



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

May 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 – Audited Financial Results for the quarter and year ended March 31, 2013

Further to our letter dated April 8, 2013, we would like to inform you that the Board of Directors of the Company at their meeting held on May 14, 2013, have approved the Audited Financial Results of the Company for the quarter and year ended March 31, 2013.

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

1. Audited Standalone Financial Results of the Company for the quarter and year ended March 31, 2013 as per Indian GAAP.
2. Audited Consolidated Financial Results of the Company for the quarter and year ended March 31, 2013 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 Audit Report of the Statutory Auditors on the financial results as mentioned at serial Nos.1 & 2 is also enclosed.

We would also like to inform you that the Board of Directors of the Company have recommended a final dividend of Rs.15/- (300%) per equity share of Rs.5/- face value, for the financial year 2012-13. The dividend on equity shares, if declared by the shareholders at the ensuing Annual General Meeting, will be credited / despatched on or after August 7, 2013.

Please take the above information on record.

With regards,


Sandeep Poddar
Company Secretary

Encl : as above



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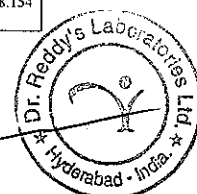
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DR. REDDY'S LABORATORIES LIMITED
PART I : STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2013

All amounts in Indian Rupees lakhs, except share data

Sl. No.	Particulars	Quarter ended		Year ended	
		31.03.2013	31.12.2012	31.03.2013	31.03.2012
		(Audited)	(Unaudited)	(Audited)	(Audited)
1	Income from operations				
	a) Net sales / income from operations (Net of excise duty)	216,090	212,460	174,871	807,434
	b) License fees and service income	7,240	1,265	1,667	17,033
	c) Other operating income	12,918	2,119	2,292	18,934
	Total income from operations (net)	236,248	215,844	178,830	843,401
2	Expenses				
	a) Cost of materials consumed	63,393	62,836	52,603	234,102
	b) Purchase of stock-in-trade	9,707	10,892	8,530	39,308
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	7,330	(6,879)	462	(10,073)
	d) Employee benefits expense	30,343	28,655	23,596	86,614
	e) Research and development expenses	18,505	15,808	16,744	65,092
	f) Selling expenses	17,318	20,373	14,502	76,684
	g) Depreciation and amortisation	8,463	7,907	8,395	31,285
	h) Provision for decline in the value of long-term investments	13	-	19,248	2,232
	i) Other expenditure	32,695	30,239	23,885	123,677
	Total expenses	187,767	169,831	167,965	676,119
3	Profit from ordinary activities before other income, finance costs and exceptional items (1 - 2)	48,481	46,013	10,865	167,282
4	Other income	8,879	2,786	26,288	14,171
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	57,360	48,799	37,153	181,453
6	Finance costs	1,760	1,154	1,567	6,140
7	Profit from ordinary activities before exceptional items (5 - 6)	55,600	47,645	35,586	175,313
8	Exceptional items	-	-	-	-
9	Profit from ordinary activities before tax (7 + 8)	55,600	47,645	35,586	175,313
10	Tax expense	17,785	12,981	14,407	48,766
11	Net Profit from ordinary activities after tax (9 - 10)	37,815	34,664	21,179	126,547
12	Extra-ordinary items (net of tax)	-	-	-	-
13	Net profit for the period / year (11 - 12)	37,815	34,664	21,179	126,547
14	Paid-up equity share capital (face value Rs. 5/- each)	8,492	8,492	8,478	8,492
15	Paid-up debt capital				209,049
16	Reserves (excluding revaluation reserve & debenture redemption reserve)				752,751
17	Debenture redemption reserve				17,118
18	Earnings per share before and after extra-ordinary items (in Rupees) per Rs. 5/- share				
	- Basic	22.27	20.41	12.49	74.54
	- Diluted	22.16	20.31	12.43	74.17
		(Not annualised)	(Not annualised)	(Not annualised)	
19	a) Debt equity ratio				0.064
	b) Debt service coverage ratio				0.697
	c) Interest service coverage ratio				21.318

See accompanying notes to the financial results





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DR. REDDY'S LABORATORIES LIMITED

