

**UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED 31<sup>st</sup> DECEMBER, 2011**

(Rupees in crores)

Particulars	Unaudited					Audited
	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	31.03.2011
1. a) <b>Gross Sales</b>	<b>1734.50</b>	1758.09	1515.75	<b>5066.40</b>	4545.37	6183.87
Less: Excise Duty	<b>23.03</b>	26.26	14.39	<b>72.77</b>	36.75	48.71
Net Sales	<b>1711.47</b>	1731.83	1501.36	<b>4993.63</b>	4508.62	6135.16
b) Other Operating Income	<b>46.53</b>	46.19	55.71	<b>133.81</b>	148.84	207.00
Total Operating Income (a+b)	<b>1758.00</b>	1778.02	1557.07	<b>5127.44</b>	4657.46	6342.16
2. <b>Expenditure</b>						
a) (Increase)/decrease in Stock-in-trade and work in progress	<b>(31.26)</b>	18.85	(66.35)	<b>(33.63)</b>	(5.77)	(125.74)
b) Consumption of Materials	<b>611.01</b>	559.36	574.26	<b>1711.41</b>	1635.14	2343.15
c) Purchase of Traded Goods	<b>135.53</b>	133.44	187.93	<b>417.38</b>	485.40	671.13
d) Employee Cost	<b>187.47</b>	187.49	135.09	<b>546.19</b>	410.23	540.33
e) Depreciation	<b>75.74</b>	65.62	65.25	<b>211.61</b>	183.98	248.03
f) Other Expenditure	<b>463.80</b>	441.27	407.96	<b>1287.49</b>	1097.12	1600.45
g) Total	<b>1442.29</b>	1406.03	1304.14	<b>4140.45</b>	3806.10	5277.35
3. <b>Profit (+)/Loss (-) from Operations before Other Income and Interest (1-2)</b>	<b>315.71</b>	371.99	252.93	<b>986.99</b>	851.36	1064.81
4. <b>Other Income</b>	<b>30.16</b>	24.31	25.69	<b>79.32</b>	59.08	91.72
5. <b>Profit (+)/Loss (-) before Interest (3+4)</b>	<b>345.87</b>	396.30	278.62	<b>1066.31</b>	910.44	1156.53
6. <b>Interest</b>	<b>3.24</b>	2.38	2.93	<b>9.87</b>	3.32	5.14
7. <b>Profit (+)/Loss (-) before Tax (5-6)</b>	<b>342.63</b>	393.92	275.69	<b>1056.44</b>	907.12	1151.39
8. <b>*Tax Expense</b>	<b>72.72</b>	84.95	43.00	<b>224.22</b>	154.00	191.00
9. <b>Net Profit (+)/Loss (-) after Tax (7-8)</b>	<b>269.91</b>	308.97	232.69	<b>832.22</b>	753.12	960.39
10. <b>Paid-up Equity Share Capital (Face Value Rs.2/- per share)</b>	<b>160.58</b>	160.58	160.58	<b>160.58</b>	160.58	160.58
11. <b>Reserves excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year</b>						6443.40
12. <b>Basic and Diluted Earnings per Share (Rs.)</b> ** Not Annualised	<b>**3.37</b>	**3.85	**2.90	<b>**10.37</b>	**9.38	11.96
13. <b>Public Shareholding</b>						
- Number of Shares	<b>506720722</b>	506208722	502598674	<b>506720722</b>	502598674	503606049
- Percentage of Shareholding	<b>63.11</b>	63.05	62.60	<b>63.11</b>	62.60	62.72
14. <b>Promoters and Promoter Group Shareholding</b>						
a) Pledged/Encumbered						
- Number of Shares	<b>NIL</b>	NIL	NIL	<b>NIL</b>	NIL	NIL
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	<b>NIL</b>	NIL	NIL	<b>NIL</b>	NIL	NIL
- Percentage of shares (as a % of the total share capital of the Company)	<b>NIL</b>	NIL	NIL	<b>NIL</b>	NIL	NIL
b) Non-Encumbered						
- Number of Shares	<b>295485978</b>	295485978	295485978	<b>295485978</b>	295485978	295485978
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	<b>100.00</b>	100.00	100.00	<b>100.00</b>	100.00	100.00
- Percentage of shares (as a % of the total share capital of the Company)	<b>36.80</b>	36.80	36.80	<b>36.80</b>	36.80	36.80

