



Dr. Reddy's Laboratories Ltd.
8-2-337, Road No. 3, Banjara Hills,
Hyderabad - 500 034, Telangana,
India.
CIN : L85195TG1984PLC004507

Tel : +91 40 4900 2900
Fax : +91 40 4900 2999
Email : mail@drreddys.com
www.drreddys.com

July 26, 2023

National Stock Exchange of India Ltd. (Stock Code: DRREDDY-EQ)
BSE Limited. (Stock Code: 500124)
New York Stock Exchange Inc. (Stock Code: RDY)
NSE IFSC Ltd. (Stock Code: DRREDDY)

Dear Sir/Madam,

Sub: Outcome of Board Meeting – Unaudited Financial Results for the quarter ended June 30, 2023

In furtherance to our letter dated June 21, 2023, we would like to inform you that the Board of Directors of the Company, at its meeting held on July 26, 2023, has *inter alia* approved the Unaudited Financial Results of the Company for the quarter ended June 30, 2023.

In terms of the above, we are enclosing herewith the following:

1. Unaudited Consolidated Financial Results of the Company and its subsidiaries for the quarter ended June 30, 2023, prepared in compliance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB).
2. Press Release on Financial Results of the Company for the above period.
3. Unaudited Consolidated Financial Results of the Company and its subsidiaries for the quarter ended June 30, 2023, as per Indian Accounting Standards.
4. Unaudited Standalone Financial Results of the Company for the quarter ended June 30, 2023, as per Indian Accounting Standards.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Limited Review Reports of the Statutory Auditors on the Unaudited Standalone and Consolidated Financial Results as mentioned at serial nos. 3 & 4 are also enclosed.

The Board Meeting commenced at 09:00 AM and concluded at 15:45 PM.

This is for your information and records.

Thanking you.

Yours faithfully,
For **Dr. Reddy's Laboratories Limited**

K Randhir Singh
Company Secretary, Compliance Officer & Head-CSR

Encl: As above

DR. REDDY'S LABORATORIES LIMITED

Unaudited consolidated financial results of Dr. Reddy's Laboratories Limited and its subsidiaries for the quarter ended 30 June 2023 prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)

All amounts in Indian Rupees millions

Sl. No.	Particulars	Quarter ended		Year ended	
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Revenues	67,384	62,968	52,154	245,879
2	Cost of revenues	27,831	26,971	26,148	106,536
3	Gross profit (1 - 2)	39,553	35,997	26,006	139,343
4	Selling, general and administrative expenses	17,702	17,992	15,493	68,026
5	Research and development expenses	4,984	5,366	4,325	19,381
6	Impairment of non-current assets	11	540	-	699
7	Other income, net	(780)	(281)	(6,024)	(5,907)
	Total operating expenses	21,917	23,617	13,794	82,199
8	Results from operating activities [(3) - (4 + 5 + 6 + 7)]	17,636	12,380	12,212	57,144
	Finance income	1,155	1,153	2,696	4,281
	Finance expense	(371)	(354)	(347)	(1,428)
9	Finance income, net	784	799	2,349	2,853
10	Share of profit of equity accounted investees, net of tax	43	76	94	370
11	Profit before tax (8 + 9 + 10)	18,463	13,255	14,655	60,367
12	Tax expense, net	4,438	3,663	2,779	15,300
13	Profit for the period/year (11 -12)	14,025	9,592	11,876	45,067
14	Earnings per share:				
	Basic earnings per share of Rs.5/- each	84.40	57.74	71.56	271.43
	Diluted earnings per share of Rs.5/- each	84.22	57.62	71.40	270.85
		(Not annualised)	(Not annualised)	(Not annualised)	



Segment information		All amounts in Indian Rupees millions			
Sl. No.	Particulars	Quarter ended		Year ended	
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Segment wise revenue and results:				
	Segment revenue:				
	a) Pharmaceutical Services and Active Ingredients	9,218	10,261	8,133	36,646
	b) Global Generics	60,083	54,257	44,324	213,768
	c) Others	592	924	740	3,042
	Total	69,893	65,442	53,197	253,456
	Less: Inter-segment revenues	2,509	2,474	1,043	7,577
Net revenues	67,384	62,968	52,154	245,879	
2	Segment results:				
	Gross profit from each segment				
	a) Pharmaceutical Services and Active Ingredients	1,009	1,963	1,110	4,715
	b) Global Generics	38,387	33,498	24,399	132,719
	c) Others	157	536	497	1,909
	Total	39,553	35,997	26,006	139,343
	Less: Selling and other un-allocable expenditure, net of other income	21,090	22,742	11,351	78,976
Total profit before tax	18,463	13,255	14,655	60,367	

Global Generics segment includes operations of Biologics business. Inter-segment revenues represent sale from Pharmaceutical Services and Active Ingredients to Global Generics and Others at cost.

Notes:

