

B S R & Co.

(Registered)

Chartered Accountants

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

Telephone:+91-124-2549191
Fax: +91-124-2549101


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 associate (collectively known as the 'the Group') for the quarter and six months ended 30 June 2012, 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") except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors on 9 August 2012. Our responsibility is to issue a report on this Statement, based on our review.
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 provides 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 of an associate, interests in which have been incorporated in the Statement. These subsidiaries and the associate account for 19% of total assets as at 30 June 2012 and 26% and 23% respectively of total income from operations and other income, for the quarter and six months ended 30 June 2012, 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 17% of total assets and 23% and 20% respectively of total income from operations and other income, for the quarter and six 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 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.

V. Aggarwal

- (b) The unaudited financial results of the remaining subsidiaries and associate have not been subjected to review either by us or by other auditors, and therefore, the unaudited financial results for the quarter and six months period ended 30 June 2012 of these entities have been furnished to us by the management. These subsidiaries and associates account for 2% of total assets and 3% and 3% respectively of total income from operations and other income, for the quarter and six 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. *As stated in Note 6 of the attached Statement, the managerial remuneration paid by the Company to Mr. Arun Sawhney (CEO and Managing Director) during the year ended 31 December 2011 exceeded the limits specified in relevant provisions of the Companies Act, 1956 ("the Act") by Rs. 47.55 million. The Shareholders at their Annual General Meetings ("AGM") held on 8 May 2012, approved the waiver of recovery of the excess remuneration. Further, we are informed that as required by the relevant provisions of the Act, the Company would seek requisite approvals as may be required for excess remuneration paid. Pending filing of application for approval from the Central Government in this regard, the impact thereof on the attached Statement to the extent of excess remuneration that may be disallowed by the Central Government, if any, is currently unascertainable. This was a subject matter of qualification in our review report for the quarter ended 31 March 2012 and audit report for the year ended 31 December 2011 as well.*
5. *As stated in Note 7 of the attached Statement, the claims and contractual payment expense included in 'Other expenses' qualifies for a separate line item disclosure in accordance with clause 41 of the Listing Agreement as the same is more than 10% of total expenses for the quarter and six months ended 30 June 2012 and quarter ended 31 March 2012. As informed to us, the Company had not disclosed the said amount as a separate line item in view of certain terms of agreement between the parties. This was a subject matter of qualification in our review report for quarter ended 31 March 2012, and audit report for the year ended 31 December 2011 as well.*
6. Based on our review conducted as explained in paragraphs 1 and 2 above and *subject to the impact of comment given in paragraph 4 above, the impact of which is not ascertainable, and comment given in paragraph 5 above on the relevant items of the attached Statement*, 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 is contains any material misstatement.

For B S R & Co.
Chartered Accountants
Registration No. 101248W



Vikram Aggarwal
Partner
Membership No: 089826

Place: Johannesburg, SOUTH AFRICA
Date : 9 August 2012