PART II : SELECTED INFORMATION FOR THE QUARTER AND YEAR ENDED 31 MARCH 2013

A PARTICULARS OF SHAREHOLDING

Sl.No.	Particulars	Quarter ended			Year ended	
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
1	Public shareholding*					
	- Number of shares (face value Rs.5/- each)	97,799,433	98,126,503	97,627,569	97,799,433	97,627,569
	- Percentage of shareholding	57.59	57.78	57.57	57.59	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
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	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

*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	8
Disposed off during the quarter	8
Remaining unresolved at the end of the quarter	Nil

Segment Information

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	Segment wise revenue, results and capital employed:					
1	Segment revenue :					
	a) Pharmaceutical Services and Active Ingredients	91,781	72,564	79,855	296,136	259,069
	b) Global Generics	153,102	158,654	116,564	600,894	468,035
	c) Proprietary Products	332	1	59	3,037	189
	Total	245,215	231,219	196,478	900,067	727,293
	Less: Inter segment revenue	14,116	15,218	17,694	55,845	53,364
	Add : Other unallocable income	14,027	2,629	26,334	13,350	8,219
	Total income	245,126	218,630	205,118	857,572	682,148
2	Segment results :					
	Profit / (loss) before tax and interest from each segment					
	a) Pharmaceutical Services and Active Ingredients	12,860	7,628	15,486	36,189	48,602
	b) Global Generics	45,394	63,026	24,679	187,215	157,976
	c) Proprietary Products	(3,325)	(4,185)	(4,489)	(12,732)	(16,800)
	Total	54,929	66,469	35,676	210,672	189,778
	Less: (i) Interest	1,760	1,154	1,567	6,140	6,362
	(ii) Other un-allocable expenditure, net	(2,431)	17,670	(1,477)	29,219	57,498
	Total profit before tax	55,600	47,645	35,586	175,313	125,918
3	Capital Employed :					
	a) Pharmaceutical Services and Active Ingredients	255,427	238,153	203,180	255,427	203,180
	b) Global Generics	388,826	364,367	272,931	388,826	272,931
	c) Proprietary Products	(435)	(1,733)	(1,754)	(435)	(1,754)
	d) Unallocated	134,543	163,246	197,438	134,543	197,438
	Total	778,361	764,033	671,795	778,361	671,795

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



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DR. REDDY'S

DR. REDDY'S LABORATORIES LIMITED

PART II : SELECTED INFORMATION FOR THE QUARTER AND YEAR ENDED 31 MARCH 2013

Notes:

- 1 The audited results have been reviewed by the Audit Committee of the Board on 13 May 2013 and approved by the Board of Directors of the Company at their meeting held on 14 May 2013.

2 Statement of assets and liabilities

All amounts in Indian Rupees lakhs

Sl. No.	PARTICULARS	As at	As at
		31.03.2013	31.03.2012
		(Audited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders Funds		
a)	Share capital	8,492	8,478
b)	Reserves and surplus	769,869	663,317
	Sub-total - Shareholders' funds	778,361	671,795
2	Non-current liabilities		
a)	Long term borrowings	637	51,301
b)	Deferred tax liabilities (net)	9,372	2,003
c)	Other long term liabilities	277	632
d)	Long-term provisions	2,988	2,120
	Sub-total - Non current liabilities	13,274	56,056
3	Current Liabilities		
a)	Short-term borrowings	158,274	102,036
b)	Trade payables	76,782	73,342
c)	Other current liabilities	130,097	98,437
d)	Short-term provisions	42,127	32,398
	Sub-total - Current liabilities	407,280	306,213
	TOTAL - EQUITY AND LIABILITIES	1,198,915	1,034,064
B	ASSETS		
1	Non-current Assets		
a)	Fixed Assets	281,031	251,439
b)	Non-current investments	218,256	227,049
c)	Long-term loans and advances	35,020	63,192
d)	Other non-current assets	2,090	-
	Sub-total - Non-current assets	536,397	541,680
2	Current Assets		
a)	Current investments	19,656	20,702
b)	Inventories	152,657	132,662
c)	Trade receivables	296,394	194,345
d)	Cash and cash equivalents	91,905	84,904
e)	Short-term loans and advances	88,837	52,993
f)	Other current assets	13,069	6,778
	Sub-total - Current assets	662,518	492,384
	TOTAL - ASSETS	1,198,915	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 During March 2013, the Company entered into an agreement with Nordion Inc., to settle its ongoing litigation for alleged breach of service obligations by Nordion Inc. during the years 2000 to 2004. As part of the settlement, the Company received a total amount of Rs. 12,200 lakhs (USD 22.5 million) from Nordion, out of which Rs. 1,084 lakhs (USD 2 million) is towards reimbursement of research and development cost and the same is recorded as reduction in such cost. The balance Rs. 11,116 lakhs (USD 20.5 million) is towards 'lost profits' and the same is recorded as part of other operating income.