- The above statement of unaudited consolidated financial results of Dr Reddy's Laboratories Limited ("the Company"), which have been prepared in accordance with recognition and measurement principles of IAS 34 as issued by the International Accounting Standards Board (IASB) and were reviewed and recommended by Audit Committee and approved by the Board of Directors at their meetings held on 26 July 2023. The Auditors have carried out a limited review on the unaudited consolidated financial results and issued an unmodified report thereon.
- "Other income, net" for the quarter ended 30 June 2023 includes Rs.540 million recognised pursuant to settlement agreement with Janssen Group, in settlement of the claim brought in the Federal Court of Canada by the Company and its affiliates for damages under section 8 of the Canadian Patented Medicines (Notice of Compliance) Regulations in regard to the Company's ANDS for a generic version of Zytiga®(Abitraterone). This transaction pertain to Company's Global Generics segment.
- Revenues for the year ended 31 March 2023 includes :
 - Rs. 2,640 million from sale of certain non-core dermatology brands to Eris Lifesciences Limited for the quarter ended 31 March 2023;
 - Rs. 1,399 million from sale of brands Styptovit-E, Finast, Finast-T and Dynapres to Torrent Pharmaceuticals Limited;
 - Rs. 902 million from sale of brands Z&D, Pedicloryl, Pecef and Ezinapi to J B Chemicals and Pharmaceuticals Limited.
 The amounts recognised above are adjusted for expected sales returns. These transactions pertain to Company's Global Generics segment.
- During the quarter ended 31 March 2023, Company considered a total impairment of Rs. 540 million towards:
 - The Company assessed performance of business acquired from Nimbus Health GmbH against the initial estimates and performance of the products. Basis the assessment, the Company has recorded an impairment charge of the carrying values amounting to Rs. 375 million (Goodwill- Rs. 272 million and Other intangibles- Rs. 103 million). The said impairment charge pertains to the Company's Global Generics segment.
 - Consequent to adverse market conditions with respect to certain of the Company's products related intangibles forming part of the company's Global Generics and Pharmaceutical Services and Active Ingredients segments, the Company assessed the recoverable amount of these products and recognised an amount of Rs. 165 million as impairment charge during the quarter ended 31 March 2023.
- Included in "Other income, net" for the year ended 31 March 2023, is an amount of Rs. 991 million representing the Loss on sale of Assets, pursuant to agreement dated 16 December 2022 with Delpharm Development Leiden B.V (Delpharm) for transfer of its certain assets, liabilities and employees at its site at Leiden, Netherlands.This transaction pertains to Company's Global Generics segment.
- The Company has considered the impact of recent tax regulations and developments, including updates to its estimate on the impact of adoption of the Taxation Laws (Amendment) Act 2019, in determining its "Tax expense, net" for the quarter ended 30 June 2023 and year ended 31 March 2023.
- During the quarter ended 30 June 2022, the Company entered into a settlement agreement with Indivior Inc., Indivior UK Limited and Aquestive Therapeutics, Inc. Pursuant to the agreement, the Company will receive payments totaling U.S.\$ 72 million by 31 March 2024. The said agreement resolves all claims between the parties relating to the Company's generic buprenorphine and naloxone sublingual film including Indivior's and Aquestive's patent infringement allegations and the Company's antitrust counterclaims. On 28 June 2022 the U.S. Court dismissed all claims and counterclaims pending in the case with prejudice, pursuant to a joint stipulation of dismissal filed by the parties. The Company recognised the present value of the amount receivable at Rs,5,638 million (U.S.\$ 71.39 million) on the date of the settlement as 'Other income, net' in the consolidated financial results of the Company. The aforesaid transaction pertain to Company's Global Generics segment.



8 The Company received an anonymous complaint in September 2020, alleging that healthcare professionals in Ukraine and potentially in other countries were provided with improper payments by or on behalf of the Company in violation of U.S. anti-corruption laws, specifically the U.S. Foreign Corrupt Practices Act. The Company disclosed the matter to the U.S. Department of Justice ("DOJ"), Securities and Exchange Commission ("SEC") and Securities Exchange Board of India. The Company engaged a U.S. law firm to conduct the investigation at the instruction of a committee of the Company's Board of Directors. On 06 July 2021 the Company received a subpoena from the SEC for the production of related documents, which were provided to the SEC.

The Company made presentations to the SEC and the DOJ in relation to the investigation with respect to certain countries during the previous fiscal years. The Company also made a presentation to the SEC and the DOJ in relation to its Global Compliance Framework, including the ongoing enhancement initiatives, during the year ended 31 March 2023. The Company is complying with its listing obligations as it relates to updating the regulatory agencies. While the findings from the aforesaid investigations could result in government or regulatory enforcement actions against the Company in the United States and/or foreign jurisdictions, which can lead to civil and criminal sanctions under relevant laws, the outcomes including liabilities are not reasonably ascertainable at this time.

9 The Company considered the uncertainties relating to the military conflict between Russia and Ukraine, in assessing the recoverability of receivables, goodwill, intangible assets, investments and other assets. For this purpose, the Company considered internal and external sources of information up to the date of approval of these financial results. Based on its judgments, estimates and assumptions, including sensitivity analysis, the Company expects to fully recover the carrying amount of receivables, goodwill, intangible assets, investments and other assets. The Company will continue to closely monitor any material changes to future economic conditions.

10 The figures of the quarter ended 31 March 2023 are the balancing number between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the relevant financial year, which are subject to limited review.

By order of the Board
For Dr. Reddy's Laboratories Limited



G V Prasad
Co-Chairman & Managing Director



Place: Hyderabad
Date: 26 July 2023



DR. REDDY'S LABORATORIES LTD.
8-2-337, Road No. 3, Banjara Hills,
Hyderabad - 500034. Telangana, India.

CONTACT

INVESTOR RELATIONS

MEDIA RELATIONS

RICHA PERIWAL
richaperiwal@drreddys.com

USHA IYER
ushaiver@drreddys.com

Dr. Reddy's Q1 FY24 Financial Results

Hyderabad, India, July 26, 2023: Dr. Reddy's Laboratories Ltd. (BSE: 500124 | NSE: DRREDDY | NYSE: RDY | NSEIFSC: DRREDDY) today announced its consolidated financial results for the quarter ended June 30, 2023. The information mentioned in this release is based on consolidated financial statements under International Financial Reporting Standards (IFRS).

Revenues	Rs. 67,384 Mn [Up: 29%* YoY; Up: 7%* QoQ]
Gross Margin	58.7% [Q1 FY23: 49.9%; Q4 FY23: 57.2%]
SG&A Expenses	Rs. 17,702 Mn [Up: 14% YoY; Down: 2% QoQ]
R&D Expenses	Rs. 4,984 Mn [7.4% of Revenues]
EBITDA	Rs. 21,372 Mn [31.7% of Revenues]
Profit before Tax	Rs. 18,463 Mn [Up: 26%^ YoY; Up: 39%^ QoQ]
Profit after Tax	Rs. 14,025 Mn [Up: 18% YoY; Up: 46% QoQ]

* Excluding brand divestment income during the previous periods, Q1 FY24 Sales YoY growth is 35% and QoQ growth is 12%

^ Excluding one offs (settlement income during the current and previous year and brand divestment income during the previous periods), Q1 FY24 PBT YoY growth is 165% and QoQ growth is 68%

Commenting on the results, Co-Chairman & MD, G V Prasad said: "We delivered strong sales growth and witnessed robust margin expansion in Q1FY24 driven by market share gains & new product momentum in our US generics business and superior performance in Russia. We are on track in executing our strategy, delivering growth while continuing to invest in future growth drivers and innovation to create sustainable value."