Notes:

- The Company is essentially in the pharmaceutical business segment.
- No investor grievances were pending at the beginning of the quarter. During the quarter ended 31st December, 2011, fourteen investor grievances were received. As of 31st December, 2011 all grievances have been suitably replied to.
- 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 wherein it was held in favour of the Company. The orders were challenged before the Hon'ble Supreme Court by the Government. The Hon'ble Supreme Court by separate orders restored the matter to the jurisdictional High Court for interpreting the Drug Policy on the basis of directions and principles laid down by them and also 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.1230.28 crores (inclusive of interest) for the period July 1995 to April 2009.
- The figures of the previous year have been regrouped/recast to render them comparable with the figures of the current year.
- \*Tax expense is inclusive of current tax, deferred tax and Minimum Alternate Tax (MAT) credit.
- The results for the quarter ended 31st December, 2011 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 13th February, 2012.

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

	Quarter Ended			Nine Months Ended		
	31/12/2011	31/12/2010	% change	31/12/2011	31/12/2010	% change
Domestic	868.68	733.97	18.4%	2459.33	2165.53	13.6%
Exports - Formulations	702.17	643.18	9.2%	2112.62	1932.81	9.3%
APIs & others	163.65	138.60	18.1%	494.45	447.03	10.6%
Total Exports	865.82	781.78	10.7%	2607.07	2379.84	9.5%
% of exports to total sales	49.9%	51.6%		51.5%	52.4%	
<b>Total Sales</b>	<b>1734.50</b>	<b>1515.75</b>	<b>14.4%</b>	<b>5066.40</b>	<b>4545.37</b>	<b>11.5%</b>
Other operating income						
Technology knowhow/fees	7.83	15.14		25.43	42.99	
Others	38.70	40.57		108.38	105.85	
Total	46.53	55.71	-16.5%	133.81	148.84	-10.1%
<b>Income from Operations</b>	<b>1781.03</b>	<b>1571.46</b>	<b>13.3%</b>	<b>5200.21</b>	<b>4694.21</b>	<b>10.8%</b>
<b>Material Cost</b>	715.28	695.84		2095.16	2114.77	
% to total sales	41.2%	45.9%		41.4%	46.5%	
<b>Operating margin</b>	391.45	318.18	23.0%	1198.60	1035.34	15.8%
% to income from operations	22.0%	20.2%		23.0%	22.1%	
<b>Profit before tax</b>	342.63	275.69	24.3%	1056.44	907.12	16.5%
% to income from operations	19.2%	17.5%		20.3%	19.3%	
<b>Profit after tax</b>	269.91	232.69	16.0%	832.22	753.12	10.5%
% to income from operations	15.2%	14.8%		16.0%	16.0%	

During the quarter, the company posted a growth of more than 13% in income from operations. Domestic sales grew by more than 18% and export sales grew by about 11% for the quarter. Operating margins and profits after tax have increased by about 23% and 16% respectively on a year-on-year basis.

Material cost has decreased by about 4.7% on a year-on-year basis mainly on account of rationalization of product mix and markets. While such measures would result in increased margins, there could be an adverse effect on revenues in the short term.

The increase in staff cost (Rs. 52 cr) is due to annual increments as well as increase in manpower and is in line with the previous quarter. Other expenditure has increased by about Rs. 56 cr mainly due to increase in selling expenses, professional fees and factory expenditure such as repairs & maintenance, power & fuel, etc. The increase in selling expenses is in line with the increase in turnover. Tax for the current quarter has increased mainly due to expiry of tax benefits on EOUs.