

RANBAXY

Trusted medicines. Healthier lives

CORPORATE OFFICE: PLOT NO. 90, SECTOR-32, GURGAON-122001 (HARYANA), INDIA

PHONE: +91-124-4135000 FAX: +91-124-4106490

E-mail: secretarial@ranbaxy.com

February 5, 2014

TO : **STOCK EXCHANGES**

Dear Sir,

Re. : Board Meeting on February 5, 2014

This is to inform you that the Board of Directors at its meeting held today i.e. February 5, 2014 have approved Consolidated and Standalone Unaudited Financial Results for the fourth quarter and twelve months period ended December 31, 2013, as reviewed by the Statutory Auditors of the Company. Results alongwith Review Reports of the Auditors of the Company are enclosed. Consolidated Financial Results are being published in the newspapers.

Thanking you,

Yours faithfully,
for RANBAXY LABORATORIES LTD.



(NAVNEET RAGHUVANSHI)
DY. COMPANY SECRETARY

Encl. : As above.

RANBAXY LABORATORIES LIMITED

HEAD OFFICE: 12TH FLOOR, DEVIKA TOWER, 6, NEHRU PLACE, NEW DELHI - 110019

REGISTERED OFFICE: A-41, INDUSTRIAL AREA PHASE VIII-A, SAHIBZADA AJIT SINGH NAGAR, MOHALI - 160071 (PUNJAB)

WEBSITE: <http://www.ranbaxy.com>

RANBAXY LABORATORIES LIMITED

Statement of Consolidated Unaudited Financial Results for the quarter and twelve months ended 31 December 2013

(Rupees in millions, except share data, per share data and unless otherwise stated)

PART I						
Sr. No.	Particulars	(Unaudited) Quarter ended 31 December	(Unaudited) Quarter ended 30 September	(Audited) (refer to Note 18) Quarter ended 31 December	(Unaudited) (refer to Note 16) Twelve months ended 31 December	(Audited) Year ended 31 December
		2013	2013	2012	2013	2012
1	Income from operations					
	(a) Sales					
	- Within India (net of excise duty)	5,908.54	5,910.98	5,476.75	22,991.57	22,008.26
	- Outside India (refer to note 2)	22,681.09	21,590.76	21,231.33	83,050.35	100,520.68
	Net sales (net of excise duty)	28,589.63	27,501.74	26,708.08	106,041.92	122,528.94
	(b) Other operating income	350.29	514.67	404.06	1,974.72	2,068.33
	Total income from operations (net)	28,939.92	28,016.41	27,112.14	108,016.64	124,597.27
2	Expenses					
	(a) Cost of materials consumed	5,858.71	5,921.08	5,519.41	23,162.72	20,609.33
	(b) Purchases of stock-in-trade	5,004.40	4,785.28	4,230.09	18,121.22	18,863.07
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade (refer to note 4)	(404.39)	(431.51)	1,795.50	(2,250.72)	1,128.77
	(d) Employee benefits expense (refer to note 5)	5,493.20	5,316.40	4,933.20	20,803.07	19,284.15
	(e) Depreciation, amortisation and impairment expense (refer to note 6)	915.02	1,334.21	804.76	3,808.64	3,202.47
	(f) Claims and contractual expense	10.99	332.42	546.31	529.12	11,795.04
	(g) Other expenses	10,374.73	10,154.87	9,278.07	38,581.10	33,537.95
	(h) Foreign exchange (gain)/ loss (others), net	(101.16)	(53.77)	281.68	829.85	1,151.68
	Total expenses	27,151.50	27,358.98	27,389.02	103,585.00	109,572.46
3	Profit/ (loss) from operations before other income, finance costs and exceptional items (1-2)	1,788.42	657.43	(276.88)	4,431.64	15,024.81
4	Other income (refer to note 15)	352.38	260.93	766.73	1,591.33	2,731.72
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	2,140.80	918.36	489.85	6,022.97	17,756.53
6	Finance costs (refer to note 11)	1,205.67	1,114.63	1,356.50	4,436.92	3,036.00
7	Profit/ (loss) from ordinary activities after finance costs but before exceptional items (5-6)	935.13	(196.27)	(866.65)	1,586.05	14,720.53
8	Exceptional items					
	- Inventory provision/ write off and other costs (refer to note 3)	(2,574.28)	(695.14)	-	(3,269.42)	-
	- Impairment of goodwill (refer to note 7a)	-	-	-	(1,191.66)	-
	- Gain/ (loss) on foreign currency option derivatives, net (other than loans) (refer to note 7b)	1,035.66	(3,022.10)	(1,798.94)	(4,839.05)	(412.05)
	- Product recall	-	-	(1,859.54)	-	(1,859.54)
9	(Loss)/ profit from ordinary activities before tax (7+8)	(603.49)	(3,913.51)	(4,525.13)	(7,714.08)	12,448.94
10	Tax expense, net	981.40	569.69	340.42	2,215.84	2,939.04
11	Net (loss)/ profit for the period (9-10)	(1,584.89)	(4,483.20)	(4,865.55)	(9,929.92)	9,509.90
12	Share in loss of associates, net	37.27	42.25	24.51	149.47	185.82
13	Minority interest	(32.72)	16.24	34.42	36.59	96.44
14	Net (loss)/ profit after tax, minority interest and share in loss of associate (11-12-13)	(1,589.44)	(4,541.69)	(4,924.48)	(10,115.98)	9,227.64
15	Paid - up equity share capital (Face value of Rs. 5 each) (refer to note 13)	2,115.48	2,115.21	2,114.57	2,115.48	2,114.57
16	Reserves excluding Revaluation Reserves as per Balance Sheet					38,668.43
17	(Loss)/ earning per share (Rs.) - not annualised					
	Basic	(3.76)	(10.74)	(11.66)	(23.93)	21.87
	Diluted	(3.76)	(10.74)	(11.66)	(23.93)	21.78
18	Debt service coverage ratio (refer to note 12)				(0.27)	0.96
19	Interest service coverage ratio (refer to note 12)				(0.74)	5.10