- 5 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.

- 6 The Board of Directors at their meeting held on 14 May 2013 have recommended a final dividend of Rs. 15 per share subject to approval of shareholders.

- 7 The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year. Also the figures upto the end of third quarter were only reviewed and not subject to audit.

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

Satish Reddy
Vice Chairman & Managing Director

Place: Hyderabad
Date: 14 May 2013

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DR. REDDY'S

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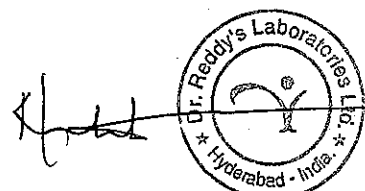
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Audited consolidated financial results of Dr. Reddy's Laboratories Limited and its subsidiaries for the quarter and year ended 31 March 2013 prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Net Income from Sales and Services	333,994	286,516	265,845	1,162,656	967,374
2	Cost of Sales and Services					
	a) (Increase) / decrease in stock-in-trade and work-in-progress	10,783	(4,544)	1,373	(13,608)	(14,017)
	b) Consumption of raw materials	102,999	94,366	84,404	383,628	303,195
	c) Other expenditure	51,763	47,812	40,362	186,850	145,141
3	Gross Profit (1 - 2)	168,449	148,882	139,706	605,786	533,055
4	Selling, General and Administrative expenses	87,224	85,708	72,166	335,844	288,674
5	Research and Development expenses	23,261	20,254	17,404	76,733	59,105
6	Impairment loss on goodwill	-	-	-	1,809	-
7	Impairment loss on intangibles	-	-	10,404	5,067	10,404
8	Other (income) / expense, net	(16,310)	(2,331)	(1,980)	(24,790)	(7,650)
9	Operating profit (3) - (4 + 5 + 6 + 7 + 8)	74,274	45,251	41,712	211,123	182,522
10	Finance (expense) / income, net	3,973	(968)	822	4,599	1,599
11	Share of profit of equity accounted affiliate, net of income taxes	257	313	115	1,044	544
12	Profit before tax (9 + 10 + 11)	78,504	44,596	42,649	216,766	184,665
13	Tax expense	21,415	8,265	8,379	49,004	42,044
14	Net Profit after tax (12 - 13)	57,089	36,331	34,270	167,762	142,621
15	Extra-ordinary items (net of tax expense)	-	-	-	-	-
16	Net Profit for the period / year (14 - 15)	57,089	36,331	34,270	167,762	142,621
17	Net Profit attributable to:					
	- Equity holders of the Company	57,101	36,331	34,270	167,774	142,621
	- Non-controlling interest	(12)	-	-	(12)	-
18	Paid-up equity share capital (Face value of Rs. 5/- each)	8,492	8,492	8,478	8,492	8,478
19	Share premium, retained earnings, share based payment reserve, debenture redemption reserve and other components of equity				722,408	566,001
20	Earnings per share for the period / year (in Rupees) per Rs. 5/- share					
	- Basic	33.62	21.39	20.21	98.82	84.16
	- Diluted	33.51	21.33	20.14	98.44	83.81
		(Not annualised)	(Not annualised)	(Not annualised)		
21	Public shareholding *					
	- Number of shares	97,799,433	98,126,503	97,627,569	97,799,433	97,627,569
	- Percentage of shareholding	57.59	57.78	57.57	57.59	57.57
22	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
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	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
23	Details of items exceeding 10% of total expenditure					
	- Employee cost	53,488	51,647	44,834	204,133	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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DR. REDDY'S

