

**STATEMENT OF STANDALONE AUDITED RESULTS  
 FOR THE QUARTER AND YEAR ENDED 31<sup>ST</sup> MARCH 2013**

(₹ in crores)

Particulars	Quarter Ended			Year Ended	
	31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
	Audited	Unaudited	Audited	Audited	Audited
<b>1. Income from operations</b>					
a) Net Sales/Income from Operations (Net of excise duty)	1906.21	2030.70	1814.05	8015.37	6807.68
b) Other Operating Income	60.48	39.79	51.53	187.05	169.82
<b>Total income from operations (net)</b>	<b>1966.69</b>	<b>2070.49</b>	<b>1865.58</b>	<b>8202.42</b>	<b>6977.50</b>
<b>2. Expenses</b>					
a) Cost of materials consumed	700.42	740.03	589.44	2646.83	2300.85
b) Purchases of stock-in-trade	93.46	277.77	138.17	706.89	555.55
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(49.49)	(220.24)	44.87	(290.75)	11.24
d) Employee benefits expense	255.07	258.60	182.02	969.28	728.21
e) Depreciation and amortisation expense	78.25	78.00	70.46	303.03	282.07
f) Other expenses	557.78	521.44	512.30	2051.03	1799.79
<b>Total expenses</b>	<b>1635.49</b>	<b>1655.60</b>	<b>1537.26</b>	<b>6386.31</b>	<b>5677.71</b>
<b>3. Profit (+)/Loss (-) from operations before other income and finance costs (1-2)</b>	<b>331.20</b>	<b>414.89</b>	<b>328.32</b>	<b>1816.11</b>	<b>1299.79</b>
<b>4. Other Income</b>	<b>58.45</b>	<b>53.48</b>	<b>38.96</b>	<b>229.13</b>	<b>148.30</b>
<b>5. Profit (+)/Loss (-) before finance costs (3+4)</b>	<b>389.65</b>	<b>468.37</b>	<b>367.28</b>	<b>2045.24</b>	<b>1448.09</b>
<b>6. Finance costs</b>	<b>17.63</b>	<b>9.30</b>	<b>2.26</b>	<b>33.38</b>	<b>26.63</b>
<b>7. Profit (+)/Loss (-) before tax (5-6)</b>	<b>372.02</b>	<b>459.07</b>	<b>365.02</b>	<b>2011.86</b>	<b>1421.46</b>
<b>8. Tax expense</b>	<b>104.46</b>	<b>120.29</b>	<b>73.28</b>	<b>504.75</b>	<b>297.50</b>
<b>9. Net Profit (+)/Loss (-) after tax (7-8)</b>	<b>267.56</b>	<b>338.78</b>	<b>291.74</b>	<b>1507.11</b>	<b>1123.96</b>
<b>10. Paid-up equity share capital (Face Value ₹2 per share)</b>	<b>160.58</b>	<b>160.58</b>	<b>160.58</b>	<b>160.58</b>	<b>160.58</b>
<b>11. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year</b>				<b>8699.97</b>	<b>7380.73</b>
<b>12. Basic and Diluted Earnings per share (₹)</b> *Not Annualised	<b>*3.33</b>	<b>*4.22</b>	<b>*3.63</b>	<b>18.77</b>	<b>14.00</b>
<b>A. PARTICULARS OF SHAREHOLDING</b>					
<b>1. Public shareholding</b>					
- Number of shares	500983877	502473341	506720722	500983877	506720722
- Percentage of shareholding	62.40	62.58	63.11	62.40	63.11
<b>2. Promoters and Promoter Group Shareholding</b>					
a) Pledged/Encumbered					
- Number of shares	NIL	NIL	NIL	NIL	NIL
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL
- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL
b) Non-Encumbered					
- Number of shares	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
- Percentage of shares (as a % of the total share capital of the company)	36.80	36.80	36.80	36.80	36.80

Particulars	Quarter Ended 31.03.2013
<b>B. INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	NIL
Received during the quarter	15
Disposed of during the quarter	15
Remaining unresolved at the end of the quarter	NIL

Notes:

- The Company is essentially in the pharmaceutical business segment.
- The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- The Directors at their meeting held today recommended payment of dividend of ₹ 2 per equity share (face value ₹2) for the year 2012-2013 amounting to ₹ 160.58 crores.
- 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 Feb 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 Rs.1654.92 crores (inclusive of principal amount for the period July 1995 to April 2009 and interest upto January 2012).
- On 15th May 2013 the shareholders of Cipla Medpro South Africa Limited ("Medpro"), a company incorporated in the Republic of South Africa and listed on JSE Limited, have approved the Scheme of Arrangement ("Scheme") for the Company to acquire 100% of the ordinary share capital of Medpro at a price of ZAR 10 per share, and to settle all outstanding options to acquire Medpro shares. Based on Medpro's current shares and share options outstanding, the total consideration payable would be approximately ZAR 4518 million (approximately Rs. 2666 crores). Medpro is a distributor of Company's products in South Africa and certain neighbouring countries. Implementation of the Scheme is still subject to regulatory and other approvals and conditions.
- The figures of the previous year have been regrouped/recast to render them comparable with the figures of the current year.
- The Audited Standalone Statement of assets and liabilities is as under:

Particulars	Year ended	
	31.03.2013	31.03.2012
(₹ in crores)		
<b>A. EQUITY AND LIABILITIES</b>		
<b>1. Shareholders' fund</b>		
(a) Share capital	160.58	160.58
(b) Reserves and surplus	8708.94	7389.70
<b>Shareholder's fund</b>	<b>8869.52</b>	<b>7550.28</b>
<b>2. Non-current liabilities</b>		
(a) Long-term borrowings	0.55	2.20
(b) Deferred tax liabilities (net)	281.20	232.45
(c) Other long-term liabilities	30.00	30.00
(d) Long-term provisions	47.34	29.12
<b>Non-current liabilities</b>	<b>359.09</b>	<b>293.77</b>
<b>3. Current liabilities</b>		
(a) Short-term borrowings	965.26	10.00
(b) Trade payables	827.09	685.85
(c) Other current liabilities	242.62	232.79
(d) Short-term provisions	229.63	220.64
<b>Current liabilities</b>	<b>2264.60</b>	<b>1149.28</b>
<b>Total</b>	<b>11493.21</b>	<b>8993.33</b>
<b>B. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets	3418.29	3002.66
(b) Capital Work-in-Progress- Tangible	339.99	343.45
(c) Intangible Asset under Development	10.35	-
(d) Non-current investments	514.36	461.83
(e) Long-term loans and advances	373.72	393.50
(f) Other non-current assets	0.31	0.24
<b>Non-current assets</b>	<b>4657.02</b>	<b>4201.68</b>
<b>2. Current assets</b>		
(a) Current investments	2087.46	573.32
(b) Inventories	2343.37	1824.50
(c) Trade receivables	1645.22	1519.31
(d) Cash and cash equivalents	105.07	55.06
(e) Short-term loans and advances	652.79	765.48
(f) Other current assets	2.28	53.98
<b>Current assets</b>	<b>6836.19</b>	<b>4791.65</b>
<b>Total</b>	<b>11493.21</b>	<b>8993.33</b>

8. The above results after being reviewed by the Audit Committee were approved at the meeting of the Board of Directors held on 29<sup>th</sup> May, 2013.

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

Mumbai  
29<sup>th</sup> May, 2013

**M. K. Hamied**  
*Managing Director*

**Financial Review – Period ended Mar 2013**
*(₹ in crores)*

	Quarter Ended			Year Ended		
	31/03/2013	31/03/2012	% change	31/03/2013	31/03/2012	% change
Domestic	793.09	753.55	5.2%	3681.37	3212.88	14.6%
Exports - Formulations	953.55	855.06	11.5%	3771.81	2967.68	27.1%
APIs & others	174.65	229.90	-24.0%	654.35	724.35	-9.7%
Total Exports	1128.20	1084.96	4.0%	4426.16	3692.03	19.9%
% of exports to total sales	58.7%	59.0%		54.6%	53.5%	
<b>Total Sales</b>	<b>1921.29</b>	<b>1838.51</b>	<b>4.5%</b>	<b>8107.53</b>	<b>6904.91</b>	<b>17.4%</b>
Other operating income						
Technology knowhow/fees	38.73	5.60		65.93	31.03	
Others	21.75	45.93		121.12	138.79	
Total	60.48	51.53	17.4%	187.05	169.82	10.1%
<b>Income from Operations</b>	<b>1981.77</b>	<b>1890.04</b>	<b>4.9%</b>	<b>8294.58</b>	<b>7074.73</b>	<b>17.2%</b>
<b>Material Cost</b>	744.39	772.48		3062.96	2867.64	
% to total sales	38.7%	42.0%		37.8%	41.5%	
<b>Operating margin</b>	409.45	398.78	2.7%	2119.14	1581.86	34.0%
% to income from operations	20.7%	21.1%		25.5%	22.4%	
<b>Profit before tax</b>	372.02	365.02	1.9%	2011.86	1421.46	41.5%
% to income from operations	18.8%	19.3%		24.3%	20.1%	
<b>Profit after tax</b>	267.56	291.74	-8.3%	1507.11	1123.96	34.1%
% to income from operations	13.5%	15.4%		18.2%	15.9%	

During the quarter, the company posted a growth of about 5% in income from operations. Domestic sales grew by more than 5% and export sales grew by 4%. Operating margins have increased by 2.7% and profits after tax, have decreased by 8.3% on a year-on-year basis.

Material cost has decreased by more than 3% mainly on account of changes in product mix coupled with increased realizations. As a result, operating margins have also increased by about 3%.

The increase in staff cost of ₹73 crore is due to annual increments and increase in manpower. Other expenditure has increased by ₹46 crore for the quarter mainly on account of increase in travel expenses, professional charges, etc. Due to higher profits for the year, the company has provided for tax as per normal provisions of the Income Tax Act (last year under MAT). Also, increase in surcharge by 5% has resulted in higher provision for deferred taxes.