



Ipca Laboratories Limited

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POST BOX No. 7688, 142-AB, KANDIVLI INDUSTRIAL ESTATE, KANDIVLI (WEST), MUMBAI - 400 067.

BY FAX AND CONFIRMATORY COPY BY HAND DELIVERY

October 22, 2010

The Secretary
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
27th Floor, Dalal Street
Mumbai 400 023

Dear Sir,

Pursuant to Clause 41 of the Listing Agreement, we enclose herewith our Unaudited Financial Results along with limited review report of the Company's Auditors for the 2nd Quarter and half year ended 30th September, 2010, which was taken on record at the Meeting of the Board of Directors of the Company held today.

We are also enclosing herewith a press release issued by the Company in respect of its Q2 unaudited financial Results.

We also wish to inform you that, the Board has declared an interim dividend of 50% (Re. 1/- per share) for the financial year 2010-11.

Kindly note that vide our letter dated 7th October, 2010, we have already informed you that 29th October, 2010 has been fixed as the Record Date for ascertaining the members entitlement of above interim dividend now declared.

This is for your information and record.

Thanking you

Yours faithfully
For Ipca Laboratories Limited

Harish P. Kamath
Company Secretary

Encl : a/a

Cc: The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Flr, Plot # C/1
G Block, Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051.

Ipca

Ipca Laboratories Limited

Regd. Office : 48, Kandivli Industrial Estate, Kandivli (W), Mumbai-400 067.

UNAUDITED FINANCIAL RESULTS

(Rs. Lacs)

Particulars	Quarter Ended		Half Year Ended		Year Ended 31.3.2010 (Audited)
	30.9.2010	30.9.2009	30.9.2010	30.9.2009	
Gross Sales	53192	44079	95899	80914	158875
Less : Excise Duty and Sales Tax	1763	1201	3020	2259	4320
Net Sales	51429	42878	92879	78655	154555
Other Operating Income	400	148	748	265	719
Total Income	51829	43026	93627	78920	155274
Expenditure					
a) (Increase)/decrease in stock in trade and work in progress	(195)	(438)	(1552)	1929	(1237)
b) Materials consumption	18427	15951	34957	27333	58207
c) Purchase of traded goods	2212	1852	4521	3017	7125
d) Employees Cost	6998	5744	13573	10924	21638
e) Depreciation / Amortisation	1368	1170	2656	2270	4633
f) Manufacturing and other expenditure	12587	9705	23205	18319	36352
Total Expenditure	41397	33984	77360	63792	126718
Profit from operations before Other Income, Foreign Exchange translations (gain)/loss, Interest & Tax	10432	9042	16267	15128	28556
Other Income	75	53	133	464	621
Profit before Foreign Exchange translations (gain)/loss, Interest & Tax	10507	9095	16400	15592	29177
Foreign Exchange translations (gain) / loss	(2884)	56	(2591)	(561)	(579)
Financial cost (Net)	620	706	1106	1468	2583
Profit before tax	12771	8333	17885	14685	27173
Tax Expense (including Deferred Tax and short/excess provision for tax of earlier year)	3370	1945	4600	3320	6254
Net Profit after tax	9401	6388	13285	11365	20919
Paid-up equity share capital (Face value of Rs.2/- each)	2504	2494	2504	2494	2504
Reserves excluding revaluation reserve	-	-	-	-	84982
Earnings per share (Rs.)					
Basic	7.51	5.12	10.61	9.11	16.75
Diluted	7.49	5.10	10.59	9.08	16.72
Debt Service coverage ratio (DSCR) (No. of times)#	-	-	5.37	2.87	3.15
Interest service coverage ratio (ISCR) (No. of times)##	-	-	17.86	12.43	12.73
Aggregate of public shareholding					
- Number of shares	67345965	13352023	67345965	13352023	67317365
- Percentage of shareholding	53.78%	53.55%	53.78%	53.55%	53.75%
Promoters and Promoter group shareholding					
a) Pledged / Encumbered					
- Number of Shares	8658182	3505000	8658182	3505000	13970000
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	14.96%	30.26%	14.96%	30.26%	24.12%
- Percentage of Shares (as a % of the total share capital of the Company)	6.91%	14.05%	6.91%	14.05%	11.16%
b) Non - encumbered					
- Number of Shares	49223508	8078758	49223508	8078758	43940290
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	85.04%	69.74%	85.04%	69.74%	75.88%
- Percentage of Shares (as a % of the total share capital of the Company)	39.31%	32.40%	39.31%	32.40%	35.09%

DSCR = [(Profit after tax before exceptional items + depreciation + interest on long term debts) / (Interest & Principal repayment of long term debts during the period)]

