

DR REDDYS LABORATORIES LTD

Form 6-K

February 09, 2016

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16

UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended December 31, 2015

Commission File Number 1-15182

DR. REDDY S LABORATORIES LIMITED

(Translation of registrant's name into English)

8-2-337, Road No. 3, Banjara Hills

Hyderabad, Telangana 500 034, India

+91-40-49002900

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F [X]

Form 40-F []

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

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Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If Yes is marked, indicate below the file number assigned to registrant in connection with Rule 12g3-2(b):
82-_____.

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QUARTERLY REPORT

Quarter Ended December 31, 2015

Currency of Presentation and Certain Defined Terms

In this Quarterly Report, references to \$ or dollars or U.S.\$ or U.S. dollars are to the legal currency of the United States and references to Rs. or rupees or Indian rupees are to the legal currency of India. Our unaudited condensed consolidated interim financial statements are presented in Indian rupees and are prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* (IAS 34). Convenience translation into U.S. dollars with respect to our unaudited condensed consolidated interim financial statements is also presented. References to a particular fiscal year are to our fiscal year ended March 31 of such year. References to ADS are to our American Depositary Shares. All references to IAS are to the International Accounting Standards, to IASB are to the International Accounting Standards Board, to IFRS are to International Financial Reporting Standards, to SIC are to Standing Interpretations Committee and to IFRIC are to the International Financial Reporting Interpretations Committee.

References to U.S. FDA are to the United States Food and Drug Administration, to NDAs are to New Drug Applications, and to ANDAs are to Abbreviated New Drug Applications.

References to U.S. or United States are to the United States of America, its territories and its possessions. References to India are to the Republic of India. All references to we, us, our, DRL, Dr. Reddy s or the Company are to Dr. Reddy s Laboratories Limited and its subsidiaries. Dr. Reddy s is a registered trademark of Dr. Reddy s Laboratories Limited in India. Other trademarks or trade names used in this Quarterly Report are trademarks registered in the name of Dr. Reddy s Laboratories Limited or are pending before the respective trademark registries, unless otherwise specified. Market share data is based on information provided by IMS Health Inc. and its affiliates (IMS Health), a provider of market research to the pharmaceutical industry, unless otherwise stated.

Except as otherwise stated in this report, all convenience translations from Indian rupees to U.S. dollars are at the certified foreign exchange rate of U.S.\$1.00 = Rs.66.19, as published by Federal Reserve Board of Governors on December 31, 2015. No representation is made that the Indian rupee amounts have been, could have been or could be converted into U.S. dollars at such a rate or any other rate. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding.

Information contained in our website, www.drreddys.com, is not part of this Quarterly Report and no portion of such information is incorporated herein.

Forward-Looking and Cautionary Statement

IN ADDITION TO HISTORICAL INFORMATION, THIS QUARTERLY REPORT CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN ARE SUBJECT TO CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE REFLECTED IN THE FORWARD-LOOKING STATEMENTS. FACTORS THAT MIGHT CAUSE SUCH A DIFFERENCE INCLUDE, BUT ARE NOT LIMITED TO, THOSE DISCUSSED IN THE SECTION ENTITLED

OPERATING AND FINANCIAL REVIEW AND ELSEWHERE IN THIS REPORT. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH REFLECT OUR ANALYSIS ONLY AS OF THE DATE HEREOF. IN ADDITION, READERS SHOULD CAREFULLY REVIEW THE INFORMATION IN OUR PERIODIC REPORTS AND OTHER DOCUMENTS FILED WITH AND/OR FURNISHED TO THE SECURITIES AND EXCHANGE COMMISSION (SEC) FROM TIME TO TIME.

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ITEM 1. FINANCIAL STATEMENTS

DR. REDDY S LABORATORIES LIMITED**UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

(in millions, except share and per share data)

As of

Note December 31, 2015 December 31, 2015 March 31, 2015

Particulars

*Convenience
translation into U.S.\$
(See Note 2.(d))*

ASSETS**Current assets**

Cash and cash equivalents	5	U.S.\$89	Rs.5,903	Rs.5,394
Other investments	6	485	32,125	34,259
Trade and other receivables		633	41,904	40,755
Inventories	7	403	26,689	25,529
Derivative financial instruments	9	3	227	800
Current tax assets		22	1,439	1,819
Other current assets		167	11,040	11,282

Total current assets

U.S.\$1,803 Rs.119,327 Rs.119,838

Non-current assets

Property, plant and equipment	10	U.S.\$797	Rs.52,736	Rs.48,090
Goodwill	11	57	3,794	3,380
Other intangible assets	12	316	20,945	13,050
Investment in equity accounted investees		19	1,241	1,033
Other investments non-current	6	52	3,464	2,817
Deferred tax assets		83	5,493	5,792
Other non-current assets		13	882	762

Total non-current assets

U.S.\$1,338 Rs.88,555 Rs.74,924

Total assets

U.S.\$3,141 Rs.207,882 Rs.194,762

LIABILITIES AND EQUITY

Current liabilities

Trade and other payables		U.S.\$179	Rs.11,833	Rs.10,660
Derivative financial instruments	9	0	6	462
Current tax liabilities		49	3,243	2,506
Short-term borrowings	13	348	23,004	21,857
Long-term borrowings, current portion	13	2	104	6,962
Provisions		67	4,446	4,231
Other current liabilities		312	20,635	17,317