Segment reporting (Consolidated)

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Segment wise revenue and results:					
	Segment revenue :					
	a) Pharmaceutical Services and Active Ingredients	115,846	86,485	92,531	362,864	291,483
	b) Global Generics	225,658	208,277	183,972	825,629	702,434
	c) Proprietary Products	3,855	4,013	2,932	14,679	10,776
	d) Others	2,751	2,959	4,104	15,329	16,045
	Total	348,110	301,734	283,539	1,218,501	1,020,738
	Less: Inter-segment revenue	14,116	15,218	17,694	55,845	53,364
	Net Revenue from operations	333,994	286,516	265,845	1,162,656	967,374
2	Segment results :					
	Gross Profit from each segment					
	a) Pharmaceutical Services and Active Ingredients	34,771	19,531	28,449	99,696	75,077
	b) Global Generics	130,238	124,901	107,029	487,205	442,633
	c) Proprietary Products	3,415	3,715	2,562	13,237	9,032
	d) Others	25	735	1,666	5,648	6,313
	Total	168,449	148,882	139,706	605,786	533,055
	Less: Other un-allocable expenditure, net of other income	89,945	104,286	97,057	389,020	348,390
	Total profit before tax	78,504	44,596	42,649	216,766	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	8
Disposed off during the quarter	8
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, Lacocock Holdings Limited, Reddy Holding GmbH, betapharm Arzneimittel GmbH, Reddy beta GmbH, beta Institut gemeinnützige 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, Dr. Reddy's Laboratories Canada, Inc., OctoPlus N.V., OctoPlus Development B.V., OctoPlus Technologies B.V., OctoShare B.V., OctoPlus Sciences B.V., OctoPlus PolyActive Sciences B.V. and Chienna B.V.

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 During March 2013, the Company entered into an agreement with Nordion Inc., to settle its ongoing litigation for alleged breach of service obligations by Nordion Inc. during the years 2000 to 2004. As part of the settlement, the Company received a total amount of Rs. 12,200 lakhs (USD 22.5 million) from Nordion, out of which Rs. 1,084 lakhs (USD 2 million) is towards reimbursement of research and development cost and the same is recorded as reduction in such cost. The balance Rs. 11,116 lakhs (USD 20.5 million) is towards 'lost profits' and the same is recorded as part of other income.

6 Pursuant to the Company's announcement of its public offer to acquire all of the equity shares of OctoPlus N V ('OctoPlus') at Euro 0.52 per share, the Company acquired and made settlement of the shares tendered under the offer on 15 February 2013. The transaction was accounted under IFRS 3 - Business Combinations. As of 31 March 2013, the Company had acquired 98.9% of the total shares of OctoPlus for a total consideration of Euro 27 million.

7 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 lakhs and Rs. 93 lakhs respectively during the quarter ended 30 September 2012.

8 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.

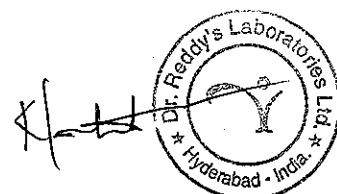
9 The audited results have been reviewed by the Audit Committee of the Board on 13 May 2013 and approved by the Board of Directors of the Company at their meeting held on 14 May 2013. The above financial results have been prepared from the consolidated financial statements, which are prepared in accordance with International Financial Reporting Standards and its interpretations (IFRS), as issued by the International Accounting Standards Board (IASB).

10 The Board of Directors at their meeting held on 14 May 2013 have recommended a final dividend of Rs. 15 per share subject to approval of shareholders.

11 The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year. The figures up to the end of third quarter were only reviewed and not subject to audit.

12 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 audited Consolidated Financial Statements as per IFRS for the year ended 31 March 2013 and 31 March 2012.