Dr. Reddy's Laboratories Limited and Subsidiaries**Consolidated Income Statement**

Particulars	Q1 FY24		Q1 FY23		YoY Gr %	Q4 FY23		QoQ Gr%
	(\$)	(Rs.)	(\$)	(Rs.)		(\$)	(Rs.)	
Revenues	821	67,384	636	52,154	29	767	62,968	7
Cost of Revenues	339	27,831	319	26,148	6	329	26,971	3
Gross Profit	482	39,553	317	26,006	52	439	35,997	10
Operating Expenses								
Selling, General & Administrative expenses	216	17,702	189	15,493	14	219	17,992	(2)
Research and Development expenses	61	4,984	53	4,325	15	65	5,366	(7)
Impairment of non-current assets	0	11	0	0		7	540	(98)
Other operating (income)/expense	(10)	(780)	(73)	(6024)	(87)	(3)	(281)	178
Results from operating activities	215	17,636	149	12,212	44	151	12,380	42
Net finance (income)/expense	(10)	(784)	(29)	(2349)	(67)	(10)	(799)	(2)
Share of profit of equity accounted investees	(1)	(43)	(1)	(94)	(54)	(1)	(76)	(43)
Profit before income tax	225	18,463	179	14,655	26	162	13,255	39
Income tax expense	54	4,438	34	2779	60	45	3,663	21
Profit for the period	171	14,025	145	11,876	18	117	9,592	46

Diluted Earnings Per Share (EPS)	1.03	84.22	0.87	71.40	18	0.70	57.62	46
---	-------------	--------------	-------------	--------------	-----------	-------------	--------------	-----------

As % to revenues	Q1 FY24	Q1 FY23	Q4 FY23
Gross Profit	58.7	49.9	57.2
SG&A	26.3	29.7	28.6
R&D	7.4	8.3	8.5
EBITDA	31.7	34.1	25.9
PBT	27.4	28.1	21.1
PAT	20.8	22.8	15.2

EBITDA Computation

Particulars	Q1 FY24		Q1 FY23		Q4 FY23	
	(\$)	(Rs.)	(\$)	(Rs.)	(\$)	(Rs.)
Profit before Income Tax	225	18,463	179	14,655	162	13,255
Interest (income) / expense - Net*	(8)	(685)	1	84	(8)	(673)
Depreciation	28	2,281	25	2,050	27	2,213
Amortization	16	1,302	12	1,000	12	977
Impairment	0	11	0	0	7	540
EBITDA	260	21,372	217	17,789	199	16,312

* Includes income from Investments

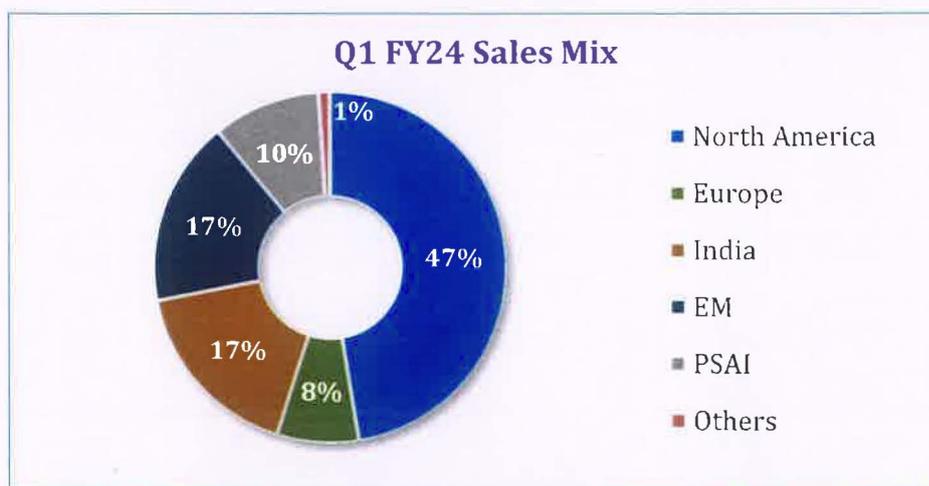


Key Balance Sheet Items

Particulars	As on 30 th Jun 2023		As on 31 st Mar 2023		As on 30 th Jun 2022	
	(\$)	(Rs.)	(\$)	(Rs.)	(\$)	(Rs.)
Cash and cash equivalents and other investments	745	61,162	761	62,456	432	35,468
Trade receivables	939	77,095	883	72,486	893	73,274
Inventories	639	52,398	593	48,670	631	51,810
Property, plant and equipment	819	67,207	810	66,462	778	63,826
Goodwill and Other Intangible assets	516	42,306	428	35,094	441	36,213
Loans and borrowings (current & non-current)	153	12,520	164	13,472	301	24,666
Trade payables	337	27,682	322	26,444	305	25,052
Equity	2,989	2,45,259	2,815	2,30,991	2,442	2,00,389

Revenue Mix by Segment

Segment	Q1 FY24	Q1 FY23	YoY Gr %	Q4 FY23	QoQ Gr %
	(Rs.)	(Rs.)		(Rs.)	
Global Generics	60,083	44,324	36%	54,257	11%
North America	31,978	17,815	79%	25,321	26%
Europe	5,071	4,141	22%	4,960	2%
India	11,482	13,324	-14%	12,834	-11%
Emerging Markets	11,552	9,043	28%	11,142	4%
Pharmaceutical Services and Active Ingredients (PSAI)	6,709	7,090	-5%	7,787	-14%
Others	592	740	-20%	924	-36%
Total	67,384	52,154	29%	62,968	7%



[Handwritten signature]



[Handwritten signature]

Revenue Analysis [Q1 FY24]

Global Generics (GG)

- **Q1 FY24 revenue** at Rs. 60.1 billion, YoY growth of 36% and QoQ growth of 11%. The growth was driven by North America, Emerging Markets and Europe.

North America

- **Q1 FY24 revenue** at Rs. 32 billion, YoY growth of 79% and QoQ growth of 26%. The growth was primarily on account of new product launches, continued momentum in existing products, favorable forex rates movement, partly offset by price erosion.
- During the quarter, we launched six new products in US and two in Canada. We also commercialized the generic prescription portfolio acquired from Mayne Pharma.
- During the quarter, we filed four new Abbreviated New Drug Applications (ANDAs) with the US Food and Drug Administration (USFDA). As of 30th June 2023, cumulatively 85 generic filings are pending for approval with the USFDA (82 ANDAs and 3 NDAs under 505(b)(2) route). Out of the pending 85 ANDAs, 43 are Para IVs, and we believe 17 have 'First to File' status.

