

RANBAXY LABORATORIES LIMITED
Statement of Consolidated Unaudited Financial Results for the quarter and six months ended 30 June 2013
(Rupees in millions, except share data, per share data and if otherwise stated)

PART I

Sr. No.	Particulars	(Unaudited) Quarter ended 30 June	(Unaudited) Quarter ended 31 March	(Unaudited) Quarter ended 30 June	(Unaudited) Six months ended 30 June	(Audited) Year ended 31 December
		2013	2013	2012	2013	2012
1	Income from operations					
	(a) Sales					
	- Within India (net of excise duty)	5,561.15	5,610.90	5,613.54	11,172.05	10,650.27
	- Outside India (refer to note 2)	20,770.88	18,787.34	26,432.40	39,558.22	58,485.38
	Net sales (net of excise duty)	26,332.03	24,398.24	32,045.94	50,730.27	122,528.94
	(b) Other operating income	502.48	607.27	544.31	1,109.75	1,267.72
	Total income from operations (net)	26,834.51	25,005.51	32,590.25	51,840.02	124,597.27
2	Expenses					
	(a) Cost of materials consumed	5,637.44	5,745.49	5,483.07	11,382.93	9,812.42
	(b) Purchases of stock-in-trade	4,134.51	4,197.03	4,156.43	8,331.54	8,690.24
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade (refer to note 4)	(450.93)	(963.89)	597.78	(1,414.82)	179.53
	(d) Employee benefits expense (refer to note 5)	5,130.99	4,862.48	4,878.84	9,993.47	9,617.59
	(e) Depreciation, amortisation and impairment expense	762.87	796.54	782.69	1,559.41	1,581.38
	(f) Claims and contractual expense (refer to note 4)	163.07	22.64	4,146.65	185.71	11,094.20
	(g) Other expenses	9,595.18	9,236.04	8,214.22	18,831.22	15,934.74
	(h) Foreign exchange loss (others), net	628.08	356.70	2,504.23	984.78	1,554.17
	Total expenses	25,601.21	24,253.03	30,763.91	49,854.24	58,464.27
3	Profit from operations before other income, finance costs and exceptional items (1-2)	1,233.30	752.48	1,826.34	1,985.78	11,939.10
4	Other income	353.84	624.18	697.25	978.02	1,304.40
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	1,587.14	1,376.66	2,523.59	2,963.80	13,243.50
6	Finance costs (refer to note 11)	1,591.45	525.16	1,648.66	2,116.61	1,835.27
7	(Loss)/ profit from ordinary activities after finance costs but before exceptional items (5-6)	(4.31)	851.50	874.93	847.19	11,408.23
8	Exceptional items					
	- Impairment of goodwill (refer to note 6 b)	(1,191.66)	-	-	(1,191.66)	-
	- (Loss)/ gain on foreign currency option derivatives, net (other than loans) (refer to note 6 a)	(3,671.03)	818.42	(5,993.52)	(2,852.61)	(2,546.36)
	- Product recall	-	-	-	-	(1,859.54)
9	(Loss)/ profit from ordinary activities before tax (7+8)	(4,867.00)	1,669.92	(5,118.59)	(3,197.08)	8,861.87
10	Tax expense, net	311.37	353.38	682.83	664.75	2,057.07
11	Net (loss)/ profit for the period (9-10)	(5,178.37)	1,316.54	(5,801.42)	(3,861.83)	6,804.80
12	Share in loss of associate, net	52.71	17.24	39.81	69.95	161.31
13	Minority interest	11.36	41.71	16.02	53.07	33.10
14	Net (loss)/ profit after tax, minority interest and share in loss of associate (11-12-13)	(5,242.44)	1,257.59	(5,857.25)	(3,984.85)	6,610.39
15	Paid - up equity share capital (Face value of Rs. 5 each)	2,115.50	2,115.03	2,110.56	2,115.50	2,110.56
16	Reserves excluding Revaluation Reserves as per Balance Sheet					38,668.43
17	(Loss)/ earnings per share (Rs.) - not annualised					
	Basic	(12.40)	2.98	(13.89)	(9.42)	15.67
	Diluted	(12.40)	2.97	(13.89)	(9.42)	15.63
18	Debt service coverage ratio (refer to note 8)				(0.19)	0.96
19	Interest service coverage ratio (refer to note 8)				(0.51)	5.10

See accompanying notes to the consolidated unaudited financial results

PART II

Select information for the quarter and six months ended 30 June 2013

Sr. No.	Particulars	Quarter ended 30 June	Quarter ended 31 March	Quarter ended 30 June	Six months ended 30 June	Year ended 31 December
		2013	2013	2012	2013	2012
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding #					
	- Number of shares	145,679,333	145,437,363	145,005,743	145,679,333	145,005,743
	- Percentage of shareholding	34.43%	34.38%	34.35%	34.43%	34.35%
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)	63.51%	63.52%	63.66%	63.51%	63.66%

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 30 June 2013
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	2
Disposed off during the quarter	2
Remaining unresolved at the end of the quarter	Nil

RANBAXY LABORATORIES LIMITED

Statement of Consolidated Unaudited Financial Results for the quarter and six months ended 30 June 2013

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

Notes:

