lakhs during the quarter ended 30 September 2012.

8 The unaudited results have been reviewed by the Audit Committee of the Board on 29 October 2012 and approved by the Board of Directors of the Company at their meeting held on 30 October 2012. 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 half year ended 30 September 2012 have been subjected to a 'Limited Review' by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.





DR. REDDY'S

10 Statement of Assets and Liabilities (Consolidated)

All amounts in Indian Rupees lakhs

Particulars	As at	As at
	30.09.12	31.03.12
	(Unaudited)	(Audited)
ASSETS		
Current assets		
Cash and cash equivalents	69,787	79,788
Other current investments	136,625	101,733
Trade receivables	262,471	253,388
Inventories	218,851	193,524
Other current assets	100,614	71,091
Total current assets	788,348	699,524
Non-current assets		
Property, plant and equipment	352,996	332,464
Goodwill	20,389	22,081
Other intangible assets	102,584	113,209
Investment in equity accounted investees	4,151	3,678
Other non-current investments	2,090	-
Other non-current assets	34,943	23,815
Total non-current assets	517,153	495,247
Total assets	1,305,501	1,194,771
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings	180,781	158,756
Trade accounts payable	104,122	95,024
Provisions	17,706	19,256
Other current liabilities	171,215	161,577
Total current liabilities	473,824	434,613
Non-current liabilities		
Long-term borrowings	168,234	163,350
Provisions	494	470
Other non-current liabilities	29,409	21,908
Total non-current liabilities	198,137	185,728
Total liabilities	671,961	620,341
Equity		
Equity share capital	8,492	8,478
Reserves and surplus	625,048	565,952
Total equity	633,540	574,430
Total liabilities and equity	1,305,501	1,194,771

11 Unaudited financial results of Dr. Reddy's Laboratories Limited (Standalone Information) prepared as per IGAAP

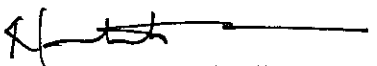
All amounts in Indian Rupees lakhs

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.12	30.06.12	30.09.11	30.09.12	30.09.11	31.03.12
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Total income from operations	210,855	180,454	164,698	391,309	334,394	673,970
Profit before tax and exceptional items	50,262	21,807	18,067	72,069	76,380	125,918
Profit after tax before exceptional items	36,303	17,766	13,850	54,069	59,255	91,236
Profit after tax and exceptional items	36,303	17,766	13,850	54,069	59,255	91,236

Note:

The unaudited standalone financial results for the quarter and half year ended 30 September 2012 are available on the Stock Exchange's website : www.bseindia.com and www.nseindia.com and also on the Company's website: www.drreddys.com.

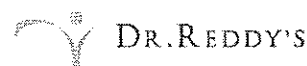
By order of the Board
For Dr. Reddy's Laboratories Limited


Satish Reddy
Managing Director & Chief Operating Officer

Place: Hyderabad
Date: 30 October 2012

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Press Release



Dr. Reddy's Q2 & H1 FY13 Financial Results	
Q2 FY13 Revenues at ₹28.8 billion (YoY growth of 27%)	H1 FY13 Revenues at ₹54.2 billion (YoY growth of 28%)
Q2 FY13 EBITDA at ₹7.7 billion (YoY growth of 47%)	H1 FY13 EBITDA at ₹12.7 billion (YoY growth of 35%)
*Adjusted Q2 FY13 PAT at ₹4.9 billion (YoY growth of 77%)	**Adjusted H1 FY13 PAT at ₹7.8 billion (YoY growth of 56%)

Hyderabad, India, October 30, 2012: Dr. Reddy's Laboratories Ltd. (NYSE: RDY) today announced its unaudited consolidated financial results for the quarter ended September 30, 2012 under International Financial Reporting Standards (IFRS).