Europe

- **Q1 FY24 revenue** at Rs. 5.1 billion, YoY growth of 22% and QoQ growth of 2%. The growth was driven by momentum in the base business, new product launches and favorable forex rates movement, partly offset by price erosion.

India

- **Q1 FY24 revenue** at Rs. 11.5 billion, YoY decrease of 14% and QoQ decline of 11%. Excluding brand divestment income, sales of divested portfolio from base and NLEM related price reduction impact, India business registered a high single digit growth. This growth was mainly on account of increase in base business volumes.

Emerging Markets

- **Q1 FY24 revenue** from Emerging Markets at Rs. 11.6 billion, YoY growth of 28% and QoQ growth of 4%.
 - Revenue from **Russia** for the quarter at Rs. 5.6 billion, YoY growth of 75% and QoQ growth of 9%. YoY growth was driven by uptick in base business, price increase and biosimilars. This was further aided by low base in previous year. QoQ growth was primarily driven by increase in volumes of existing products.
 - Revenue from other **CIS countries and Romania** for the year at Rs. 2.0 billion, YoY growth of 2% and QoQ decline of 14%. YoY growth, primarily on account of price increases on certain products, was offset with decline in base business volumes. QoQ decline was mainly on account of decline in volumes of existing products.
 - Revenue from **Rest of World (RoW)** territories for the year at Rs. 4.0 billion, YoY growth of 1% and QoQ growth of 8%. YoY growth, led by new product launches, was offset by price erosion and lower base business volumes. QoQ growth was mainly driven by new product launches and increase in volumes of existing products.



Richa

Pharmaceutical Services and Active Ingredients (PSAI)

- **Q1 FY24 revenue** at Rs. 6.7 billion, with a decline of 5% YoY and 14% QoQ. YoY decline was mainly attributable to lower volume pick up by customers for some of our existing products, partly offset with favourable forex rate movement. QoQ decline was mainly attributable to decrease in sales volumes of certain of our existing products.

Income Statement Highlights:

- **Q1 FY24 gross margin** at 58.7% (GG: 63.9%, PSAI: 15.0%). Gross margin increased by ~880 bps YoY and by ~150 bps QoQ. The improvement in gross margin was primarily driven by favorable product mix and higher manufacturing leverage partly offset by benefit from brand divestment income during previous year and price erosion in certain products. QoQ growth was primarily on account of favourable product mix partly offset by brand divestment income benefit during preceding quarter.
- **Selling, general & administrative (SG&A) expenses for Q1 FY24** at Rs. 17.7 billion, YoY increase of 14% and declined by 2% QoQ. The YoY SG&A spend increase is in-line with business growth and is largely on account of investment in sales & marketing, digitalization and other business initiatives.
- **Research & development (R&D) expenses in Q1 FY24** at Rs. 5.0 billion. As % to Revenues – Q1FY24: 7.4% | Q4FY23: 8.5% | Q1FY23: 8.3%. We continue our focus on investing in R&D to build a healthy pipeline of new products across our markets for both small molecules and biosimilars.
- **Other operating income for Q1 FY24** at Rs. 0.8 billion compared to Rs. 6 billion in Q1 FY23. Other operating income during the current quarter included settlement income of Rs. 0.5 billion in Canada relating to the generic abiraterone. The net other income in previous year included settlement income of Rs. 5.6 billion relating to the generic buprenorphine and naloxone sublingual film.
- **Net Finance income for Q1 FY24** at Rs.0.8 billion compared to Rs. 2.3 billion in Q1 FY24. The higher income during previous year was primarily on account of higher foreign exchange gain.
- **Profit before Tax for Q1 FY24** at Rs. 18.5 billion, YoY growth of 26%. QoQ growth of 39%
- **Profit after Tax for Q1 FY24** at Rs. 14.0 billion. The effective tax rate for the quarter has been 24.0% as compared to 19.0% in Q1 FY23. The tax rate was lower in pervious year primarily on account of recognition of unrecognized deferred tax assets on operating tax losses.
- **Diluted earnings per share for Q1 FY24** is Rs. 84.22.

Other Highlights:

- **EBITDA for Q1 FY24** at Rs. 21.4 billion and the EBITDA margin is 31.7%.
- **Capital expenditure for Q1 FY24** at Rs. 3.6 billion.
- **Free cash-flow for Q1 FY24** at Rs. 6.7 billion (before acquisition payout).
- **Net cash surplus** for the company at Rs. 49.8 billion as on June 30, 2023.



All amounts in millions, except EPS

About key metrics and non-GAAP Financial Measures

This press release contains non-GAAP financial measures within the meaning of Regulation G and Item 10(e) of Regulation S-K. Such non-GAAP financial measures are measures of our historical performance, financial position or cash flows that are adjusted to exclude or include amounts, as the case may be, from the most directly comparable financial measure calculated and presented in accordance with IFRS.

The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with IFRS. Our non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles. These measures may be different from non-GAAP financial measures used by other companies, limiting their usefulness for comparison purposes.

We believe these non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating our business.

For more information on our non-GAAP financial measures and a reconciliation of GAAP to non-GAAP measures, please refer to "[Reconciliation of GAAP to Non-GAAP Results](#)" table in this press release.



hicha

All amounts in millions, except EPS

Reconciliation of GAAP measures to Non-GAAP measures

Free Cash Flow

	Three months Ended June 30, 2023
Net cash generated from operating activities	13,634
Less:	
Taxes	(2,384)
Investments in PPE and Intangibles	(4,512)
Free Cash Flow before acquisition	6,738
Less:	
Acquisitions related pay-out	(7,640)
Free Cash Flow	(902)

Operating working capital

	Quarter Ended June 30, 2023
Inventories	52,398
Trade Receivables	77,095
Less:	
Trade Payables	(27,682)
Operating Working Capital	101,811

Net cash surplus

	Quarter Ended June 30, 2023
Cash and cash equivalents	7,228
Investments	53,934
Short-term borrowings	(6,468)
Long-term borrowings, non-current	(4,930)
Less:	
Restricted cash balance – Unclaimed dividend	84
Lease liabilities (included in Long-term borrowings, non-current)	(1,130)
Equity Investments (included in Investments)	957
Net Cash Surplus	49,853



