

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
 FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2013**

(₹ crore)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012	31.03.2013
	Unaudited			Unaudited		Audited
1. Income from operations	2552.63	2463.18	2070.53	7323.52	6169.83	8086.82
a) Net Sales/Income from Operations (Net of excise duty)						
b) Other Operating Income	28.15	49.21	40.24	257.35	130.86	192.51
Total income from operations (net)	2580.78	2512.39	2110.77	7580.87	6300.69	8279.33
2. Expenses						
a) Cost of materials consumed	895.91	838.26	788.56	2426.95	2029.60	2728.92
b) Purchases of stock-in-trade	244.06	154.58	206.57	500.98	446.42	514.30
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(140.90)	(46.29)	(213.22)	(56.64)	(233.18)	(290.60)
d) Employee benefits expense	402.82	382.94	275.08	1115.03	761.40	1036.26
e) Depreciation and amortisation expense	91.17	91.43	84.91	267.63	245.39	330.48
f) Other expenses	711.62	618.74	533.18	1870.78	1524.38	2092.60
Total expenses	2204.68	2039.66	1675.08	6124.73	4774.01	6411.96
3. Profit (+)/Loss (-) from operations before other income, finance costs and exceptional items (1-2)	376.10	472.73	435.69	1456.14	1526.68	1867.37
4. Other Income	52.39	68.34	50.88	187.85	165.58	222.14
5. Profit (+)/Loss (-) before finance costs and exceptional items (3+4)	428.49	541.07	486.57	1643.99	1692.26	2089.51
6. Finance costs	33.26	37.68	7.87	111.63	15.13	33.91
7. Profit (+)/Loss (-) before exceptional Items and tax (5-6)	395.23	503.39	478.70	1532.36	1677.13	2055.60
8. Exceptional Item	-	-	-	-	39.77	39.77
9. Profit(+)/Loss(-) before tax (7+8)	395.23	503.39	478.70	1532.36	1716.90	2095.37
10. Tax expense	98.70	135.76	127.00	388.08	441.59	544.31
11. Net Profit (+)/Loss (-) after tax (9-10)	296.53	367.63	351.70	1144.28	1275.31	1551.06
12. Share of Profit (+) / Loss (-) of associates	(6.11)	(8.34)	(11.39)	(9.22)	(6.95)	(6.21)
13. Minority Interest	6.11	1.23	-	7.34	-	-
14. Net Profit (+) / Loss (-) for the period (11+12-13)	284.31	358.06	340.31	1127.72	1268.36	1544.85
15. Paid-up equity share capital (Face Value `2 per share)	160.58	160.58	160.58	160.58	160.58	160.58
16. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						8849.13
17. Earnings per share (`)						
- Basic	*3.54	*4.46	*4.24	*14.05	* 15.80	19.24
- Diluted	*3.54	*4.46	*4.24	*14.03	* 15.80	19.24
*Not Annualised						

A. PARTICULARS OF SHAREHOLDING						
1. Public shareholding						
- Number of shares	498311105	499123493	502473341	498311105	502473341	500983877
- Percentage of shareholding	62.06	62.16	62.58	62.06	62.58	62.40
2. Promoters and Promoter Group Shareholding						
a) Pledged/Encumbered						
- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL
b) Non-Encumbered						
- Number of shares	295485978	295485978	295485978	295485978	295485978	295485978
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	36.80	36.80	36.80	36.80	36.80	36.80

Particulars	Quarter Ended 31.12.2013
B. INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	18
Disposed of during the quarter	18
Remaining unresolved at the end of the quarter	Nil

Notes:

- The Company is essentially in the pharmaceutical business segment.
- The consolidated accounts have been prepared in accordance with the principles set out in Accounting Standard 21 - Consolidated Financial Statements, Accounting Standard 23 - Accounting for Investments in Associates and Accounting Standard 27 - Financial Reporting in Joint Ventures in Consolidated Financial Statements notified in the Companies (Accounting Standard) Rules, 2006.
- In 2003, the Company received notice of demand from the National Pharmaceutical Pricing Authority, Government of India on account of alleged overcharging in respect of certain drugs under the Drug Price Control Order. This was contested before the jurisdictional High Courts in Mumbai, Karnataka and Allahabad wherein it was held in favour of the Company. The orders of Hon'ble High Court of Allahabad and Bombay were challenged before the Hon'ble Supreme Court of India by the Government. Although in the challenge to the decision of the Hon'ble Bombay High Court, the Hon'ble Supreme Court of India restored the matter to the Hon'ble Bombay High Court in August 2003 for interpreting the Drug Policy on the basis of directions and principles laid down by them and the same was pending, in the challenge to the Hon'ble High Court of Allahabad's order, in February 2013, the Hon'ble Supreme Court of India transferred the Bombay High Court petition also before itself for a final hearing on both the matters. In an earlier order, the Hon'ble Supreme Court has already restrained the Government from taking any coercive action against the Company. The Company has been legally advised that on the basis of these orders there is no probability of demand crystallising. Hence no provision is considered necessary in respect of notice of demand aggregating to `1654.92 crore (inclusive of principal amount for the period July 1995 to April 2009 and interest up to January 2012).
- Pursuant to acquisition of 14.5% additional stake in Quality Chemical Industries Ltd ("QCIL"), a pharmaceutical company, incorporated in Uganda (hitherto an Associate) became a subsidiary of the Company on 20th November, 2013. Accordingly, the above results for the current periods includes the relevant results of QCIL from the date QCIL became subsidiary of the Company and therefore the corresponding figures for the previous period are not comparable.
- The Unaudited Standalone financial results for the quarter and nine months ended 31st December, 2013 is available on the Company's website i.e. www.cipla.com and on the Stock Exchange's website: www.bseindia.com and www.nseindia.com. The key standalone financial information are as under:

(` in crore)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012	31.03.2013
	Unaudited			Unaudited		Audited
Total income from operations (net)	2281.58	2347.44	2079.38	7092.90	6241.64	8202.42
Profit before tax	345.64	502.19	459.07	1472.70	1639.84	2011.86
Profit after tax	260.77	376.03	338.78	1111.70	1239.55	1507.11

6. During the quarter ended 31st December, 2013, in accordance with Employee Stock Option Scheme dated 31st October, 2013 ("ESOS 2013 - A"), the Company has granted 14,17,625 stock options to employees at an exercise price equal to face value of the share. These options would vest not earlier than 1 year and not later than 2 years from the date of grant of options.
7. The figures of the previous year/period have been regrouped/ recast to render them comparable with the figures of the current period.
8. The above consolidated financial results have been subjected to Limited Review by the Statutory Auditors, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 12th February, 2014. The Company has opted for submission of consolidated financial results under clause 41(l)(e)(i) of the listing agreement with effect from quarter ended 30th June, 2013. The comparable consolidated financial results for the quarter and nine months ended 31st December, 2012 are based on management accounts.

By order of the Board
For **CIPLA LIMITED**

Mumbai
12th February, 2014

Dr. Y. K. Hamied
Chairman

Financial Review (Consolidated)

(₹ crore)

	Quarter Ended			Nine Months Ended		
	31/12/2013	31/12/2012	% change	31/12/2013	31/12/2012	% change
Sales						
Domestic *	1044.26	927.04	12.6%	3185.81	2809.02	13.4%
International	1508.37	1143.49	31.9%	4137.71	3360.81	23.1%
% of international to total	59.1%	55.2%		56.5%	54.5%	
Total Sales	2552.63	2070.53	23.3%	7323.52	6169.83	18.7%
Other operating income						
Technology knowhow/fees	2.73	16.81		29.17	27.20	
Others	25.42	23.43		228.18	103.66	
Total	28.15	40.24	-30.0%	257.35	130.86	96.7%
Income from Operations	2580.78	2110.77	22.3%	7580.87	6300.69	20.3%
Material Cost	999.07	781.91		2871.29	2242.84	
% to total sales	39.1%	37.8%		39.2%	36.4%	
EBITDA*	467.27	520.60	-10.2%	1723.77	1772.07	-2.7%
% to income from operations	18.1%	24.7%		22.7%	28.1%	
Profit before tax	395.23	478.70	-17.4%	1532.36	1716.90	-10.7%
% to income from operations	15.3%	22.7%		20.2%	27.2%	
Profit after tax	284.31	340.31	-16.5%	1127.72	1268.36	-11.1%
% to income from operations	11.0%	16.1%		14.9%	20.1%	

(Current year figures include the relevant results of the company's subsidiaries from the date they became subsidiaries and therefore the corresponding figures for the previous period are not comparable.)

During the quarter, the company posted a growth of over 22% in income from operations. Domestic sales grew by about 13% and international sales grew by about 32%. Operating margins have decreased by over 10% and profits after tax, have decreased by over 16% on a year-on-year basis. The previous year's results included one-time profit share revenues from Escitalopram through our US partner.

Material cost has increased by about 2% mainly on account of changes in product mix viz. higher proportion of ARVs. Also the operating margins have decreased due to higher R&D and other expenditures.

The increase in staff cost of ₹128 crore is due to increase in manpower, annual increments. Other expenditure has increased by ₹178 crore for the quarter mainly on account of increase in R&D and other expenditures. Tax for the quarter is in line with average tax rate for the previous year.

* Net of excise duty

**Excludes other incomes