Total current liabilities		U.S.\$956	Rs.63,271	Rs.63,995
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Non-current liabilities

Long-term borrowings, excluding current portion	13	U.S.\$162	Rs.10,692	Rs.14,307
Provisions non-current		1	57	53
Deferred tax liabilities		28	1,877	1,779
Other non-current liabilities		50	3,304	3,326

Total non-current liabilities		U.S.\$241	Rs.15,930	Rs.19,465
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Total liabilities		U.S.\$1,197	Rs.79,201	Rs.83,460
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The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

Table of Contents**DR. REDDY S LABORATORIES LIMITED****UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION****(in millions, except share and per share data)**

Particulars	As of			
	Not December 31, 2014	December 31, 2015	March 31, 2015	
		<i>Convenience translation into U.S.\$ (See Note 2.(d))</i>		
Equity				
Share capital	16	U.S.\$13	Rs.853	Rs.852
Share premium		341	22,601	22,178
Share based payment reserve		15	986	1,081
Retained earnings		1,493	98,804	83,643
Other components of equity		82	5,437	3,548
Total equity		U.S.\$1,944	Rs.128,681	Rs.111,302
Total liabilities and equity		U.S.\$3,141	Rs.207,882	Rs.194,762

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

Table of Contents**DR. REDDY S LABORATORIES LIMITED****UNAUDITED CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT****(in millions, except share and per share data)****Nine months ended December 31, 2015 and three months ended December 31,**

	Note	2015	2015	2014	2015	2014
Particulars						
<i>Convenience translation into U.S.\$</i>						
<i>(See Note 2.(d))</i>						
Revenues		U.S.\$1,770	Rs.117,146	Rs.109,485	Rs.39,679	Rs.38,431
Cost of revenues		697	46,141	45,303	16,089	16,079
Gross profit		1,073	71,005	64,182	23,590	22,352
Selling, general and administrative expenses		515	34,070	32,503	12,039	11,151
Research and development expenses		196	12,955	12,304	4,095	4,316
Other (income)/expense, net	14	(9)	(567)	(791)	(122)	(341)
Total operating expenses		702	46,458	44,016	16,012	15,126
Results from operating activities		371	24,547	20,166	7,578	7,226
Finance income		21	1,368	2,712	396	1,264
Finance expense		(22)	(1,430)	(797)	(458)	(251)
Finance (expense)/income, net	15	(1)	(62)	1,915	(62)	1,013
Share of profit of equity accounted investees, net of tax		3	170	151	64	47
Profit before tax		372	24,655	22,232	7,580	8,286
Tax expense	19	81	5,388	5,242	1,788	2,541

Profit for the period	291	19,267	16,990	5,792	5,745
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Attributable to:

Equity holders of the Company	291	19,267	16,990	5,792	5,745
Non-controlling interest	-	-	-	-	-

Profit for the period	U.S.\$291	Rs.19,267	Rs.16,990	Rs.5,792	Rs.5,745
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Earnings per share:

Basic earnings per share of Rs.5/- each	U.S.\$1.71	Rs.112.99	Rs.99.77	Rs.33.95	Rs.33.72
Diluted earnings per share of Rs.5/- each	U.S.\$1.70	Rs.112.63	Rs.99.42	Rs.33.86	Rs.33.61

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

Table of Contents**DR. REDDY S LABORATORIES LIMITED****UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME**

(in millions, except share and per share data)

Particulars	Nine months ended December 31,			Three months ended December 31,	
	2015	2015	2014	2015	2014
	<i>Convenience translation into U.S.\$</i>				
	<i>(See Note 2.(d))</i>				
Profit for the period	U.S.\$291	Rs.19,267	Rs.16,990	Rs.5,792	Rs.5,745
Other comprehensive income/(loss)					
Items that will not be reclassified to profit or loss:					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Changes in fair value of available for sale financial instruments	U.S.\$21	Rs.1,398	Rs.283	Rs.1,236	Rs.46
Foreign currency translation adjustments	5	319	67	47	(87)
Effective portion of changes in fair value of cash flow hedges, net	11	713	58	323	343
Tax on items that may be reclassified subsequently to profit or loss	(8)	(541)	(73)	(331)	(79)
Total items that may be reclassified subsequently to profit or loss	U.S.\$29	Rs.1,889	Rs.335	Rs.1,275	Rs.223
Other comprehensive income/(loss) for the period, net of tax	U.S.\$320	Rs.1,889	Rs.335	Rs.1,275	Rs.223
Total comprehensive income for the period	U.S.\$320	Rs.21,156	Rs.17,325	Rs.7,067	Rs.5,968
Attributable to:					
Equity holders of the Company	320	21,156	17,325	7,067	5,968
Non-controlling interests	-	-	-	-	-
	U.S.\$320	Rs.21,156	Rs.17,325	Rs.7,067	Rs.5,968

**Total comprehensive income for the
period**

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

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DR. REDDY S LABORATORIES LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

(in millions, except share and per share data)

Particulars	Number of shares	Share capital	Share premium	Fair value reserve	Share based payment reserve
Balance as of April 1, 2015					