ISCR = [(Profit before tax + depreciation + gross interest) / Gross interest]



UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 30th SEPTEMBER, 2010

Sr. No.	Particulars	Standalone		(Rs. Lacs)
		30.09.2010	30.09.2009	31.03.2010 (Audited)
1	Shareholders' Funds			
	a) Capital	2504	2494	2504
	b) Share Application money pending allotment	1	2	1
	c) Reserves and Surplus	95029	74858	84982
2	Loan Fund	48170	44183	45398
3	Deferred Tax Liability	8571	7300	7931
	Total	154275	128837	140816
4	Fixed Assets	73322	61790	67475
5	Investments	5680	5225	4942
6	Current Assets, Loans and Advances			
	a) Inventories	38398	30069	37084
	b) Sundry Debtors	54408	45218	39191
	c) Cash and Bank balances	291	917	829
	d) Loans and Advances	10029	8257	12154
	Less : Current Liabilities and Provisions			
	a) Liabilities	26345	21492	18392
	b) Provisions	1508	1147	2467
7	Miscellaneous Expenditure(Not written off)	-	-	-
	Total	154275	128837	140816

Notes:

1. The above unaudited financial results, as reviewed by the Audit Committee, were approved and taken on record by the Board of Directors in their meeting held on October 22, 2010.
2. The Auditors of the Company have carried out the limited review of the above unaudited financial results in terms of clause 41 of the Listing Agreement.
3. The Board has declared an interim dividend of Re.1/- per share (50%) for the financial year 2010-11 for which 29th October, 2010 has been fixed as the record date for members' entitlement of interim dividend.
4. The Board of Directors have allotted 3,53,750 fully paid up equity shares of Rs.2/- each on 22nd October, 2010 upon exercise of options granted under ESOS.
5. The entire operations of the Company relate to only one segment viz. 'Pharmaceuticals'.
6. Previous year's / period's figures have been regrouped, wherever necessary.
7. During the quarter, 74 investor grievances were received and all were disposed off. No grievances were pending either at the beginning or at the end of the quarter.

Place : Mumbai
Date : October 22, 2010

By Order of the Board
For Ipca Laboratories Limited

Premchand Godha
Premchand Godha
Managing Director



Partnering Healthcare Globally

[Handwritten signature]

Natvarlal Vepari & Co.

CHARTERED ACCOUNTANTS

Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6631 5851 • Fax : 6631 5852 • E-Mail : nvc@nvc.in

Report on Limited Review

To
The Board of Directors
Ipca Laboratories Limited,
Mumbai.

We have reviewed the accompanying statement of un-audited financial results of Ipca Laboratories Limited for the period ended 30th September 2010 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 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 un-audited financial results 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 for Equity Shares and Clause 4 of the Listing Agreement for Debt Securities including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W



N Jayendran
Partner

M. No. - 40441

Mumbai, Dated: - October 22, 2010



PRESS RELEASE

Ipca Laboratories Q2 FY11 Results

Net Total Income at Rs. 519.04 crores, up by 20%

EBITDA at Rs. 118.00 crores, up by 16%

Net Profit at Rs. 94.01 crores, up by 47%

Interim Dividend of Re. 1/- per share (50%) declared

Mumbai, India, October 22, 2010: Ipca Laboratories Limited today announced its unaudited financial results for the second quarter ended 30th September, 2010 of the financial year 2010-11.

Key Highlights of Q2 FY11

- Net Total Income at Rs. 519.04 crores in Q2 FY11 as against Rs. 430.79 crores in Q2 FY10, growth of 20%.
- Export Income at Rs. 251.53 crores in Q2 FY11 as against Rs. 219.54 crores in Q2 FY10, growth of 15%.
- EBITDA at Rs. 118.00 crores in Q2 FY11 as against Rs. 102.12 crores in Q2 FY10, growth of 16%.
- EBITDA margin @ 22.77% in Q2 FY11 as against 23.73% in Q2 FY10.
- Net Profit at Rs. 94.01 crores in Q2 FY11 as against Rs. 63.88 crores in Q2 FY10, growth of 47%.
- EPS of Rs. 7.49 in Q2 FY11 as against Rs. 5.10 in Q2 FY10.
- Interim Dividend of Re. 1/- per share (50%) declared.

Revenue Break-up – Q2 FY11

Formulations:

- Total Revenue from formulations business at Rs. 397.04 crores in Q2 FY11 as against Rs. 309.24 crores in Q2 FY10, growth of 28%.
- Revenue from Indian formulations business at Rs. 221.94 crores in Q2 FY11 as against Rs. 171.49 crores in Q2 FY10, growth of 29%.