Key Highlights (Q2 FY13)

- o Consolidated revenues for Q2 FY13 at ₹28.8 billion, recorded YoY growth of 27%. Consolidated revenues for H1 FY13 at ₹54.2 billion, recorded YoY growth of 28%.
- o Revenues from the Global Generics segment for Q2 FY13 at ₹20.1 billion, recorded YoY growth of 25% primarily driven by North America, India and other emerging markets.
- o Revenues from the PSAI segment for Q2 FY13 at ₹7.9 billion, recorded YoY growth of 33%.
- o EBITDA for Q2 FY13 at ₹7.7 billion, 27% of revenues, recorded YoY growth of 47%. EBITDA for H1 FY13 at ₹12.7 billion, 23% of revenues, recorded YoY growth of 35%.
- o PAT for Q2 FY13 at ₹4.1 billion, 14% of revenues, recorded YoY growth of 32%. PAT for H1 FY13 at ₹7.4 billion, 14% of revenues, recorded YoY growth of 30%.
- o *Adjusted PAT for Q2 FY13 at ₹4.9 billion, 17% of revenues, recorded YoY growth of 77%.
- o During the quarter, the company launched 18 new generic products, filed 11 new product registrations and filed 10 DMFs globally.

* Adjusted for (a) impairment charges in Q2 FY13 (b) the benefit on reversal of provision for voluntary retirement scheme ('VRS') in Q2 FY 12 and (c) tax normalization on account of the annual effective tax rate and the aforementioned adjustments

** Adjusted for (a) impairment charges in Q2 FY13 (b) net charge for voluntary retirement scheme ('VRS') and (c) tax normalization on account of the annual effective tax rate and the aforementioned adjustments



Press Release



All figures in millions, except EPS

All US dollar figures based on convenience translation rate of 1USD = ₹52.92

Dr. Reddy's Laboratories Limited and Subsidiaries Unaudited Consolidated Income Statement

Particulars	Q2 FY13			Q2 FY12			Growth %
	(\$)	(₹)	%	(\$)	(₹)	%	
Revenues	544	28,809	100	429	22,678	100	27
Cost of revenues	255	13,504	47	198	10,473	46	29
Gross profit	289	15,305	53	231	12,205	54	25
Operating Expenses							
Selling, general and administrative expenses	151	8,013	28	136	7,217	32	11
Research and development expenses	33	1,759	6	28	1,459	6	21
Impairment loss on goodwill and intangible assets	13	688	2				
Other operating (income) / expense	(8)	(397)	(1)	(4)	(216)	(1)	85
Results from operating activities	99	5,242	18	71	3,745	17	40
Net finance (income) / expense	(7)	(371)	(1)	1	50	0	(849)
Share of (profit) / loss of equity accounted investees	(1)	(28)	(0)	(0)	(13)	(0)	115
Profit before income tax ('PBT')	107	5,641	20	70	3,708	16	52
Income tax expense	30	1,567	5	12	630	3	148
Profit for the period	77	4,074	14	58	3,078	14	32
Diluted EPS	0.5	23.9		0.3	18.1		32

Profit Computation:

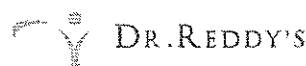
EBITDA Computation	Q2 FY13		Q2 FY12	
	(\$)	(₹)	(\$)	(₹)
PBT	107	5,641	70	3,708
Net Interest Expenses / (Income)	(1)	(32)	4	225
Depreciation	18	943	17	879
Amortization	8	433	7	389
Impairment	13	688		
Reported EBITDA	145	7,673	98	5,201
Adjustments of exceptional items:				
Part reversal of provision booked in Q1 FY12 for VRS			(2)	(94)
Adjusted EBITDA	145	7,673	97	5,107

PAT Computation	Q2 FY13		Q2 FY12	
	(\$)	(₹)	(\$)	(₹)
PAT	77	4,074	58	3,078
Adjustments:				
Part reversal of provision booked in Q1 FY12 for VRS			(2)	(94)
Impairment loss on goodwill and intangible assets	13	688		
Tax adjustment*	3	175	(4)	(192)
Adjusted PAT	93	4,937	53	2,792

* Q2 FY13 normalized to the FY13 annual effective tax rate and Q2 FY12 normalized to the FY12 annual effective tax rate and the effect of the aforementioned adjustments



Press Release



Segmental Analysis

Global Generics

Revenues from Global Generics segment for Q2 FY13 at ₹20.1 billion, recorded YoY growth of 25% driven by key markets of North America, India and other emerging markets.