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DR. REDDY'S

13 Statement of Assets and Liabilities (Consolidated)

All amounts in Indian Rupees lakhs

Particulars	As at	As at
	31.03.2013	31.03.2012
	(Audited)	(Audited)
ASSETS		
Current assets		
Cash and cash equivalents	51,363	79,788
Other current investments	169,630	101,733
Trade receivables	319,717	253,388
Inventories	215,995	193,524
Other current assets	100,425	71,091
Total current assets	857,130	699,524
Non-current assets		
Property, plant and equipment	378,144	332,464
Goodwill	31,932	22,081
Other intangible assets	108,281	113,209
Investment in equity accounted investees	4,721	3,678
Other non-current investments	2,092	-
Other non-current assets	41,390	23,815
Total non-current assets	566,560	495,247
Total assets	1,423,690	1,194,771
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings	241,350	158,756
Trade accounts payable	118,618	95,024
Provisions	22,881	19,256
Other current liabilities	153,615	161,577
Total current liabilities	536,464	434,613
Non-current liabilities		
Long-term borrowings	126,247	163,350
Provisions	474	470
Other non-current liabilities	29,460	21,908
Total non-current liabilities	156,181	185,728
Total liabilities	692,645	620,341
Equity		
Equity share capital	8,492	8,478
Reserves and surplus	722,361	565,952
Non-controlling interest	192	-
Total equity	731,045	574,430
Total liabilities and equity	1,423,690	1,194,771

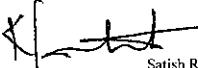
14 Audited financial results of Dr. Reddy's Laboratories Limited (Standalone Information) prepared as per IGAAP

Particulars	Quarter ended			Year ended	
	31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Total income from operations	236,248	215,844	178,830	843,401	673,970
Profit from ordinary activities before tax	55,600	47,645	35,586	175,313	125,918
Profit from ordinary activities after tax	37,815	34,664	21,179	126,547	91,236

Note:

The audited standalone financial results for the quarter and year ended 31 March 2013 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
Vice Chairman & Managing Director

Place: Hyderabad
Date: 14 May 2013

18
VH

Dr. Reddy's Q4 & FY13 Financial Results

Highest ever Quarterly Performance

FY13 Revenues at ₹116.3 billion

(YoY growth of 26%) #

FY13 EBITDA at ₹27.8 billion

FY13 PAT* at ₹17.5 billion

Q4 FY13 Revenues at ₹33.4 billion

(YoY growth of 26%)

Q4 FY13 EBITDA at ₹9.3 billion

Q4 FY13 PAT at ₹5.7 billion

Hyderabad, India, May 14, 2013: Dr. Reddy's Laboratories Ltd. (NYSE: RDY) today announced its audited consolidated financial results for the fourth quarter and full year ended March 31, 2013 under International Financial Reporting Standards (IFRS).

Key Highlights

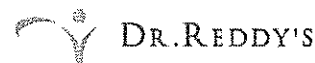
- o Consolidated revenues for FY13 at ₹116.3 billion, recorded year-on-year growth of 20%. Excluding the beneficial impact of olanzapine exclusivity in FY12, registered year-on-year growth of 26%. Growth primarily driven by North America and Emerging Markets (which include Russia, other CIS countries and Rest of World (RoW) territories) in the Global Generics segment; and overall performance by Pharmaceutical Services and Active Ingredients segment.
 - Consolidated revenues of ₹33.4 billion in Q4 FY13, year-on-year growth of 26%.
- o EBITDA of ₹27.8 billion in FY13, 24% of revenues, with year-on-year growth of 9.5%.
 - EBITDA of ₹9.3 billion in Q4 FY13, 28% of revenues, with year-on-year growth of 37%.
- o Profit after tax* for FY13 at ₹17.5 billion, 15% of revenues with year-on-year growth of 17%
 - Profit after tax of ₹5.7 billion in Q4 FY13, 17% of revenues with year-on-year growth of 67%.
- o During the year, the company launched 78 new generic products, filed 56 new product registrations and filed 47 DMFs globally.
 - During the quarter, the company launched 18 new generic products, filed 14 new product registrations and filed 17 DMFs globally.