Richa

All amounts in millions, except EPS

Computation of Return on Capital Employed

	Year Ended June 30, 2023
Profit before tax	18,463
Less:	
Interest and Investment Income (Excluding forex gain/loss)	685
Earnings Before Interest and taxes [A]	17,778
Average Capital Employed [B]	1,84,327
Return on Capital Employed (A/B) (Ratio)	38.6%

Computation of capital employed

	Year Ended June 30, 2023	Year Ended March 31, 2023
Property Plant and Equipment	67,207	66,462
Intangibles	38,068	30,849
Goodwill	4,238	4,245
Investment in equity accounted associates	4,002	4,702
Other Current Assets	18,511	20,069
Other investments	902	660
Other non-current assets	821	800
Inventories	52,398	48,670
Trade Receivables	77,095	72,485
Derivative Financial Instruments	1,760	1,095
Less:		
Other Liabilities	38,973	42,320
Provisions	5,451	5,513
Trade payables	27,682	26,444
Operating Capital Employed	1,92,896	1,75,760
Average Capital Employed		1,84,327

Computation of EBITDA

Refer page no. 2 for EBITDA computations.



Richa

Earnings Call Details (07:30 pm IST, 10:00 am EDT, July 26, 2023)

The management of the Company will host an Earnings call to discuss the Company's financial performance and answer any questions from the participants.

Conference Joining Information

Option 1: Express Join with DiamondPass™

Pre-register with the below link and join without waiting for the operator.

<https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=5910688&linkSecurityString=1f874b8ec0>

Option 2: Join through below Dial-In Numbers

Universal Access Number:	+91 22 6280 1219 +91 22 7115 8120
International Toll Free Number:	USA: 1 866 746 2133 UK: 0 808 101 1573 Singapore: 800 101 2045 Hong Kong: 800 964 448

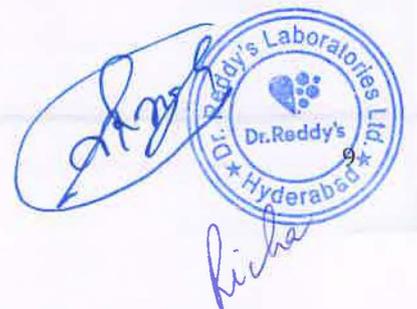
No password/pin number is necessary to dial in to any of the above numbers. The operator will provide instructions on asking questions before and during the call.

Play Back: The play back will be available after the earnings call, till Aug 2nd, 2023. For play back dial in phone No: +91 22 7194 5757, and Playback Code is 75822.

Transcript: Transcript of the Earnings call will be available on the Company's website: www.drreddys.com

About Dr. Reddy's: Dr. Reddy's Laboratories Ltd (BSE: 500124, NSE: DRREDDY NYSE: RDY, NSEIFSC: DRREDDY) is a global pharmaceutical company headquartered in Hyderabad, India. Established in 1984, we are committed to providing access to affordable and innovative medicines. Driven by our purpose of 'Good Health Can't Wait', we offer a portfolio of products and services including APIs, generics, branded generics, biosimilars and OTC. Our major therapeutic areas of focus are gastrointestinal, cardiovascular, diabetology, oncology, pain management and dermatology. Our major markets include - USA, India, Russia & CIS countries, China, Brazil and Europe. As a company with a history of deep science that has led to several industry firsts, we continue to plan ahead and invest in businesses of the future. As an early adopter of sustainability and ESG actions, we released our first Sustainability Report in 2004. Our current ESG goals aim to set the bar high in environmental stewardship, access and affordability for patients, diversity and governance. For more information, log on to: www.drreddys.com

Disclaimer: This press release may include statements of future expectations and other forward-looking statements that are based on the management's current views and assumptions and involve known or unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, the words "may", "will", "should", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions such as performance of financial markets, credit defaults, currency exchange rates, interest rates, persistency levels and frequency / severity of insured loss events (ii) mortality and morbidity levels and trends (iii) changing levels of competition and general competitive factors, (iv) changes in laws and regulations and in the policies of central banks and/or governments, (v) the impact of acquisitions or reorganization, including related integration issues, (vi) the susceptibility of our industry and the markets addressed by our and our customers' products and services to economic downturns as a result of natural disasters, epidemics, pandemics or other widespread illness, including coronavirus (or COVID-19), and (vii) other risks and uncertainties identified in our public filings with the Securities and Exchange Commission, including those listed under the "Risk Factors" and "Forward-Looking Statements" sections of our Annual Report on Form 20-F for the year ended March 31, 2023. The company assumes no obligation to update any information contained herein.



Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Dr. Reddy's Laboratories Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2023 (the "Statement") of Dr. Reddy's Laboratories Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Holding Company:

Dr. Reddy's Laboratories Limited

Subsidiaries

1. Aurigene Oncology limited (Formerly, Aurigene Discovery Technologies Limited)
2. Cheminor Investments Limited
3. Dr. Reddy's Bio-Sciences Limited
4. Dr. Reddy's Formulations Limited
5. Dr. Reddy's Farmaceutica Do Brasil Ltda.
6. Dr. Reddy's Laboratories SA
7. Idea2Enterprises (India) Private Limited
8. Imperial Credit Private Limited
9. Industrias Quimicas Falcon de Mexico, S.A.de C.V.
10. Svaas Wellness Limited
11. Aurigene Discovery Technologies (Malaysia) Sdn. Bhd.
12. Aurigene Pharmaceutical Services Limited



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

13. beta Institut gemeinnützige GmbH
14. betapharm Arzneimittel GmbH
15. Chirotech Technology Limited (Under the process of liquidation)
16. DRI, Impex Limited
17. Dr. Reddy's Laboratories (Australia) Pty. Limited
18. Dr. Reddy's (Beijing) Pharmaceutical Co. Limited
19. Dr. Reddy's Laboratories Canada, Inc.
20. Dr. Reddy's Laboratories Chile SPA.
21. Dr. Reddy's Laboratories (EU) Limited
22. Dr. Reddy's Laboratories Inc.
23. Dr. Reddy's Laboratories Japan KK
24. Dr. Reddy's Laboratories Kazakhstan LLP
25. Dr. Reddy's Laboratories LLC, Ukraine
26. Dr. Reddy's Laboratories Louisiana LLC
27. Dr. Reddy's Laboratories Malaysia Sdn. Bhd.
28. Dr. Reddy's Laboratories New York, LLC
29. Dr. Reddy's Laboratories Philippines Inc.
30. Dr. Reddy's Laboratories (Proprietary) Limited
31. Dr. Reddy's Laboratories Romania S.R.L.
32. Dr. Reddy's Laboratories SAS
33. Dr. Reddy's Laboratories Taiwan Limited
34. Dr. Reddy's Laboratories (Thailand) Limited
35. Dr. Reddy's Laboratories (UK) Limited
36. Dr. Reddy's New Zealand Limited
37. Dr. Reddy's Research and Development B.V.
38. Dr. Reddy's Srl
39. Dr. Reddy's Venezuela, C.A.
40. Dr. Reddy's Laboratories LLC
41. Lacock Holdings Limited
42. Promius Pharma LLC
43. Reddy Holding GmbH
44. Reddy Netherlands B.V.
45. Reddy Pharma Iberia SAU
46. Reddy Pharma Italia S.R.L.
47. Reddy Pharma SAS
48. Nimbus Health GmbH