- 1 The consolidated unaudited financial results of Ranbaxy Laboratories Limited ("the Company"), its subsidiaries and an associate (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 include significant sales relating to First-To-File (FTF) products in the United States of America ("USA").
- 3 The Company has negotiated and settled with the Department of Justice ("DOJ") of the USA for resolution of civil and criminal allegations on 13 May 2013 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 has 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. Accordingly, accounting adjustments arising from apportionment of the total settlement amount between the Company and its US subsidiaries, including the impact of apportionment on provision for taxation, have been carried out in the accompanying financial results for the quarter and six months ended 30 June 2013.
- 4 Changes in inventories of finished goods, work-in-progress and stock-in-trade for the six months period ended 30 June 2013 and Claims and contractual expense for the quarter ended 30 June 2013 include prior period adjustment of Rs. 113.51 and Rs. 55.09 respectively.
- 5 Employee benefits expense for the six months period ended 30 June 2013 is net of Rs. 304.58 representing impact of revision in a defined benefit plan applicable to certain employees of the Company.
- 6 a. The amount represents foreign exchange (loss)/ gain, 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".
b. Exceptional item for the quarter and six months period ended 30 June 2013 represents the non cash write down of goodwill in its subsidiaries.
- 7 Consolidated Statement of Assets and Liabilities are given below:

Particulars		(Unaudited) As at 30 June 2013	(Audited) As at 31 December 2012
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital	2,115.50	2,114.57
	b) Reserves and surplus	36,851.89	38,717.59
	Sub-total - Shareholders' funds	38,967.39	40,832.16
2	Share application money pending allotment	3.94	11.10
3	Minority interest	983.09	889.52
4	Non-current liabilities		
	a) Long-term borrowings	25,418.56	19,712.83
	b) Deferred tax liabilities (net)	125.94	132.04
	c) Other long-term liabilities	9,407.53	10,510.84
	d) Long-term provisions	1,675.22	2,909.02
	Sub-total - Non-current liabilities	36,627.25	33,264.73
5	Current liabilities		
	a) Short-term borrowings	31,929.88	28,749.07
	b) Trade payables	16,048.83	16,213.71
	c) Other current liabilities	15,514.01	14,871.49
	d) Short-term provisions	1,727.91	29,820.21
	Sub-total - Current liabilities	65,220.63	89,654.48
	TOTAL EQUITY AND LIABILITIES	141,802.30	164,651.99
B	ASSETS		
1	Non-current assets		
	a) Fixed assets	37,199.92	35,761.17
	b) Goodwill on consolidation	15,202.92	16,394.58
	c) Non-current investments	699.97	769.92
	d) Deferred tax assets (net)	684.19	488.67
	e) Long-term loans and advances	11,589.38	10,812.70
	f) Other non-current assets	1,511.19	301.62
	Sub-total - Non-current assets	66,887.57	64,528.66
2	Current assets		
	a) Current investments	13.97	20.48
	b) Inventories	28,972.36	27,313.54
	c) Trade receivables	21,759.55	20,367.84
	d) Cash and cash equivalents #	16,853.27	46,004.45
	e) Short-term loans and advances	4,788.48	4,595.32
	f) Other current assets	2,527.10	1,821.70
	Sub-total - Current assets	74,914.73	100,123.33
	TOTAL ASSETS	141,802.30	164,651.99

Include Rs.8,863.58 (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.

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- 8 Due to issuance of debentures in November 2012, 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 costs (serial no. 6)
- 9 On exercise of Employees Stock Options, 28,520 equity shares have been allotted on 10 July 2013. The total number of Employees Stock Options outstanding as at 30 June 2013 were 6,393,085, out of which 4,361,231 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.
- 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 30 June	(Unaudited) Quarter ended 31 March	(Unaudited) Quarter ended 30 June	(Unaudited) Six months ended 30 June		(Audited) Year ended 31 December
	2013	2013	2012	2013	2012	2012
Foreign exchange loss	1,103.95	12.70	1,165.41	1,116.65	975.13	1,239.74

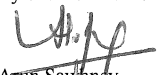
- 12 Pursuant to the provisions of the Listing Agreement, the management has decided to publish consolidated unaudited financial results in the newspapers. However, the standalone unaudited financial results will be made available on the Company's website at www.ranbaxy.com and also on the websites of 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 30 June	(Unaudited) Quarter ended 31 March	(Unaudited) Quarter ended 30 June	(Unaudited) Six months ended 30 June		(Audited) Year ended 31 December
	2013	2013	2012	2013	2012	2012
Net sales (net of excise duty)	13,950.96	13,278.77	14,727.50	27,229.73	32,829.78	61,124.43
(Loss)/ profit from ordinary activities before tax	(6,088.09)	701.47	(9,256.66)	(5,386.62)	(984.35)	(1,642.83)
Net (loss)/ profit for the period	(6,088.09)	701.47	(9,256.66)	(5,386.62)	(984.35)	(1,623.39)

- 13 With the receipt of all requisite approvals and filing of the returns with the respective Registrar of Companies, the Company's five wholly owned Indian subsidiaries viz. Ranbaxy Drugs and Chemicals Company, Ranbaxy SEZ Limited, Ranbaxy Life Sciences Research Limited, Solus Pharmaceuticals Limited and Rexcel Pharmaceuticals Limited, have merged with Ranbaxy Drugs Limited, another wholly owned subsidiary of the Company, effective 9 May, 2013.
- 14 Previous periods figures have been reclassified to conform to the current period's classification.
- 15 The above results were reviewed by the Audit Committee on 6 August 2013, and approved by the Board of Directors at their meeting held on 7 August 2013 and have undergone a "Limited Review" by the Statutory Auditors of the Company. 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 Savhney
 CEO and Managing Director

Place: Moscow, Russia
 Date: 7 August 2013

Regd. Office : A-41, Industrial Area Phase VIII A, Sahibzada Ajit Singh Nagar (Mohali) - 160 071 (Punjab)
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