- o Revenues from **North America** for Q2 FY13 at ₹9.3 billion, recorded YoY growth of 47%.
 - Growth is largely driven by key limited competition products of ziprasidone, tacrolimus, fondaparinux, clopidogrel, ramp-up in antibiotics portfolio and products from Shreveport facility.
 - 4 new products were launched during the quarter - atorvastatin, metoprolol, montelukast family and amoxicillin.
 - 30 products from the prescription portfolio are ranked among the Top 3 in their respective market shares.
(Source: IMS Health Volumes, August 2012)
 - During the quarter, 4 ANDAs were filed. Cumulatively, 63 ANDAs are pending for approval with the USFDA of which 33 are Para IVs and 7 have 'First To File' status.
- o Revenues from **Russia and Other CIS** markets for Q2 FY13 at ₹3.8 billion recorded YoY growth of 14%.
 - Revenues from **Russia** for Q2 FY13 are at ₹3.2 billion.
 - Revenues from **Other CIS** markets for Q2 FY13 at ₹0.62 billion recorded YoY growth of 31%.
- o Revenues from **India** for Q2 FY13 at ₹3.9 billion recorded YoY growth of 12%.
 - Growth driven by volume increase across most key brands.
 - Biosimilars portfolio grew YoY by 24% during the quarter.
 - 4 new brands were launched during the quarter.
- o Revenues from **Europe** for Q2 FY13 at ₹1.8 billion declined YoY by 16%.
 - Revenues from **Germany** for Q2 FY13 at ₹1.1 billion declined YoY by 11%.

Pharmaceutical Services and Active Ingredients (PSAI)

- Revenues from PSAI for Q2 FY13 at ₹7.9 billion, recorded YoY growth of 33%.
- During the quarter, 10 DMFs were filed globally, including 2 in Europe. The cumulative number of DMF filings as of September 30, 2012 is 552.



Press Release



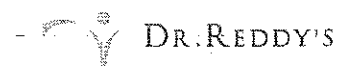
Income Statement Highlights:

- o Gross profit margin at 53.1% in Q2 FY13 marginally dropped by 0.7% versus Q2 FY12. Gross profit margin for Global Generics and PSAI business segments are at 59.4% and 35.8% respectively.
- o Selling, General and Administration (SG&A) expenses including amortization at ₹8 billion increased YoY by 11%.
- o Research & development expenses for Q2 FY13 at ₹1.8 billion is at 6% of revenues.
- o During the quarter, a non-recurring and non-cash impairment charge of ₹688 million pertaining to product intangibles in generics portfolio and a goodwill charge wrt Italian operations has been considered.
- o Net Finance income is at ₹371 million, in Q2 FY13 compared to the net finance cost of ₹50 million in Q2 FY12. The change is on account of :
 - Net incremental forex gain of ₹187 million, primarily on account of reversal of the loss on time value of options recorded in Q1 FY13, due to the recent appreciation in the rupee.
 - Net interest income of ₹33 million in Q2 FY13 compared to net interest expense of ₹225 million in Q2 FY12 primarily on account of higher interest income from Fixed Deposit and mutual funds.
- o EBITDA for Q2 FY13 is ₹7.7 billion, 27% of revenues and recorded YoY growth of 47%. This growth is supported by the increased operating leverage.
- o Profit after Tax in Q2 FY13 at ₹4.1 billion recorded YoY growth of 32%.
- o *Adjusted Profit after tax in Q2 FY13 at ₹4.9 billion recorded YoY growth of 77%.
- o Diluted earnings per share in Q2 FY 13 are ₹23.9.
- o Capital expenditure for Q2 FY13 is ₹1.8 billion.

** Adjusted for (a) impairment charges in Q2 FY13 (b) the benefit on reversal of provision for voluntary retirement scheme ('VRS') in Q2 FY 12 and (c) tax normalization on account of the annual effective tax rate and the aforementioned adjustments*



Press Release



All US dollar figures based on convenience translation rate of 1USD = ₹52.92

Appendix 1: Key Balance Sheet Items

(in millions)

Particulars	As on 30th Sep 12		As on 30th Jun 12	
	(\$)	(₹)	(\$)	(₹)
Cash and cash equivalents	390	20,641	403	21,353
Trade receivables	496	26,247	472	24,975
Inventories	414	21,885	389	20,580
Property, plant and equipment	667	35,300	653	34,550
Goodwill and Other Intangible assets	233	12,297	257	13,597
Loans and borrowings (current & non current)	660	34,901	670	35,430
Trade payables	197	10,412	165	8,750
Equity	1,197	63,354	1,127	59,664

Appendix 2: Revenue Mix by Segment

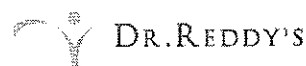
(in millions)