See accompanying notes to the consolidated unaudited financial results

PART II

Select information for the quarter and twelve months ended 31 December 2013

Sr. No.	Particulars	Quarter ended 31 December	Quarter ended 30 September	Quarter ended 31 December	Twelve months ended 31 December	Year ended 31 December
		2013	2013	2012	2013	2012
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding #					
	- Number of shares	148,001,960	142,803,325	145,239,372	148,001,960	145,239,372
	- Percentage of shareholding	34.93%	33.75%	34.34%	34.93%	34.34%
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	268,711,323	268,711,323	268,711,323	268,711,323	268,711,323
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	63.41%	63.51%	63.54%	63.41%	63.54%

Aggregate public shareholding as defined under Clause 40A of the Listing Agreement (excludes shares held by Promoters and Promoter Group Shareholding and Global Depository Shares)

	Particulars	Quarter ended 31 December 2013
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	3
	Disposed off during the quarter	3
	Remaining unresolved at the end of the quarter	Nil

J

RANBAXY LABORATORIES LIMITED

Statement of Consolidated Unaudited Financial Results for the quarter and twelve months ended 31 December 2013

(Rupees in millions except share data, per share data and unless otherwise stated)

Notes:

- 1 The consolidated unaudited financial results of Ranbaxy Laboratories Limited ("the Company"), its subsidiaries and associates (collectively known as "the Group") are prepared in accordance with requirements of the Accounting Standard ("AS") 21 "Consolidated Financial Statements" and AS 23 "Accounting for Investments in Associates in Consolidated Financial Statements" prescribed by Companies (Accounting Standards) Rules, 2006 (as amended).
- 2 Sales outside India also include sales relating to First-To-File (FTF) products in the United States of America ("USA") in certain periods.
- 3 a) During the previous quarter ended 30 September 2013, the Company had received an 'import alert' from the Food and Drug Administration of the USA ("US FDA") on its manufacturing unit located in Mohali. The US FDA also advised that the Mohali facility will be subject to certain terms of the Consent Decree of permanent injunction entered into by the Company in January 2012 ('Consent Decree'). Consequent to the import alert, stock write off and other costs of Rs. 695.14 was recognized in the results for the previous quarter and nine months ended 30 September 2013. The Company continues to fully cooperate with the US FDA and take necessary steps to resolve all concerns of the US FDA at the earliest.
b) (i) Consequent to the findings of an inspection conducted by the US FDA (from 05 January 2014 to 11 January 2014) at Company's manufacturing unit located in Toansa, on 23 January 2014, the US FDA has invoked the Consent Decree prohibiting the Company from manufacturing and distributing active pharmaceutical ingredients (APIs) from its Toansa unit and finished drug products containing APIs manufactured at this unit into the US regulated market. The Company has since advanced the investigation of the findings of the US FDA (as contained in Form 483) and has submitted its response to the US FDA on 03 February 2014.
The Company continues to fully cooperate with the US FDA and take necessary steps to resolve all concerns of the US FDA at the earliest.
(ii) Considering the matters relating to the Toansa unit, provisions for the financial impact amounting to Rs. 2,574.28 have been recognized in these results on the basis of best estimates presently available with the Company. The basis and assumptions used by the management in calculating these provisions, (primarily relating to inventories, sales return etc.) include significant judgment and estimates, which due to the inherent uncertainty of the present situation, may differ from the actual amounts.
(iii) Subsequent to the imposition of the Consent Decree at the Toansa unit as mentioned above, regulators in other jurisdictions, including India, have sought clarifications from the Company. The Company is in the process of dialogue with multiple global regulatory agencies. While the management is taking all necessary steps to resolve the above matters to the satisfaction of the concerned authorities; the impact, if any, thereof is not ascertainable as at present.
- 4 Changes in inventories of finished goods, work-in-progress and stock-in-trade for the twelve months ended 31 December 2013 include prior period adjustment of Rs. 113.51.
- 5 Employee benefits expense for the twelve months ended 31 December 2013 is net of Rs. 304.58 representing impact of revision in a defined benefit plan applicable to certain employees of the Company.
- 6 Depreciation, amortisation and impairment expense for the quarter ended 30 September 2013 and twelve months ended 31 December 2013 includes an impairment loss of Rs. 485.26 recognised for the vaccine plant at Bangalore due to prevalent market conditions.
- 7 a) Exceptional item for twelve months ended 31 December 2013 represents the non cash write down of goodwill in its subsidiaries.
b) The amount represents foreign exchange gain/ (loss), net, on foreign currency option derivatives taken during previous years (other than option derivatives relating to loans) which are accounted in accordance with AS 30, "Financial Instruments: Recognition and Measurement".
- 8 Consolidated Statement of Assets and Liabilities are given below:

Particulars	(Unaudited) (refer to Note 16) As at 31 December 2013	(Audited) As at 31 December 2012
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
a) Share capital (refer to note 13)	2,115.48	2,114.57
b) Reserves and surplus	32,901.09	38,717.59
Sub-total - Shareholders' funds	35,016.57	40,832.16
2 Share application money pending allotment	2.57	11.10
3 Minority interest	945.68	889.52
4 Non-current liabilities		
a) Long-term borrowings	26,111.72	19,712.83
b) Deferred tax liabilities (net)	215.94	132.04
c) Other long-term liabilities	6,489.87	10,510.84
d) Long-term provisions	1,668.56	2,909.02
Sub-total - Non-current liabilities	34,486.09	33,264.73
5 Current liabilities		
a) Short-term borrowings	33,535.98	28,749.07
b) Trade payables	17,099.32	16,213.71
c) Other current liabilities	19,120.01	14,871.49
d) Short-term provisions	2,702.04	29,820.21
Sub-total - Current liabilities	72,457.35	89,654.48
TOTAL EQUITY AND LIABILITIES	142,908.26	164,651.99
B ASSETS		
1 Non-current assets		
a) Fixed assets	39,511.41	35,761.17
b) Goodwill on consolidation	15,207.12	16,394.58
c) Non-current investments	1,006.79	769.92
d) Deferred tax assets (net)	928.37	488.67
e) Long-term loans and advances	12,517.75	10,812.70
f) Other non-current assets	2,263.57	301.62
Sub-total - Non-current assets	71,435.01	64,528.66
2 Current assets		
a) Current investments	12.75	20.48
b) Inventories	27,945.13	27,313.54
c) Trade receivables	22,788.34	20,367.84
d) Cash and cash equivalents #	14,510.87	46,004.45
e) Short-term loans and advances	4,414.19	4,595.32
f) Other current assets	1,801.97	1,821.70
Sub-total - Current assets	71,473.25	100,123.33
TOTAL ASSETS	142,908.26	164,651.99

include Rs. 3,768.70 (Rs. 27,697.39 as at 31 December 2012) represented by "other bank balances" which are due for realisation within twelve months from the reporting date and unclaimed dividend accounts.

J

RANBAXY LABORATORIES LIMITED

Statement of Consolidated Unaudited Financial Results for the quarter and twelve months ended 31 December 2013

(Rupees in millions except share data, per share data and unless otherwise stated)

9 On exercise of Employees Stock Options, 37,281 equity shares have been allotted on 10 January 2014. The total number of Employees Stock Options outstanding as at 31 December 2013 were 5,669,702, out of which 3,985,089 have vested.

10 The Group's business activity falls within a single primary business segment viz. 'Pharmaceutical'.

11 Finance costs include exchange differences arising from foreign currency borrowing to the extent that these are regarded as an adjustment to interest costs. The aggregate amount of such exchange difference for all periods presented is set out below:

Particulars	(Unaudited) Quarter ended 31 December	(Unaudited) Quarter ended 30 September	(Audited) (refer to Note 18) Quarter ended 31 December	(Unaudited) (refer to Note 16) Twelve months ended 31 December	(Audited) Year ended 31 December
	2013	2013	2012	2013	2012
Foreign exchange loss	662.41	611.80	819.59	2,390.85	1,239.74

12 Due to issuance of debentures in the previous year, certain required ratios have been presented. The ratios have been computed as below:

Debt service coverage ratio = Earnings before Interest and Tax / (Interest expense for the period + Principal Repayment for all the loan funds during the period).

Interest service coverage ratio = Earnings before Interest and Tax / Interest expense for the period.

Earnings before Interest and Tax = Earnings from ordinary activity before tax (serial no. 9) + Finance cost (serial no. 6)

13 A recent opinion of the Expert Advisory Committee (EAC) of The Institute of Chartered Accountants of India requires that as on the reporting date, the shares issued to an Employee Stock Option Plan ('ESOP') trust but yet to be allotted to employees be shown as a deduction from the Share Capital. Accordingly, as at 31 December 2013, the paid-up equity share capital has been disclosed after deduction of Rs. 3.23 in respect of 645,070 such equity shares, with a corresponding adjustment to the loan receivable from the ESOP trust. To conform to this presentation, the paid-up equity share capital as at 30 September 2013 has also been disclosed after deduction of Rs. 0.44 in respect of 87,471 such equity shares.