Excluding olanzapine exclusivity in FY12

*PAT adjusted for Impairment of intangibles/goodwill

Press Release



All figures in millions, except EPS

All US dollar figures based on convenience translation rate as on 31st March, 2013 1USD = ₹54.52

Dr. Reddy's Laboratories Limited and Subsidiaries

Audited Consolidated Income Statement

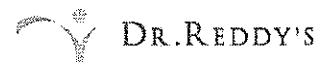
Particulars	FY13			FY12			Growth %
	(\$)	(Rs.)	%	(\$)	(Rs.)	%	
Revenue	2,133	116,266	100	1,774	96,737	100	20
Cost of revenues	1,021	55,687	48	797	43,432	45	28
Gross profit	1,111	60,579	52	978	53,305	55	14
Operating Expenses							
Selling, general & administrative expenses	616	33,584	29	529	28,867	30	16
Research and development expenses	141	7,673	7	108	5,911	6	30
Write down of intangible assets	9	507	0	19	1,040	1	(51)
Write down of goodwill	3	181	0	0	0	0	0
Other operating income	(45)	(2,479)	(2)	(14)	(765)	(1)	224
Results from operating activities	387	21,112	18	335	18,252	19	16
Net finance income	(8)	(460)	(0)	(3)	(160)	(0)	187
Share of profit of equity accounted investees	(2)	(104)	(0)	(1)	(54)	(0)	93
Profit before income tax	398	21,677	19	339	18,466	19	17
Income tax expense	90	4,900	4	77	4,204	4	17
Profit for the year	308	16,776	14	262	14,262	15	18
Diluted EPS	1.8	98.44		1.5	83.81		17

EBITDA Computation

Particulars	FY13		FY12	
	(\$)	(Rs.)	(\$)	(Rs.)
PBT	398	21,677	339	18,466
Interest and Income from Mutual Funds	(2)	(94)	13	690
Depreciation	71	3,859	67	3,628
Amortization & Impairment	44	2,378	48	2,626
EBITDA	510	27,820	466	25,409



Press Release



All figures in millions, except EPS

All US dollar figures based on convenience translation rate as on 31st March, 2013 1USD = ₹54.52

Appendix 1: Key Balance Sheet Items

Particulars	As on 31st March 13		As on 31st March 12	
	(\$)	(Rs.)	(\$)	(Rs.)
Cash and cash equivalents	405	22,099	333	18,152
Trade receivables	586	31,972	465	25,339
Inventories	396	21,600	355	19,352
Property, plant and equipment	694	37,814	610	33,246
Goodwill and Other Intangible assets	257	14,021	248	13,529
Loans and borrowings (current & non-current)	674	36,760	591	32,210
Trade payables	218	11,862	174	9,503
Equity	1,341	73,085	1,054	57,444

Appendix 2: FY13 Revenue Mix by Segment

Particulars	FY13			FY12			Growth
	(\$)	(Rs.)	%	(\$)	(Rs.)	%	%
Global Generics	1,514	82,563	71	1,288	70,243	73	18
North America		37,846	46		31,889	45	19
Europe		7,716	9		8,259	12	(7)
India		14,560	18		12,931	18	13
Russia & Other CIS		16,908	20		13,260	19	28
RoW		5,533	7		3,904	6	42
PSAI	563	30,702	26	437	23,812	25	29
North America		5,744	19		4,272	18	34
Europe		12,007	39		8,424	35	43
India		4,638	15		3,586	15	29
RoW		8,313	27		7,531	32	10
Proprietary Products & Others	55	3,001	3	49	2,682	3	12
Total	2,133	116,266	100	1,774	96,737	100	20



Segmental Analysis

Global Generics

Revenues from Global Generics segment for FY13 are at ₹82.6 billion with a year-on-year growth of 18%, primarily driven by North America and Emerging Markets.