Joint ventures

1. DRES Energy Private Limited
2. Kunshan Rotam Reddy Pharmaceutical Company Limited

Other consolidating entities

1. Cheminor Employees Welfare Trust
2. Dr. Reddy's Employees ESOS Trust
3. Dr. Reddy's Research Foundation



S.R. BATLIBOI & ASSOCIATES LLP

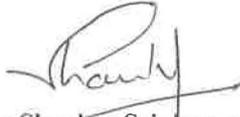
Chartered Accountants

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per **Shankar Srinivasan**
Partner
Membership No.: 213271



UDIN: 23213271BGSEK04092

Place: Hyderabad

Date : July 26, 2023

DR. REDDY'S LABORATORIES LIMITED
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2023

All amounts in Indian Rupees millions

Sl. No.	Particulars	Quarter ended			Year ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Revenue from operations				
	a) Net sales/income from operations	66,143	58,430	48,180	234,595
	b) License fees and service income	1,241	4,539	3,974	11,284
	c) Other operating income	195	183	175	818
	Total revenue from operations	67,579	63,152	52,329	246,697
2	Other income	1,740	1,385	8,539	10,555
3	Total income (1 + 2)	69,319	64,537	60,868	257,252
4	Expenses				
	a) Cost of materials consumed	12,968	10,728	11,891	42,198
	b) Purchase of stock-in-trade	8,771	7,667	8,755	33,670
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,363)	586	(1,533)	709
	d) Employee benefits expense	11,897	12,760	10,457	46,466
	e) Depreciation and amortisation expense	3,533	3,155	3,018	12,502
	f) Impairment of non-current assets	11	540	-	699
	g) Finance costs	371	354	347	1,428
	h) Selling and other expenses	15,674	15,532	13,347	59,465
	Total expenses	50,862	51,322	46,282	197,137
5	Profit before tax and before share of equity accounted investees(3 - 4)	18,457	13,215	14,586	60,115
6	Share of profit of equity accounted investees, net of tax	43	76	94	370
7	Profit before tax (5+6)	18,500	13,291	14,680	60,485
8	Tax expense/(benefit):				
	a) Current tax	7,197	4,279	(2,905)	8,144
	b) Deferred tax	(2,747)	(589)	5,695	7,268
9	Net profit after taxes and share of profit of associates (7 - 8)	14,050	9,601	11,890	45,073
10	Other comprehensive income				
	a) (i) Items that will not be reclassified subsequently to profit or loss	106	83	(562)	(660)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(12)	-	(43)
	b) (i) Items that will be reclassified subsequently to profit or loss	147	1,196	(3,135)	276
	(ii) Income tax relating to items that will be reclassified to profit or loss	(210)	(342)	1,568	306
	Total other comprehensive (loss)/income	43	925	(2,129)	(121)
11	Total comprehensive income (9 + 10)	14,093	10,526	9,761	44,952
12	Paid-up equity share capital (face value Rs. 5/- each)	833	833	832	833
13	Other equity				232,028
14	Earnings per equity share (face value Rs. 5/- each)				
	Basic	84.55	57.79	71.64	271.47
	Diluted	84.36	57.68	71.49	270.90
		(Not annualised)	(Not annualised)	(Not annualised)	

See accompanying notes to the financial results



Segment information

All amounts in Indian Rupees millions

Sl. No.	Particulars	Quarter ended			Year ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
Segment wise revenue and results:					
1	Segment revenue :				
	a) Pharmaceutical Services and Active Ingredients	9,365	10,398	8,263	37,195
	b) Global Generics	60,130	54,297	44,371	213,953
	c) Others	593	931	738	3,126
	Total	70,088	65,626	53,372	254,274
	Less: Inter-segment revenue	2,509	2,474	1,043	7,577
	Total revenue from operations	67,579	63,152	52,329	246,697
2	Segment results:				
	Gross profit from each segment				
	a) Pharmaceutical Services and Active Ingredients	1,013	1,970	1,115	4,733
	b) Global Generics	38,386	33,498	24,399	132,719
	c) Others	156	535	497	1,909
	Total	39,555	36,003	26,011	139,361
	Less: Selling and other un-allocable expenditure/(income), net	21,055	22,712	11,331	78,876
	Total profit before tax	18,500	13,291	14,680	60,485

Global Generics includes operations of Biologics business. Inter-segment revenue represents sale from Pharmaceutical Services and Active Ingredients to Global Generics and others at cost.

Segmental capital employed

As certain assets of the Company including manufacturing facilities, development facilities and treasury assets and liabilities are often deployed interchangeably across segments, it is impractical to allocate these assets and liabilities to each segment. Hence, the details for capital employed have not been disclosed in the above table.