14 Pursuant to the provisions of the Listing Agreement, the management has decided to publish consolidated unaudited financial results in the newspapers. However, the standalone unaudited financial results will be made available on the Company's website at www.ranbaxy.com and also on the websites of the Bombay Stock Exchange Limited (BSE) (www.bseindia.com) and the National Stock Exchange of India Limited (NSE) (www.nseindia.com).

Information of standalone unaudited financial results in terms of Clause 41(VI) (b) of the Listing Agreement is as under:

Particulars	(Unaudited) Quarter ended 31 December	(Unaudited) Quarter ended 30 September	(Audited) (refer to Note 18) Quarter ended 31 December	(Unaudited) (refer to Note 16) Twelve months ended 31 December	(Audited) Year ended 31 December
	2013	2013	2012	2013	2012
Net sales (net of excise duty)	13,276.38	13,818.42	14,014.27	54,324.53	61,124.43
Loss from ordinary activities before tax	(3,959.60)	(8,422.32)	(6,180.40)	(17,768.54)	(1,642.83)
Net loss for the period	(3,959.60)	(8,422.32)	(6,160.96)	(17,768.54)	(1,623.39)

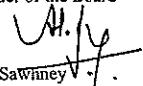
15 In December 2012, the Company had approved the proposal to integrate the business operations and management of Ranbaxy Unichem Co. Ltd. ('Unichem'), its subsidiary, with Daiichi Sankyo (Thailand) Ltd, a subsidiary of Daiichi Sankyo Company Limited, Japan. The said integration has been completed with effect from 01 October 2013. Pursuant to this, Unichem has become an associate of the Company and gain of Rs. 95.59 arising out of this integration has been included in Other income for the quarter and twelve months ended 31 December 2013.

16 The Board of Directors vide resolution dated 29 October 2013 has approved the change of financial year of the Company from January-December to April-March effective 01 April 2014. In view of this, the current financial year will be for a period of 15 months i.e. 01 January 2013 to 31 March 2014.

17 Previous periods figures have been reclassified to conform to the current period's classification.

18 The above results were reviewed by the Audit Committee on 04 February 2014, and approved by the Board of Directors at their meeting held on 05 February 2014 and have undergone a "Limited Review" by the Statutory Auditors of the Company. The figures of the corresponding quarter ended 31 December 2012 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. Also the figures upto the end of the third quarter of the previous financial year were only reviewed and not subjected to audit. The review report of the Statutory Auditors is being filed with the BSE and the NSE and is also available on the Company's website at www.ranbaxy.com.

By order of the Board


Arun Sawhney
CEO and Managing Director

Place: Tokyo, Japan
Date: 05 February 2014

Regd. Office : A-41, Industrial Area Phase VIII A, Sahibzada Ajit Singh Nagar (Mohali) - 160 071 (Punjab)
Website: <http://www.ranbaxy.com>

RANBAXY LABORATORIES LIMITED

Statement of Standalone Unaudited Financial Results for the quarter and twelve months ended 31 December 2013

(Rupees in millions, except share data, per share data and if otherwise stated)

