

DR REDDYS LABORATORIES LTD

Form 6-K

May 16, 2013

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FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16

of the Securities Exchange Act of 1934

May 2013

Commission File Number 1-15182

DR. REDDY S LABORATORIES LIMITED

(Name of Registrant)

8-2-337, Road No. 3, Banjara Hills

Hyderabad, Andhra Pradesh 500 034, India

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(Address of Principal Executive Offices)

Indicate by check mark whether registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to registrant in connection with Rule 12g3-2(b):

Not applicable.

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Press Release

Dr. Reddy s Laboratories Ltd.
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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

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%.

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%.

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%.

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*

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All figures in millions, except EPS

All US dollar figures based on convenience translation rate as on 31st March, 2013

1 USD = 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 | |
| | | 170 | | | 170 | | | |
| 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 |

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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 | |

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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.

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.

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.

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).

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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.

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INCOME STATEMENT HIGHLIGHTS:

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.

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.

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.

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.

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.

EBITDA for FY13 is 27.8 billion, 24% of revenues and increased by 9.5% as compared to the previous year.

Profit after Tax* in FY13 at 17.5 billion, 15% of revenues and increased by 17% as compared to the previous year.

Diluted earnings per share in FY 13 are 98.4

Capital expenditure for FY13 is 6.6 billion.

* *PAT adjusted for Impairment of intangibles/goodwill*

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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 |

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Disclaimer

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

About Dr. Reddy s

Dr. Reddy s Laboratories Ltd. (NYSE: RDY) is an integrated global pharmaceutical company, committed to providing affordable and innovative medicines for healthier lives. Through its three businesses Pharmaceutical Services and Active Ingredients, Global Generics and Proprietary Products Dr. Reddy s offers a portfolio of products and services including APIs, custom pharmaceutical services, generics, biosimilars 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

CONTACT INFORMATION

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

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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)

All amounts in Indian Rupees lakhs, except share data

| Sl. No. | Particulars | Quarter ended | | Year ended | | |
|-----------|--|-------------------------|---------------------------|-------------------------|-------------------------|-------------------------|
| | | 31.03.2013 (Audited) | 31.12.2012 (Unaudited) | 31.03.2012 (Audited) | 31.03.2013 (Audited) | 31.03.2012 (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 |

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| Sl. No. | Particulars | Quarter ended | | | Year ended | |
|---------|--|-------------------------|---------------------------|-------------------------|-------------------------|-------------------------|
| | | 31.03.2013 (Audited) | 31.12.2012 (Unaudited) | 31.03.2012 (Audited) | 31.03.2013 (Audited) | 31.03.2012 (Audited) |
| 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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| Sl. No. | Particulars | Quarter ended | | Year ended | | |
|--|---|-------------------------|---------------------------|-------------------------|-------------------------|-------------------------|
| | | 31.03.2013 (Audited) | 31.12.2012 (Unaudited) | 31.03.2012 (Audited) | 31.03.2013 (Audited) | 31.03.2012 (Audited) |
| Segment wise revenue and results: | | | | | | |
| 1 | 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.

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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 Quimicas Falcon de Mexico SA de CV, Lacock 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 .

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- 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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| Statement of Assets and | All amounts in Indian Rupees lakhs | |
|--|---|-------------------|
| Liabilities (Consolidated) | As at | As at |
| Particulars | 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 |
|-------------------------------------|------------------|------------------|

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

| Particulars | Quarter ended | | | Year ended | |
|--|-------------------------|---------------------------|-------------------------|-------------------------|-------------------------|
| | 31.03.2013 (Audited) | 31.12.2012 (Unaudited) | 31.03.2012 (Audited) | 31.03.2013 (Audited) | 31.03.2012 (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

Place: Hyderabad
Date: 14 May 2013

Satish Reddy
Vice Chairman & Managing Director

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DR. REDDY S LABORATORIES LIMITED
(Registrant)

Date: May 16, 2013

By: /s/ Sandeep Poddar
Name: Sandeep Poddar
Title: Company Secretary

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