Notes:

- The above statement of unaudited consolidated financial results of Dr.Reddy's Laboratories Limited ("the Company"), which have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of Companies Act,2013 ("the Act") read with relevant rules issues thereunder, other accounting principles generally accepted in India and guidelines issues by the Securities and Exchange Board of India ("SEBI") were reviewed and recommended by Audit Committee and approved by the Board of Directors at their meetings held on 26 July 2023. The Statutory Auditors have carried out a limited review on the unaudited consolidated financial results and issued an unmodified report thereon.
- "Other income" for the quarter ended 30 June 2023 includes Rs.540 million recognised pursuant to settlement agreement with Janssen Group, in settlement of the claim brought in the Federal Court of Canada by the Company and its affiliates for damages under section 8 of the Canadian Patented Medicines (Notice of Compliance) Regulations in regard to the Company's ANDS for a generic version of Zytiga®(Abiraterone).This transaction pertains to the Company's Global Generics segment.
- License fee and service income for the year ended 31 March 2023 includes:
 - Rs. 2,640 million from sale of certain non-core dermatology brands to Eris Lifesciences Limited for the quarter ended 31 March 2023;
 - Rs. 1,399 million from sale of brands Styptovit-E, Finast, Finast-T and Dynapros to Torrent Pharmaceuticals Limited;
 - Rs. 902 million from sale of brands Z&D, Pedicloryl, Pecef and Ezinapi to J B Chemicals and Pharmaceuticals Limited.
 The amounts recognised above are adjusted for expected sales returns. These transactions pertain to Company's Global Generics segment.
- During the quarter ended 31 March 2023, Company considered a total impairment of Rs. 540 million towards:
 - The Company assessed performance of business acquired from Nimbus Health GmbH against the initial estimates and performance of the products. Basis the assessment, the Company has recorded an impairment charge of the carrying values amounting to Rs. 375 million (Goodwill- Rs. 272 million and Other intangibles- Rs. 103 million). The said impairment charge pertains to the Company's Global Generics segment.
 - Consequent to adverse market conditions with respect to certain of the Company's products related intangibles forming part of the Company Global Generics and Pharmaceutical Services and Active Ingredients segments, the Company assessed the recoverable amount of these products and recognised an amount of Rs. 165 million as impairment charge.
- Included in "Selling and other expenses" for the year ended 31 March 2023, is an amount of Rs. 991 million representing the Loss on sale of Assets, pursuant to agreement dated 16 December 2022 with Delpharm Development Leiden B.V (Delpharm) for transfer of its certain assets, liabilities and employees at its site at Leiden, Netherlands. This transaction pertains to Company's Global Generics segment.
- The Company has considered the impact of recent tax regulations and developments, including updates to its estimate on the impact of adoption of the Taxation Laws (Amendment) Act 2019, in determining its "Tax expense/(benefit)" for the quarter ended 30 June 2023 and year ended 31 March 2023.
- During the quarter ended 30 June 2022, the Company entered into a Settlement Agreement with Indivior Inc., Indivior UK Limited and Aquestive Therapeutics, Inc. Pursuant to the agreement, the Company will receive payments totaling U.S.\$ 72 million by 31 March 2024. The said agreement resolves all claims between the parties relating to the Company's generic buprenorphine and naloxone sublingual film including Indivior's and Aquestive's patent infringement allegations and the Company's antitrust counterclaims. On 28 June 2022 the U.S. Court dismissed all claims and counterclaims pending in the case with prejudice, pursuant to a joint stipulation of dismissal filed by the parties. The Company recognised the present value of the amount receivable at Rs.5,638 million (U.S.\$ 71.39 million) on the date of the settlement. Other income in the consolidated financial results of the Company. The aforesaid transaction pertain to Company's Global Generics segment.



8 The Company received an anonymous complaint in September 2020, alleging that healthcare professionals in Ukraine and potentially in other countries were provided with improper payments by or on behalf of the Company in violation of U.S. anti-corruption laws, specifically the U.S. Foreign Corrupt Practices Act. The Company disclosed the matter to the U.S. Department of Justice ("DOJ"), Securities and Exchange Commission ("SEC") and Securities Exchange Board of India. The Company engaged a U.S. law firm to conduct the investigation at the instruction of a committee of the Company's Board of Directors. On 06 July 2021 the Company received a subpoena from the SEC for the production of related documents, which were provided to the SEC.

The Company made presentations to the SEC and the DOJ in relation to the investigation with respect to certain countries during the previous fiscal years. The Company also made a presentation to the SEC and the DOJ in relation to its Global Compliance Framework, including the ongoing enhancement initiatives, during the year ended 31 March 2023. The Company is complying with its listing obligations as it relates to updating the regulatory agencies. While the findings from the aforesaid investigations could result in government or regulatory enforcement actions against the Company in the United States and/or foreign jurisdictions, which can lead to civil and criminal sanctions under relevant laws, the outcomes including liabilities are not reasonably ascertainable at this time.

9 The Company considered the uncertainties relating to the military conflict between Russia and Ukraine, in assessing the recoverability of receivables, goodwill, intangible assets, investments and other assets. For this purpose, the Company considered internal and external sources of information up to the date of approval of these financial results. Based on its judgments, estimates and assumptions, including sensitivity analysis, the Company expects to fully recover the carrying amount of receivables, goodwill, intangible assets, investments and other assets. The Company will continue to closely monitor any material changes to future economic conditions.

10 The figures of the quarter ended 31 March 2023 are the balancing number between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the relevant financial year, which are subject to limited review.

Place: Hyderabad
Date: 26 July 2023



By order of the Board
For Dr. Reddy's Laboratories Limited

G V Prasad
Co-Chairman & Managing Director



lg

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Dr. Reddy's Laboratories Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results for the quarter ended June 30, 2023 (the "Statement") of Dr. Reddy's Laboratories Limited (the "Company") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004


per Shankar Srinivasan
Partner

Membership No.: 213271



UDIN: 23213271BG5EKP67T1

Place: Hyderabad

Date: July 26, 2023

DR. REDDY'S LABORATORIES LIMITED
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2023