PART I

Sr. No.	Particulars	(Unaudited) Quarter ended 31 December	(Unaudited) Quarter ended 30 September	(Audited) (refer to note 18) Quarter ended 31 December	(Unaudited) (refer to note 16) Twelve months ended 31 December	(Audited) Year ended 31 December
		2013	2013	2012	2013	2012
1	Income from operations					
	(a) Sales					
	- Within India (net of excise duty)	5,919.23	5,929.86	5,476.43	23,056.09	22,031.54
	- Outside India (refer to note 1)	7,357.15	7,888.56	8,537.84	31,268.44	39,092.89
	Net sales (net of excise duty)	13,276.38	13,818.42	14,014.27	54,324.53	61,124.43
	(b) Other operating income	389.25	439.93	400.96	1,804.67	1,911.01
	Total income from operations (net)	13,665.63	14,258.35	14,415.23	56,129.20	63,035.44
2	Expenses					
	(a) Cost of materials consumed	4,327.52	4,274.92	4,089.23	16,704.62	15,286.61
	(b) Purchases of stock-in-trade	2,193.58	1,842.36	1,906.38	7,578.70	8,090.01
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade (refer to note 4)	(827.02)	(706.54)	(99.64)	(1,784.11)	(492.45)
	(d) Employee benefits expense (refer to note 5)	2,719.14	2,676.65	2,634.86	10,484.54	10,195.89
	(e) Depreciation, amortisation and impairment expense (refer to note 6)	458.49	944.05	463.94	2,301.92	1,861.61
	(f) Claims and contractual expense	21.64	21.57	506.06	165.39	3,842.89
	(g) Legal and professional expense	1,610.36	1,505.82	1,050.69	5,493.26	3,097.24
	(h) Other expenses	4,674.49	4,722.57	4,658.85	17,798.29	17,021.54
	(i) Foreign exchange (gain)/ loss (others), net	(393.61)	939.72	544.34	2,556.74	1,388.84
	Total expenses	14,784.59	16,221.12	15,754.71	61,299.35	60,292.18
3	(Loss)/ profit from operations before other income, finance costs and exceptional items (1-2)	(1,118.96)	(1,962.77)	(1,339.48)	(5,170.15)	2,743.26
4	Other income	205.99	443.51	671.09	1,483.19	2,395.98
5	(Loss)/ profit from ordinary activities before finance costs and exceptional items (3+4)	(912.97)	(1,519.26)	(668.39)	(3,686.96)	5,139.24
6	Finance costs (refer to note 14)	1,183.88	1,110.84	1,342.87	4,362.03	2,969.82
7	(Loss)/ profit from ordinary activities after finance costs but before exceptional items (5-6)	(2,096.85)	(2,630.10)	(2,011.26)	(8,048.99)	2,169.42
8	Exceptional items					
	- Settlement provision reversal (refer to note 3)	-	-	-	1,458.05	-
	- Inventory provision/ write off and other costs (refer to note 2)	(2,703.47)	(695.14)	-	(3,398.61)	-
	- Gain/ (loss) on foreign currency option derivatives, net (other than loans) (refer to note 8)	1,035.66	(3,022.10)	(1,798.94)	(4,839.05)	(412.05)
	- Product recall	-	-	(2,370.20)	-	(2,370.20)
	- Provision in respect of non-current investment in a subsidiary	(194.94)	(2,074.98)	-	(2,939.94)	(1,030.00)
9	Loss from ordinary activities before tax (7+8)	(3,959.60)	(8,422.32)	(6,180.40)	(17,768.54)	(1,642.83)
10	Tax benefit, net	-	-	(19.44)	-	(19.44)
11	Net loss for the period (9-10)	(3,959.60)	(8,422.32)	(6,160.96)	(17,768.54)	(1,623.39)
12	Paid - up equity share capital (Face value of Rs. 5 each) (refer to note 12)	2,115.48	2,115.21	2,114.57	2,115.48	2,114.57
13	Reserves excluding Revaluation Reserves as per Balance Sheet					17,095.10
14	Loss per share (Rs.) - not annualised					
	Basic	(9.36)	(19.92)	(14.59)	(42.01)	(3.85)
	Diluted	(9.36)	(19.92)	(14.59)	(42.01)	(3.85)
15	Debt service coverage ratio (refer to note 10)				(1.12)	0.08
16	Interest service coverage ratio (refer to note 10)				(3.07)	0.45

See accompanying notes to the standalone unaudited financial results

PART II

Select information for the quarter and twelve months ended 31 December 2013

Sr. No.	Particulars	Quarter ended 31 December	Quarter ended 30 September	Quarter ended 31 December	Twelve months ended 31 December	Year ended 31 December
		2013	2013	2012	2013	2012
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding #					
	- Number of shares	148,001,960	142,803,325	145,239,372	148,001,960	145,239,372
	- Percentage of shareholding	34.93%	33.75%	34.34%	34.93%	34.34%
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	268,711,323	268,711,323	268,711,323	268,711,323	268,711,323
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	63.41%	63.51%	63.54%	63.41%	63.54%

Aggregate public shareholding as defined under Clause 40A of the Listing Agreement (excludes shares held by Promoters and Promoter Group Shareholding and Global Depository Shares)

Particulars	Quarter ended 31 December 2013
B	
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	3
Disposed off during the quarter	3
Remaining unresolved at the end of the quarter	Nil

RANBAXY LABORATORIES LIMITED

Statement of Standalone Unaudited Financial Results for the quarter and twelve months ended 31 December 2013

(Rupees in millions, except share data, per share data and if otherwise stated)

Notes:

- 1 Sales outside India also include sales relating to First-To-File (FTF) products in the United States of America ("USA") in certain periods. Further, pursuant to the accounting policy followed by the Company, sales outside India for certain periods presented include transfer pricing adjustments with its subsidiaries for materials already supplied to them (including supplied in earlier periods), determined on the basis of significant judgment and estimates.
- 2 a) During the previous quarter ended 30 September 2013, the Company had received an 'import alert' from the Food and Drug Administration of the USA ("US FDA") on its manufacturing unit located in Mohali. The US FDA also advised that the Mohali facility will be subject to certain terms of the Consent Decree of permanent injunction entered into by the Company in January 2012 ('Consent Decree'). Consequent to the import alert, stock write off and other costs of Rs. 695.14 was recognized in the results for the previous quarter and nine months ended 30 September 2013. The Company continues to fully cooperate with the US FDA and take necessary steps to resolve all concerns of the US FDA at the earliest.
b) (i) Consequent to the findings of an inspection conducted by the US FDA (from 05 January 2014 to 11 January 2014) at Company's manufacturing unit located in Toansa, on 23 January 2014, the US FDA has invoked the Consent Decree prohibiting the Company from manufacturing and distributing active pharmaceutical ingredients (APIs) from its Toansa unit and finished drug products containing APIs manufactured at this unit into the US regulated market. The Company has since advanced the investigation of the findings of the US FDA (as contained in Form 483) and has submitted its response to the US FDA on 03 February 2014.
The Company continues to fully cooperate with the US FDA and take necessary steps to resolve all concerns of the US FDA at the earliest.
(ii) Considering the matters relating to the Toansa unit, provisions for the financial impact amounting to Rs. 2,703.47 have been recognized in these results on the basis of best estimates presently available with the Company. The basis and assumptions used by the management in calculating these provisions, (primarily relating to inventories, sales return etc.) include significant judgment and estimates, which due to the inherent uncertainty of the present situation, may differ from the actual amounts.
(iii) Subsequent to the imposition of the Consent Decree at the Toansa unit as mentioned above, regulators in other jurisdictions, including India, have sought clarifications from the Company. The Company is in the process of dialogue with multiple global regulatory agencies. While the management is taking all necessary steps to resolve the above matters to the satisfaction of the concerned authorities; the impact, if any, thereof is not ascertainable as at present.
- 3 During the twelve months ended 31 December 2013, the Company has negotiated and settled with the Department of Justice ("DOJ") of the USA for the resolution of civil and criminal allegations as per the decree of the Court of Maryland. The Company had recorded a provision of Rs. 26,480 (USD 500 million) in the year ended 31 December 2011, to cover all civil and criminal liability. The settlement of this liability (along with related interest and other cost) in compliance with the terms of settlement is subject to regulatory/ statutory provisions. The abovementioned decretal amount of liability had been paid by the Company's US subsidiaries including Ranbaxy Pharmaceuticals Inc. (RPI), USA, a limited risk distributor. Under the said agreement of distribution, RPI has invoked indemnity for itself, and inter alia, its affiliates. The settlement amount has accordingly been apportioned between the Company and its US subsidiaries. The resultant accounting adjustment for reversal of earlier provision to the extent of apportionment to the US subsidiaries amounting to Rs.1,458.05 (USD 26.1 million) has been disclosed as an exceptional item in the accompanying financial results for the twelve months ended 31 December 2013.
- 4 Changes in inventories of finished goods, work-in-progress and stock-in-trade for the twelve months ended 31 December 2013 include prior period adjustment of Rs. 113.51.
- 5 Employee benefits expense for the twelve months ended 31 December 2013 is net of Rs. 304.58 representing impact of revision in a defined benefit plan applicable to certain employees of the Company.
- 6 Depreciation, amortisation and impairment expense for the quarter ended 30 September 2013 and twelve months ended 31 December 2013 includes an impairment loss of Rs. 485.26 recognised for the vaccine plant at Bangalore due to prevalent market conditions.
- 7 Standalone Statement of Assets and Liabilities are given below:

Particulars	(Unaudited) (refer to note 16) As at 31 December	(Audited) As at 31 December
	2013	2012
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
a) Share capital (refer to note 12)	2,115.48	2,114.57
b) Reserves and surplus	(186.28)	17,095.10
Sub-total - Shareholders' funds	1,929.20	19,209.67
2 Share application money pending allotment	2.57	11.10
3 Non-current liabilities		
a) Long-term borrowings	26,059.50	19,568.10
b) Other long-term liabilities	6,322.49	10,363.48
c) Long-term provisions	1,473.54	2,739.04
Sub-total - Non-current liabilities	33,855.53	32,670.62
4 Current liabilities		
a) Short-term borrowings	31,691.68	28,067.95
b) Trade payables	11,122.01	8,588.11
c) Other current liabilities	44,597.05	13,320.78
d) Short-term provisions	1,809.74	27,831.11
Sub-total - Current liabilities	89,220.48	77,807.95
TOTAL EQUITY AND LIABILITIES	125,007.78	129,699.34
B ASSETS		
1 Non-current assets		
a) Fixed assets	21,970.78	21,531.24
b) Non-current investments	41,503.00	31,281.37
c) Long-term loans and advances	10,645.28	10,107.12
d) Other non-current assets	2,195.16	215.70
Sub-total - Non-current assets	76,314.22	63,135.43
2 Current assets		
a) Current investments	12.75	30.32
b) Inventories	17,403.36	17,318.39
c) Trade receivables	12,331.91	14,358.88
d) Cash and cash equivalents #	4,767.68	28,347.73
e) Short-term loans and advances	12,690.09	5,041.48
f) Other current assets	1,487.77	1,467.11
Sub-total - Current assets	48,693.56	66,563.91
TOTAL ASSETS	125,007.78	129,699.34

include Rs. 3,723.35 (Rs. 27,682.02 as at 31 December 2012) represented by "other bank balances" which are due for realisation within twelve months from the reporting date and unclaimed dividend accounts.