- Revenue from export formulations business at Rs. 175.10 crores in Q2 FY11 as against Rs. 137.75 crores in Q1 FY10, growth of 27%.

Active Pharmaceutical Ingredients (APIs)

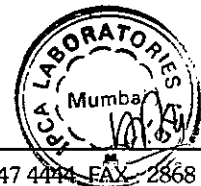
- Total Revenues from Active Pharmaceutical Ingredients (APIs) business at Rs. 117.26 crores in Q2 FY11 as against Rs. 119.55 crores in Q2 FY10, growth of -2%.
- Revenues from Indian Active Pharmaceutical Ingredients (APIs) business at Rs. 40.83 crores in Q2 FY11 as against Rs. 37.76 crores in Q2 FY10, growth of 8%.
- Revenue from export Active Pharmaceutical Ingredients (APIs) business at Rs. 76.43 crores in Q2 FY11 as against Rs. 81.79 crores in Q2 FY10, growth of -7%.

Key Highlights of H1 FY11

- Net Total Income at Rs. 937.60 crores in H1 FY11 as against Rs. 793.84 crores in H1 FY10, growth of 18%.
- Export Income at Rs. 461.85 crores in H1 FY11 as against Rs. 394.74 crores in H1 FY10, growth of 17%.
- EBITDA at Rs. 189.23 crores in H1 FY11 as against Rs. 173.98 crores in H1 FY10, growth of 9%.
- EBITDA margin @ 20.21% in H1 FY11 as against 22.05% in H1 FY10.
- Net Profit at Rs. 132.85 crores in H1 FY11 as against Rs. 113.65 crores in H1 FY10, growth of 17%.
- EPS of Rs. 10.59 in H1 FY11 as against Rs. 9.08 in H1 FY10.

Revenue Break-up – H1 FY11**Formulations:**

- Total Revenue from formulations business at Rs. 687.27 crores in H1 FY11 as against Rs. 548.69 crores in H1 FY10, growth of 25%.
- Revenue from Indian formulations business at Rs. 390.14 crores in H1 FY11 as against Rs. 316.39 crores in H1 FY10, growth of 23%.
- Revenue from export formulations business at Rs. 297.13 crores in H1 FY11 as against Rs. 232.30 crores in H1 FY10, growth of 28%.



Active Pharmaceutical Ingredients (APIs)

- Total Revenues from Active Pharmaceutical Ingredients (APIs) business at Rs. 241.52 crores in H1 FY11 as against Rs. 237.87 crores in H1 FY10, growth of 2%.
- Revenues from Indian Active Pharmaceutical Ingredients (APIs) business at Rs.76.80 crores in H1 FY11 as against Rs. 75.43 crores in H1 FY10, growth of 2%.
- Revenue from export Active Pharmaceutical Ingredients (APIs) business at Rs.164.72 crores in H1 FY11 as against Rs. 162.44 crores in H1 FY10, growth of 1%.
- Till date, the Company has filed 20 ANDAs with US-FDA out of which 10 ANDAs are granted.
- 54 DMFs are also filed with US-FDA for Active Pharmaceutical Ingredients (APIs).

Q2 FY11 at a glance

(Rs. Crores)			
2 nd Quarter ended	30.09.2010	30.09.2009	Growth
Net Total Income	519.04	430.79	20%
Export Income	251.53	219.54	15%
EBITDA	118.00	102.12	16%
Profit before Forex gain / (loss) and tax	98.87	83.89	18%
Forex gain / (loss)	28.84	(0.56)	-
Net Profit after Forex gain / (loss) and tax	94.01	63.88	47%
Earnings per share of Rs. 2/- each (Rs.)	7.49	5.10	47%

H1 FY11 at a glance

(Rs. Crores)			
Half Year ended	30.09.2010	30.09.2009	Growth
Net Total Income	937.60	793.84	18%
Export Income	461.85	394.74	17%
EBITDA	189.23	173.98	9%
Profit before Forex gain / (loss) and tax	152.94	141.24	8%
Forex gain / (loss)	25.91	5.61	-
Net Profit after Forex gain / (loss) and tax	132.85	113.65	17%
Earnings per share of Rs. 2/- each (Rs.)	10.59	9.08	17%





Ipca Laboratories Limited

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About Ipca Laboratories:

Ipca Laboratories is a fast growing pharmaceutical major, with a strong thrust on exports. Exports to over 110 countries, now account for nearly half of Company's income. Ipca Laboratories is vertically integrated and produces finished dosage forms and Active Pharmaceutical Ingredients.

Premchand Godha
Managing Director



Encl: Unaudited Financial Results

Contact Information:

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