- o Revenues from **North America** for FY13 at ₹37.8 billion, recorded year-on-year growth of 19%. Excluding the beneficial impact of olanzapine exclusivity in FY12, registered year-on-year growth of 38%.
 - Growth is largely driven by key limited competition products such as ziprasidone, fondaparinux, ramp-up in our antibiotics portfolio and products from our Shreveport facility.
 - Significant contribution from new products launched during the year. 14 new products have been launched during the year major contributors being finasteride 1mg (180 day exclusivity), montelukast granules, atorvastatin, metoprolol, clopidogrel, ibandronate and zoledronic acid 4mg/5mL.
 - 19 product filings (18 ANDAs and 1 NDA). Cumulatively, 65 ANDAs are pending for approval with the USFDA of which 38 are Para IVs and 8 have 'First To File' status.
- o Revenues from **Emerging Markets** for FY13 at ₹22.4 billion recorded year-on-year growth of 31%.
 - Revenues from **Russia** for FY13 stood at ₹14.0 billion and recorded year-on-year growth of 27%, largely driven by volume growth in the major brands and new product launches.
 - Revenues from **Other CIS** markets for FY13 stood at ₹2.9 billion recorded year-on-year growth of 28%.
 - Revenues from **Rest of World (RoW)** territories at ₹5.5 billion recorded year-on-year growth of 42%. Of this Venezuela and Australia have shown strong growth in FY13 on the back of higher volumes for existing products and new product launches.
- o Revenues from **India** for FY13 at ₹14.6 billion recorded year-on-year growth of 13%.
 - Growth driven by volume increase across most key brands and new products launches.
 - 24 new brands were launched.
 - IMS Mar '13, Dr Reddy's MAT Gr% 13.7% Vs IPM MAT Gr% of 10.2%. (Source: IMS).
 - Biosimilars portfolio has grown by 25% in FY13 compared to FY12.

Pharmaceutical Services and Active Ingredients (PSAI)

- Revenues from PSAI for FY13 at ₹30.7 billion, recorded Year-on-year growth of 29%.
- High growth on account of increased sales to generic customers on account of patent expirations and higher customer orders in the custom pharmaceutical business.
- During the year, 47 DMFs were filed globally, including 5 in the US and 10 in Europe. The cumulative number of DMF filings as of March 31, 2013 is 577.



Income Statement Highlights:

- o Gross profit margin stood at 52.1% in FY13 as compared to 55.1% in FY12. Adjusted for the olanzapine exclusivity in FY12, the gross profit margins remained stable. Gross profit margin for Global Generics and PSAI business segments are at 59.0% and 32.5% respectively for FY13.
- o Selling, General and Administration (SG&A) expenses including amortization at ₹33.6 billion increased Year-on-year by 16%. The increase is primarily on account of regular year-on-year increments in manpower costs, selling costs and the effect of rupee depreciation against multiple currencies. SG&A as a percentage to sales stood at 29% in FY13 and compared to previous year there is a fall of 100 bps indicating improved operating leverage.
- o Research & development expenses for FY13 at ₹7.7 billion is at 6.6% of revenues as against ₹5.9 billion at 6.1% of revenues in FY12.
- o During the year Dr. Reddy's benefited by an amount of USD 22.5 Mn from one-time settlement done with Nordion Inc [which is formerly MDS Inc]. The settlement is towards the damages sustained by the Company due to the breach by Nordion of the then existing Laboratory services agreement for bioequivalence studies.
- o Net Finance income in FY13 is at ₹460 million compared to the net finance income of ₹160 million in FY12. The change is on account of :
 - Net forex gain of ₹365 million in FY13 compared to net forex gain of ₹689 million.
 - Net interest expense of ₹118 million in FY13 compared to net interest expense of ₹690 million in FY12.
 - Incremental income from mutual funds of ₹51 million in FY13 over FY12.
- o EBITDA for FY13 is ₹27.8 billion, 24% of revenues and increased by 9.5% as compared to the previous year.
- o Profit after Tax* in FY13 at ₹17.5 billion, 15% of revenues and increased by 17% as compared to the previous year.
- o Diluted earnings per share in FY 13 are ₹ 98.4
- o Capital expenditure for FY13 is ₹6.6 billion.