RANBAXY LABORATORIES LIMITED

Statement of Standalone Unaudited Financial Results for the quarter and twelve months ended 31 December 2013 (Rupees in millions, except share data, per share data and if otherwise stated)

Notes:

- 8 The amount represents foreign exchange gain/ (loss), net, on foreign currency option derivatives taken during previous years (other than option derivatives relating to loans) which are accounted in accordance with Accounting Standard 30, "Financial Instruments: Recognition and Measurement".
- 9 The research and development expenses are classified under respective heads of total expenses according to the nature of expense. The aggregate amount of such expenses (excluding finance costs, depreciation, amortisation and impairment) for all periods presented is set out below:

Particulars	(Unaudited) Quarter ended 31 December	(Unaudited) Quarter ended 30 September	(Audited) (refer to note 18) Quarter ended 31 December	(Unaudited) (refer to note 16) Twelve months ended 31 December	(Audited) Year ended 31 December
	2013	2013	2012	2013	2012
Research and development expenses	1,280.14	1,045.82	1,237.35	4,397.75	4,490.41

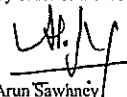
- 10 Due to issuance of debentures in the previous year, certain required ratios have been presented. The ratios have been computed as below:
Debt service coverage ratio = Earnings before Interest and Tax/ (Interest expense for the period + Principal Repayment for all the loan funds during the period).
Interest service coverage ratio = Earnings before Interest and Tax / Interest expense for the period.
Earning before Interest and Tax = Earnings from ordinary activity before tax (serial no. 9) + Finance cost (serial no. 6)
- 11 On exercise of Employees Stock Options, 37,281 equity shares have been allotted on 10 January 2014. The total number of Employees Stock Options outstanding as at 31 December 2013 were 5,669,702, out of which 3,985,089 have vested.
- 12 A recent opinion of the Expert Advisory Committee (EAC) of The Institute of Chartered Accountants of India requires that as on the reporting date, the shares issued to an Employee Stock Option Plan ("ESOP") trust but yet to be allotted to employees be shown as a deduction from the Share Capital. Accordingly, as at 31 December 2013, the paid-up equity share capital has been disclosed after deduction of Rs. 3.23 in respect of 645,070 such equity shares, with a corresponding adjustment to the loan receivable from the ESOP trust. To conform to this presentation, the paid-up equity share capital as at 30 September 2013 has also been disclosed after deduction of Rs. 0.44 in respect of 87,471 such equity shares.
- 13 The Company's business activity falls within a single primary business segment viz. 'Pharmaceutical'.
- 14 Finance costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. The aggregate amount of such exchange difference for all periods presented is set out below:

Particulars	(Unaudited) Quarter ended 31 December	(Unaudited) Quarter ended 30 September	(Audited) (refer to note 18) Quarter ended 31 December	(Unaudited) (refer to note 16) Twelve months ended 31 December	(Audited) Year ended 31 December
	2013	2013	2012	2013	2012
Foreign exchange loss	662.41	611.80	819.59	2,390.85	1,239.74

- 15 In December 2012, the Company had approved the proposal to integrate the business operations and management of Ranbaxy Unichem Co. Ltd. ("Unichem"), its subsidiary, with Daiichi Sankyo (Thailand) Ltd, a subsidiary of Daiichi Sankyo Company Limited, Japan. The said integration has been completed with effect from 01 October 2013. Pursuant to this, Unichem had become an associate of the Company.
- 16 The Board of Directors vide resolution dated 29 October 2013 has approved the change of financial year of the Company from January-December to April-March effective 01 April 2014. In view of this, the current financial year will be for a period of 15 months i.e. 01 January 2013 to 31 March 2014.
- 17 Previous periods figures have been reclassified to conform to the current period's classification.
- 18 The above results were reviewed by the Audit Committee on 04 February 2014, and approved by the Board of Directors at their meeting held on 05 February 2014 and have undergone a "Limited Review" by the Statutory Auditors of the Company. The figures of the corresponding quarter ended 31 December 2012 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. Also the figures upto the end of the third quarter of the previous financial year were only reviewed and not subjected to audit. The review report of the Statutory Auditors is being filed with the Bombay Stock Exchange and the National Stock Exchange and is also available on the Company's website at www.ranbaxy.com.

Place: Tokyo, Japan
Date: 05 February 2014

By order of the Board



Arun Sawhney
CEO and Managing Director

Regd. Office : A-41, Industrial Area Phase VIII A, Sahibzada Ajit Singh Nagar (Mohali) - 160 071 (Punjab)
Website: <http://www.ranbaxy.com>

B S R & Co. LLP

Chartered Accountants

Building No. 10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002, India

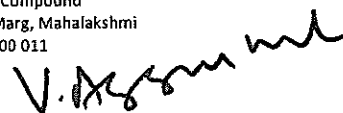
Telephone: + 91 124 2549 191
Fax: + 91 124 2549 101

