

RANBAXY LABORATORIES LIMITED
Unaudited Standalone Financial Results for the quarter ended 31 March 2011
(Rupees in millions, except for share data, and if otherwise stated)

| Particulars | (Unaudited) Quarter ended 31 March | | (Audited) Year ended 31 December |
|---|---------------------------------------|------------------|--|
| | 2011 | 2010 | 2010 |
| Sales | | | |
| - Within India | 4,483.29 | 4,025.00 | 18,231.58 |
| - Outside India (refer to note 1) | 6,118.76 | 12,439.23 | 34,435.51 |
| Total sales | 10,602.05 | 16,464.23 | 52,667.09 |
| Less: excise duty | 37.61 | 34.39 | 152.23 |
| Net sales | 10,564.44 | 16,429.84 | 52,514.86 |
| Other operating income (refer to note 2) | 393.61 | 2,800.51 | 4,206.16 |
| Total operating income | 10,958.05 | 19,230.35 | 56,721.02 |
| Expenditure | | | |
| Increase in stock in trade and work-in-progress | (869.01) | (437.08) | (1,614.25) |
| Consumption of materials | 4,973.00 | 4,134.93 | 16,803.07 |
| Purchase of traded goods | 1,301.58 | 1,549.62 | 6,520.52 |
| Employees' cost | 2,269.24 | 1,989.12 | 7,761.38 |
| Depreciation, amortisation and impairment | 462.61 | 735.92 | 2,283.53 |
| Other operating expenses | 3,823.54 | 3,764.79 | 14,921.52 |
| Total expenditure | 11,960.96 | 11,737.30 | 46,675.77 |
| (Loss)/ profit from operations before other income, interest and exceptional items | (1,002.91) | 7,493.05 | 10,045.25 |
| Interest earned and other income | 806.19 | 216.94 | 2,196.31 |
| Foreign exchange and derivative gain on loans, net (refer to note 3) | - | 1,283.26 | 1,406.98 |
| (Loss)/ profit before interest and exceptional items | (196.72) | 8,993.25 | 13,648.54 |
| Interest expense | 128.13 | 224.14 | 541.94 |
| Foreign exchange and derivative loss on loans, net (refer to note 3) | 225.52 | - | - |
| (Loss)/ profit after interest but before exceptional items | (550.37) | 8,769.11 | 13,106.60 |
| Exceptional items: | | | |
| - (Provision for diminution in the value of investments)/profit on sale of investments (refer to note 4a) | - | - | (1,822.97) |
| - Foreign exchange gain (net) on foreign currency option derivatives (refer to note 4b) | 19.84 | 3,872.28 | 4,368.82 |
| (Loss)/ profit from ordinary activities before tax | (530.53) | 12,641.39 | 15,652.45 |
| Tax (benefit)/ expense, net | (1.46) | 3,923.37 | 4,165.19 |
| Net (loss)/ profit from ordinary activities after tax | (529.07) | 8,718.02 | 11,487.26 |
| Paid - up equity share capital (Face value of Rs. 5 each) | 2,106.26 | 2,102.62 | 2,105.20 |
| Reserves excluding revaluation reserves | - | - | 49,152.76 |
| (Loss)/ Earnings per share (Rs.) | | | |
| Basic | (1.26) | 20.73 | 27.30 |
| Diluted | (1.26) | 17.78 | 23.75 |
| Public shareholding # | | | |
| - Number of shares | 146,030,727 | 146,530,042 | 145,997,151 |
| - Percentage of shareholding | 34.67% | 34.84% | 34.68% |
| Promoters and promoter group share holding | | | |
| a) Pledged / encumbered | | | |
| - Number of shares | NIL | NIL | NIL |
| - 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 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100% | 100% | 100% |
| - Percentage of shares (as a % of the total share capital of the Company) | 63.79% | 63.90% | 63.82% |

Aggregate Public shareholding as defined under Clause 40A of the Listing Agreement (excludes shares held by Promoters and promoters group share holding and GDRs)

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Notes:

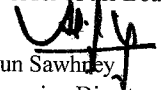
- 1 Significant sales outside India for all periods presented include sales relating to First-To-File (FTF) products in the United States of America.
- 2 Other operating income primarily comprises export benefits, income arising out of milestone payments, patent/ exclusivity settlements and non-compete fee.
- 3 Foreign exchange and derivatives loss/ gain on loans, net represents exchange difference on foreign currency borrowings including Foreign Currency Convertible Bonds and mark to market loss/ gain (net) on outstanding derivatives (including interest rate swaps) relating to loans.
- 4 (a) Exceptional items for the year ended 31 December 2010 includes provision for diminution in the value of a long term investments amounting to Rs. 4,078.00 million and netted for profit on sale of quoted shares (long-term investment) amounting to Rs. 2,255.03 million.
(b) Exceptional items represent foreign exchange gain (net) on foreign currency option derivatives (other than derivatives relating to loans) which are accounted in accordance with Accounting Standard 30, Financial Instruments: Recognition and measurement.
- 5 The research and development expenses is classified under respective heads according to the nature of expense. The aggregate amount of such expenses (excluding depreciation) for all periods presented is set out below:

| Particulars | (Rs. in Million) | | |
|-----------------------------------|---------------------------------------|----------|--|
| | (Unaudited) Quarter ended 31 March | | (Audited) Year ended 31 December |
| | 2011 | 2010 | 2010 |
| Research and development expenses | 1,029.46 | 1,194.54 | 4,780.70 |

- 6 The Company continues to co-operate, for an effective resolution, with:
 - (a) the Food and Drug Administration of the United States of America (US FDA) for import alert and warning letters issued primarily relating to Good Manufacturing Practice for some of the products manufactured at certain manufacturing facilities of the Company in India and, Application Integrity Policy against one of its manufacturing facilities in India; and
 - (b) the Department of Justice (DOJ) of the United States of America (USA) regarding certain charges relating to possible issues with data submitted by the Company in support of products filings.

In response to the demand received from the DOJ of USA, the Company is negotiating on the matter and in this context has given a settlement offer towards resolution of all outstanding matters. This offer is expressly conditional on the successful negotiation of several administrative actions by the US FDA also. At present there is significant uncertainty about the outcome of the above-mentioned matters and therefore no provision has been made in these Unaudited Standalone Financial Results.
- 7 On exercise of Employees Stock Options, 110,922 equity shares have been allotted on 11 April 2011. The total number of Employees Stock Options outstanding as at 31 March 2011 were 7,085,872, out of which 4,894,403 have vested. The entitlement of shares on exercise of stock options granted on or before 3 October 2002 would increase in the proportion of 3:5, keeping in view the issue of bonus shares on 11 October 2002.
- 8 The Company had outstanding FCCBs aggregating to US \$ 440 million with an option with the bondholders to convert these FCCBs into equity shares of the Company at a price of Rs. 716.32 per share (subject to adjustment, if any) with a fixed exchange rate of Rs. 44.15 per US \$ at any time on or after 27 April 2006 but before 9 March 2011. Further, as these FCCBs were neither converted, purchased or cancelled, they have been redeemed during the current quarter on 18 March 2011, at a premium of 26.765 percent (net of withholding tax) of their principal amount.
- 9 The board of directors in the meeting held on 22 February 2011 had proposed dividend @ Rs. 2 per Equity Share of Rs. 5 each for the year ended 31 December 2010 amounting Rs. 981.94 million (including tax on proposed dividend). The proposed dividend was approved by the shareholders in the Annual General Meeting held on 9 May 2011.
- 10 The Company's business activity falls within a single primary business segment viz. 'Pharmaceutical'. Further, the Company discloses information on 'Segment' on a consolidated basis in accordance with Accounting Standard 17 'Segment Reporting'.
- 11 Status of investor complaints: a) Pending as on 31 December 2010-1; b) Received during the quarter-2; c) Disposed off during the quarter-2; d) Pending as on 31 March 2011-1.
- 12 Figures for previous periods have been regrouped and recasted, wherever necessary, to make them comparable with the figures of the current period.
- 13 The above results were reviewed by the Audit Committee on 9 May 2011 and approved by the Board of Directors at their meeting held on 10 May 2011 and have undergone a "Limited Review" by the Statutory Auditors of the Company.

By order of the Board


 Arun Sawhney
 Managing Director

Place: Gurgaon
Date: 10 May 2011

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