

UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30th SEPTEMBER, 2011

(Rupees in crores)

		Unaudited				Audited
		Quarter Ended		Half Year Ended		Year Ended
		30.09.2011	30.09.2010	30.09.2011	30.09.2010	31.03.2011
1	a) Gross Sales	1758.09	1588.59	3331.90	3029.62	6183.87
	Less: Excise Duty	26.26	8.71	49.74	22.36	48.71
	Net Sales	1731.83	1579.88	3282.16	3007.26	6135.16
	b) Other Operating Income	46.19	54.51	87.28	93.13	207.00
	Total Operating Income (a+b)	1778.02	1634.39	3369.44	3100.39	6342.16
2	Expenditure					
	a) (Increase)/ decrease in Stock-in-trade and work in progress	18.85	39.72	(2.37)	60.58	(125.74)
	b) Consumption of Materials	559.36	538.41	1100.40	1060.88	2343.15
	c) Purchase of Traded Goods	133.44	170.57	281.85	297.47	671.13
	d) Employee Cost	187.49	137.58	358.72	275.14	540.33
	e) Depreciation	65.62	63.91	135.87	118.73	248.03
	f) Other Expenditure	441.27	381.55	823.69	701.87	1600.45
	g) Total	1406.03	1331.74	2698.16	2514.67	5277.35
3	Profit (+)/Loss (-) from Operations before Other Income, Interest (1-2)	371.99	302.65	671.28	585.72	1064.81
4	Other Income	24.31	16.64	49.16	46.10	91.72
5	Profit (+)/Loss (-) before Interest (3+4)	396.30	319.29	720.44	631.82	1156.53
6	Interest	2.38	0.28	6.63	0.39	5.14
7	Profit (+)/Loss (-) before tax (5-6)	393.92	319.01	713.81	631.43	1151.39
8	*Tax Expense	84.95	56.00	151.50	111.00	191.00
9	Net Profit (+)/Loss (-) after Tax (7-8)	308.97	263.01	562.31	520.43	960.39

10	Paid-up Equity Share Capital (Face Value Rs.2/- per share)	160.58	160.58	160.58	160.58	160.58
11	Reserves excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year					6443.40
12	Earning per Share (Rs.) ** Not Annualised	**3.85	**3.27	**7.00	**6.48	11.96
13	Public Shareholding					
	- Number of Shares	506208722	501256635	506208722	501256635	503606049
	- Percentage of Shareholding	63.05	62.43	63.05	62.43	62.72
14	Promoters and Promoter Group Shareholding					
	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

Notes:

1. The Company is essentially in the pharmaceutical business segment.
2. No investor grievances were pending at the beginning of the quarter. During the quarter ended 30th September, 2011, twelve investor grievances were received. As of 30th September, 2011 all grievances have been suitably replied to.

3. 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.
4. The figures of the previous year have been regrouped/recast to render them comparable with the figures of the current year.
5. *Tax expense is inclusive of current tax, deferred tax and Minimum Alternate Tax (MAT) credit.
6. The Statement of Assets and Liabilities is as under:

(Rupees in crores)

Particulars	As at 30.09.2011	As at 30.09.2010
	(Unaudited)	(Unaudited)
Shareholders Funds		
(a) Capital	160.58	160.58
(b) Reserves and Surplus	7014.67	6199.04
Loan Funds	221.28	432.08
Deferred Tax Liabilities	243.50	185.15
Total	7640.03	6976.85
Fixed Assets	3270.01	2977.86
Investments	704.05	559.49
Current Assets, Loans and Advances		
(a) Inventories	1709.63	1657.18
(b) Sundry Debtors	1675.60	1703.41
(c) Cash and Bank balances	80.49	69.14
(d) Other Current Assets	1.63	0.60
(e) Loans and Advances	1323.08	1296.57
Less: Current Liabilities and Provisions		

(a) Liabilities	1069.54	1249.18
(b) Provisions	54.92	38.22
Total	7640.03	6976.85

7. The above results after being reviewed by the Audit Committee were approved at the meeting of the Board of Directors held on 14th November, 2011. Limited Review as required under Clause 41 of the Listing Agreement has been completed by the Statutory Auditors of the Company.

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

Mumbai
14th November, 2011

Dr. Y. K. Hamied
Chairman & Managing Director

Financial Review – Period ended September 2011

(Rupees in crores)

	Quarter Ended			Half Year Ended		
	30.09.2011	30.09.2010	% change	30.09.2011	30.09.2010	% change
Domestic	847.03	756.41	12.0%	1590.65	1431.56	11.1%
Exports - Formulations	751.58	663.91	13.2%	1410.45	1289.63	9.4%
APIs & others	159.48	168.27	-5.2%	330.80	308.43	7.3%
Total Exports	911.06	832.18	9.5%	1741.25	1598.06	9.0%
% of exports to total sales	51.8%	52.4%		52.3%	52.7%	
Total Sales	1758.09	1588.59	10.7%	3331.90	3029.62	10.0%
Other operating income						
Technology knowhow/fees	7.77	11.97		17.60	27.85	
Others	38.42	42.54		69.68	65.28	
Total	46.19	54.51	-15.3%	87.28	93.13	-6.3%

Income from Operations	1804.28	1643.10	9.8%	3419.18	3122.75	9.5%
Material cost	711.65	748.70		1379.88	1418.93	
% to total sales	40.5%	47.1%		41.4%	46.8%	
Operating margin	437.61	366.56	19.4%	807.15	704.45	14.6%
% to income from operations	24.3%	22.3%		23.6%	22.6%	
Profit before tax	393.92	319.01	23.5%	713.81	631.43	13.0%
% to income from operations	21.8%	19.4%		20.9%	20.2%	
Profit after tax	308.97	263.01	17.5%	562.31	520.43	8.0%
% to income from operations	17.1%	16.0%		16.4%	16.7%	

During the quarter, the company posted a growth of about 10% in income from operations. Operating margins and profits after tax have increased by about 20% and 18% respectively on a year-on-year basis. During the quarter, domestic sales grew by 12% and export sales grew by about 10%. Other operating income includes an amount of Rs. 14 cr on account of gains from foreign exchange.

Material cost for the quarter is lower by Rs. 37 cr mainly due to improved realizations, reduction in input costs of certain category of products and changes in product mix. In addition, there has been higher cost efficiencies due to increased utilization of Indore SEZ facilities. Consequently, operating margins and profits after tax have increased substantially by 2% and 1% respectively.

Excise Duty on sales has increased by Rs. 17 cr due to increase in duty rate by 1% and increase in dutiable clearances. The increase in staff cost (Rs. 50 cr) is due to annual increments and increase in manpower. Other expenditure has increased mainly due to increase in factory expenditure, selling expenses and provision for doubtful debts. Tax for the current quarter has increased mainly due to expiry of tax benefits on EOUs.