To the Board of Directors
Ranbaxy Laboratories Limited

1. We have reviewed the accompanying Consolidated Unaudited Financial Results ('Statement') of Ranbaxy Laboratories Limited ('the Company'), its subsidiaries and associates (collectively known as the 'the Group') for the quarter and twelve months ended 31 December 2013, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement issued by the Securities and Exchange Board of India ("Listing Agreement"). The disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management 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 on 05 February 2014. Our responsibility is to issue a report on this Statement, based on our review. Attention is drawn to the fact that the figures for the corresponding quarter ended 31 December 2012 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. Also, the figures upto the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
2. 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 results 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.
3. We did not review the financial results of certain subsidiaries and associates, interests in which have been incorporated in the Statement. These subsidiaries and associates account for 28% of total assets as at 31 December 2013 and 34% and 35% respectively of aggregate of total income from operations (net) and other income, for the quarter and twelve months ended 31 December 2013, as shown in the Statement. Of the above:
 - (a) The unaudited financial results of some of the subsidiaries incorporated outside India as drawn up in accordance with the generally accepted accounting principles of the respective countries ('local GAAP') have been reviewed by other auditors duly qualified to act as auditors in those countries. These subsidiaries account for 21% of total assets and 25% and 26% respectively of total income from operations (net) and other income, for the quarter and twelve months period ended on that date, as shown in the Statement. The aforesaid local GAAP financial results have been restated by the management of the said entities so that they conform to the generally accepted accounting principles in India. This has been done on the

B S R & Co. (a partnership firm with Registration No BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
1st Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011



B S R & Co. LLP

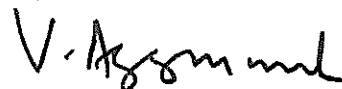
basis of a reporting package prepared by the Company which covers accounting and disclosure requirements applicable to the Statement under the generally accepted accounting principles in India. The reporting packages made for this purpose have been reviewed by the other auditors and reports of those other auditors have been furnished to us. Our opinion on the Statement, insofar as it relates to these entities, is based on the aforesaid review reports of those other auditors.

- (b) The unaudited financial results of the remaining subsidiaries and associates have not been subjected to review either by us or by other auditors, and therefore, the unaudited financial results for the quarter and twelve months period ended 31 December 2013 of these entities have been furnished to us by the management. These subsidiaries and associates account for 7% of total assets and 9% and 9% respectively of the aggregate of total income from operations (net) and other income, for the quarter and twelve months period ended on that date, as shown in the Statement, and therefore, are not material to the Statement, either individually or in the aggregate.
4. Without qualifying our opinion, we draw attention to note 3 b) of the accompanying Statement which explains in detail the prohibition imposed by US FDA on Toansa unit on 23 January 2014, and the communications from other regulators. Consequently, the Company has made provisions, to the extent of Rs. 2,574.28 million, for the financial impact on the basis of best estimates presently available with the Company. The basis and assumptions used by the management in calculating these provisions involve significant judgment and estimates (including those relating to inventories, sales return, trade commitments, realisability of tax assets, etc.), which due to the inherent uncertainty of the present situation may differ from the actual amounts. Pending resolution of these uncertainties over a period of time, we state that based on our review conducted as above, nothing has come to our attention that cause us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in term of clause 41 of the Listing Agreement, including the manner in which is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

Registration No.: 101248W



Vikram Aggarwal

Partner

Membership No.: 089826

Place: Tokyo, Japan

Date: 05 February 2014

B S R & Co. LLP

Chartered Accountants

Building No. 10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002, India

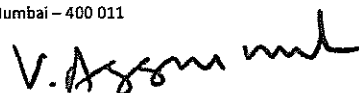
Telephone: + 91 124 2549 191
Fax: + 91 124 2549 101

To the Board of Directors
Ranbaxy Laboratories Limited

1. We have reviewed the accompanying Standalone Unaudited Financial Results ('the Statement') of Ranbaxy Laboratories Limited ('the Company') for the quarter and twelve months ended 31 December 2013, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing agreement issued by the Securities and Exchange Board of India ("Listing Agreement"). The disclosures regarding 'Public shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management 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 on 05 February 2014. Our responsibility is to issue a report on this Statement, based on our review. Attention is drawn to the fact that the figures for the corresponding quarter ended 31 December 2012 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. Also, the figures upto the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 – *"Review of Interim Financial Information prepared 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 Statement is free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our opinion, we draw attention to note 2 b) of the accompanying Statement which explains in detail the prohibition imposed by US FDA on Toansa unit on 23 January 2014, and the communications from other regulators. Consequently, the Company has made provisions, to the extent of Rs. 2,703.47 million, for the financial impact on the basis of best estimates presently available with the Company. The basis and assumptions used by the management in calculating these provisions involve significant judgment and estimates (including those relating to inventories, sales return, trade commitments, realisability of tax assets, etc.), which due to the inherent uncertainty of the present situation may differ from the actual amounts. Pending resolution of these uncertainties over a period of time, we state that based on our review conducted as above, nothing has come to our attention that cause us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not

B S R & Co. (a partnership firm with Registration No BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
1st Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011



B S R & Co. LLP

disclosed the information required to be disclosed in term of clause 41 of the Listing Agreement, including the manner in which is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

Registration No.: 101248W



Vikram Aggarwal

Partner

Membership No.: 089826

Place: Tokyo, Japan

Date: 05 February 2014