**PAT adjusted for Impairment of intangibles/goodwill*

Press Release



All figures in millions, except EPS

All US dollar figures based on convenience translation rate as on 31st March, 2013 1USD = ₹54.52

Appendix 3: Q4 FY13 Consolidated Income Statement

Particulars	Q4 FY13			Q4 FY12			Growth %
	(\$)	(Rs.)	%	(\$)	(Rs.)	%	
Revenue	613	33,400	100	488	26,584	100	26
Cost of revenues	304	16,554	50	231	12,614	47	31
Gross profit	309	16,846	50	256	13,970	53	21
Operating Expenses							
Selling, general & administrative expenses	160	8,722	26	132	7,217	27	21
Research and development expenses	43	2,326	7	32	1,741	7	34
Write down of intangible assets	0	0	0	19	1,040	4	
Other operating income	(30)	(1,631)	(5)	(4)	(199)	(1)	720
Results from operating activities	136	7,427	22	77	4,172	16	78
Net finance income	(7)	(397)	(1)	(1)	(82)	(0)	386
Share of profit of equity accounted investees	(0)	(26)	(0)	(0)	(11)	(0)	131
Profit before income tax	144	7,850	24	78	4,265	16	84
Income tax expense	39	2,141	6	15	838	3	156
Profit for the period	105	5,709	17	63	3,427	13	67
Diluted EPS	0.6	33.51		0.4	20.09		67

Appendix 4: Q4 FY13 Profit Computation

Particulars	Q4 FY13		Q4 FY12	
	(\$)	(Rs.)	(\$)	(Rs.)
PBT	144	7,850	78	4,265
Interest	(1)	(52)	2	89
Depreciation	19	1,049	19	1,021
Amortization	8	446	7	383
Impairment	0	0	19	1,040
EBITDA	170	9,293	125	6,798



Press Release



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 and differentiated formulations. Major therapeutic focus is on gastro-intestinal, cardiovascular, diabetology, oncology, pain management and anti-infective. Major markets include India, USA, Russia-CIS and Europe apart from other select geographies within Emerging Markets.

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

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Media:

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



BSR & Co.

(Registered)
Chartered Accountants

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

Auditor's Report on the Annual Financial Results of Dr. Reddy's Laboratories Limited Pursuant to the Clause 41 of the Listing Agreement

To
The Board of Directors of
Dr. Reddy's Laboratories Limited

We have audited the accompanying annual financial results of Dr. Reddy's Laboratories Limited ("the Company") for the year ended 31 March 2013 attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement 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. Attention is drawn to the fact that the figures for the quarter ended 31 March 2013 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter of the respective financial years have only been subjected to a review and have not been subjected to audit.

These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- (i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the financial year ended 31 March 2013.

Further, we also report that we have, on the basis of the books of accounts and other records and information and explanation given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

for **B S R & Co.**

Chartered Accountants

Firm Registration Number : 101248W



Natrajh Ramakrishna

Partner

Membership No: 32815

Place: Hyderabad

Date: 14 May 2013

BSR & Co.

(Registered)
Chartered Accountants

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Road No. 11, Banjara Hills
Hyderabad-500 034. India

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

Auditor's Report on the Annual Consolidated Financial Results of Dr. Reddy's Laboratories Limited Pursuant to the Clause 41 of the Listing Agreement

To
The Board of Directors of
Dr. Reddy's Laboratories Limited

We have audited the annual consolidated financial results of Dr. Reddy's Laboratories Limited ("the Company") and the subsidiaries companies as listed in Notes 2 and 4 of the accompanied statement for the year ended 31 March 2013 attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement 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. Attention is drawn to the fact that the figures for the quarter ended 31 March 2013 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter of the respective financial year have only been subjected to review and have not been subject to an audit.

These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board (IFRS) and in compliance with Clause 41 of the Listing Agreement.

We did not audit the financial results of a subsidiary which has been audited by other auditors whose reports have been furnished to us, and our opinion is based on the report of other auditor. The attached consolidated financial results include revenue of Rs 35,527 lakhs and Rs 139,692 lakhs in respect of the aforementioned subsidiary for the quarter and year then ended, respectively.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these financial results:

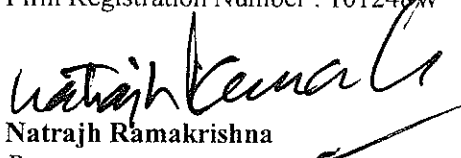
- (i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the financial year ended 31 March 2013.

Further, we also report that we have, on the basis of the books of accounts and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

for **B S R & Co**

Chartered Accountants

Firm Registration Number : 101248W



Natrajh Ramakrishna
Partner

Membership No: 32815

Place: Hyderabad

Date: 14 May 2013