	Q2 FY13			Q2 FY12			Growth %
	(\$)	(₹)	%	(\$)	(₹)	%	
Global Generics	380	20,103	70	305	16,136	71	25
North America		9,270	46		6,287	39	47
Europe		1,777	9		2,117	13	(16)
India		3,879	19		3,459	21	12
Russia & Other CIS		3,841	19		3,380	21	14
RoW		1,336	7		893	6	50
PSAI	149	7,876	27	112	5,933	26	33
North America		1,353	17		1,068	18	27
Europe		2,906	37		2,303	39	26
India		1,148	15		752	13	53
RoW		2,469	31		1,810	31	36
Proprietary Products & Others	16	830	3	12	610	3	36
Total	544	28,809	100	429	22,678	100	27



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Press Release



All figures in millions, except EPS

All US dollar figures based on convenience translation rate of 1USD = ₹52.92

Appendix 3: Consolidated Income Statement

Particulars	H1 FY13			H1 FY12			Growth %
	(\$)	(₹)	%	(\$)	(₹)	%	
Revenues	1,024	54,215	100	802	42,461	100	28
Cost of revenues	479	25,369	47	372	19,701	46	29
Gross profit	545	28,846	53	430	22,760	54	27
Operating Expenses							
Selling, general and administrative expenses	308	16,291	30	264	13,972	33	17
Research and development expenses	63	3,322	6	50	2,656	6	25
Impairment loss on goodwill and intangible assets	13	688	1				
Other operating (income) / expense	(12)	(615)	(1)	(8)	(402)	(1)	54
Results from operating activities	173	9,160	17	123	6,534	15	40
Net finance (income) / expense	(3)	(159)	(0)	2	96	0	(266)
Share of (profit) / loss of equity accounted investees	(1)	(47)	(0)	(0)	(17)	(0)	176
Profit before income tax	177	9,366	17	122	6,455	15	45
Income tax expense	37	1,932	4	14	750	2	157
Profit for the period	140	7,434	14	108	5,705	13	30
Diluted EPS	0.8	43.6		0.6	33.5		30

Appendix 4: Profit Computation:

EBITDA Computation	H1 FY13		H1 FY12	
	(\$)	(₹)	(\$)	(₹)
PBT	177	9,366	122	6,455
Net Interest Expenses / (Income)	0	12	8	446
Depreciation	35	1,839	32	1,708
Amortization	16	833	15	794
Impairment	13	688		
Reported EBITDA	241	12,738	178	9,403
Adjustments of exceptional items:				
One-time charge of Voluntary Retirement Scheme			1	42
Adjusted EBITDA	241	12,738	178	9,445

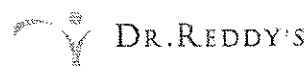
PAT Computation	H1 FY13		H1 FY12	
	(\$)	(₹)	(\$)	(₹)
PAT	140	7,434	108	5,705
Adjustments:				
One-time charge of Voluntary Retirement Scheme			1	42
Impairment loss on goodwill and intangible assets	13	688		
Tax adjustment*	(5)	(280)	(14)	(729)
Adjusted PAT	148	7,842	95	5,018

* H1 FY13 normalized to the FY13 annual effective tax rate and H1 FY12 normalized to the FY12 annual effective tax rate and the effect of the aforementioned transactions

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Press Release



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

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.

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Media:

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

A handwritten signature in black ink, appearing to be 'S. Rajan'.



BSR & Co.

(Registered)
Chartered Accountants

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Hyderabad-500 034. India

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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 half year ended 30 September 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.

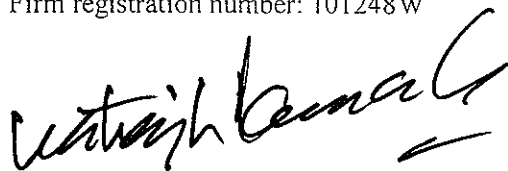
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Institute of the Chartered Accountants of India. This standard requires that we plan and perform the review 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 half year ended 30 September 2012 prepared in accordance with applicable accounting standards and other recognized 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: 30 October 2012

BSR & Co.

(Registered)
Chartered Accountants

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Hyderabad-500 034, India

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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 of the accompanying statement for the quarter and half year ended 30 September 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 half year ended 30 September 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: 30 October 2012