All amounts in Indian Rupees millions

Sl. No.	Particulars	Quarter ended		Year ended	
		30.06.2023 (Unaudited)	31.03.2023 (Audited)	30.06.2022 (Unaudited)	31.03.2023 (Audited)
1	Revenue from operations				
	a) Net sales / income from operations	54,034	42,491	33,399	162,989
	b) License fees and service income	167	2,887	2,757	6,002
	c) Other operating income	172	162	150	634
	Total revenue from operations	54,373	45,540	36,306	169,625
2	Other income	2,336	1,148	4,034	5,913
	Total income (1 + 2)	56,709	46,688	40,340	175,538
3	Expenses				
	a) Cost of materials consumed	8,139	8,541	8,047	31,614
	b) Purchase of stock-in-trade	3,842	3,692	4,836	17,793
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(163)	1,068	172	1,295
	d) Employee benefits expense	7,402	7,651	6,490	28,326
	e) Depreciation and amortisation expense	2,372	2,367	2,215	9,732
	f) Impairment	-	41	-	51
	g) Finance costs	45	26	98	169
	h) Selling and other expenses	12,876	13,936	10,966	48,398
	Total expenses	34,513	37,322	32,824	136,878
4	Profit before tax (1 + 2 - 3)	22,196	9,366	7,516	38,660
5	Tax expense/(benefit)				
	a) Current tax	5,387	2,319	1,358	8,641
	b) Deferred tax	415	323	1,163	3,891
6	Net profit for the period / year (4 - 5)	16,394	6,724	4,995	26,128
7	Other comprehensive income				
	a) (i) Items that will not be reclassified to profit or loss	1	86	(1)	89
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(22)	-	(53)
	b) (i) Items that will be reclassified to profit or loss	521	1,350	(4,486)	(928)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(130)	(339)	1,568	358
	Total other comprehensive (loss)/income	392	1,075	(2,919)	(534)
8	Total comprehensive income (6 + 7)	16,786	7,799	2,076	25,594
9	Paid-up equity share capital (face value Rs. 5/- each)	833	833	832	833
10	Other equity				203,909
11	Earnings per equity share (face value Rs. 5/- each)				
	Basic	98.66	40.49	30.10	157.37
	Diluted	98.45	40.41	30.03	157.03
		(Not annualised)	(Not annualised)	(Not annualised)	

See accompanying notes to the financial results.



Segment information

All amounts in Indian Rupees millions

Sl. No.	Particulars	Quarter ended		Year ended	
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
Segment wise revenue and results					
1	Segment revenue				
	a) Pharmaceutical Services and Active Ingredients	6,885	9,111	5,976	27,896
	b) Global Generics	49,678	38,651	31,221	147,999
	c) Others	131	129	152	497
	Total	56,694	47,891	37,349	176,392
	Less: Inter-segment revenue	2,321	2,351	1,043	6,767
	Total revenue from operations	54,373	45,540	36,306	169,625
2	Segment results				
	Profit / (loss) before tax and interest from each segment				
	a) Pharmaceutical Services and Active Ingredients	(596)	486	(282)	(1,336)
	b) Global Generics	22,492	9,054	11,124	46,716
	c) Others	(9)	(51)	22	(154)
	Total	21,887	9,489	10,864	45,226
	Less: (i) Finance costs	45	26	98	169
	(ii) Other un-allocable expenditure / (income), net	(354)	97	3,250	6,397
	Total profit before tax	22,196	9,366	7,516	38,660

Global Generics includes operations of Biologics business. Inter-segment revenue represents sale from Pharmaceutical Services and Active Ingredients to Global Generics at cost.

Segmental capital employed

As certain assets of the Company including manufacturing facilities, development facilities and treasury assets and liabilities are often deployed interchangeably across segments, it is impractical to allocate these assets and liabilities to each segment. Hence, the details for capital employed have not been disclosed in the above table.

Notes:

- The above statement of unaudited standalone financial results of Dr. Reddy's Laboratories Limited ("the Company"), which have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI") were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on 26 July 2023. The Statutory Auditors have carried out a limited review on the unaudited standalone financial results and issued unmodified report thereon.
- Other income for the quarter ended 30 June 2023 includes Rs.540 million recognised pursuant to settlement agreement with Janssen Group, in settlement of the claim brought in the Federal Court of Canada by the Company and its affiliates for damages under section 8 of the Canadian Patented Medicines (Notice of Compliance) Regulations in regard to the Company's ANDS for a generic version of Zytiga®(Abiraterone). This transaction pertains to the Company's Global Generics segment.
- Other income for the quarter ended 30 June 2023 includes dividend income of Rs. 443 million declared by Kunshan Rotan Reddy Pharmaceutical Company Limited during the quarter.
- License fee and service income for the year ended 31 March 2023 includes:
 - Rs. 2,640 million from sale of certain non-core dermatology brands in India to Eris Lifesciences Limited for the quarter ended 31 March 2023;
 - Rs. 1,399 million from sale of brands Styptovit-E, Finast, Finast-T and Dynapres to Torrent Pharmaceuticals Limited;
 - Rs. 902 million from sale of brands Z&D, Pedicloryl, Pefec and Ezinapi to J B Chemicals and Pharmaceuticals Limited;
 The amounts recognised above are adjusted for expected sales returns. These transactions pertain to the Company's Global Generics segment.
- The Company has considered the impact of recent tax regulations and developments, including updates to its estimate on the impact of adoption of the Taxation Laws (Amendment) Act 2019, in determining its "Tax expense/(benefit)" for the quarter ended 30 June 2023 and year ended 31 March 2023.
- The Company received an anonymous complaint in September 2020, alleging that healthcare professionals in Ukraine and potentially in other countries were provided with improper payments by or on behalf of the Company in violation of U.S. anti-corruption laws, specifically the U.S. Foreign Corrupt Practices Act. The Company disclosed the matter to the U.S. Department of Justice ("DOJ"), Securities and Exchange Commission ("SEC") and Securities Exchange Board of India. The Company engaged a U.S. law firm to conduct the investigation at the instruction of a committee of the Company's Board of Directors. On 06 July 2021 the Company received a subpoena from the SEC for the production of related documents, which were provided to the SEC. The Company made presentations to the SEC and the DOJ in relation to the investigation with respect to certain countries during the previous fiscal years. The Company also made a presentation to the SEC and the DOJ in relation to its Global Compliance Framework, including the ongoing enhancement initiatives, during the year ended 31 March 2023. The Company is complying with its listing obligations as it relates to updating the regulatory agencies. While the findings from the aforesaid investigations could result in government or regulatory enforcement actions against the Company in the United States and/or foreign jurisdictions, which can lead to civil and criminal sanctions under relevant laws, the outcomes including liabilities are not reasonably ascertainable at this time.
- The Company considered the uncertainties relating to the military conflict between Russia and Ukraine, in assessing the recoverability of receivables, goodwill, intangible assets, investments and other assets. For this purpose, the Company considered internal and external sources of information up to the date of approval of these financial results. Based on its judgments, estimates and assumptions, including sensitivity analysis, the Company expects to fully recover the carrying amount of receivables, goodwill, intangible assets, investments and other assets. The Company will continue to closely monitor any material changes to future economic conditions.
- The figures of the quarter ended 31 March 2023 are the balancing number between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the relevant financial year, which are subject to limited review.



Place: Hyderabad
Date: 26 July 2023



By order of the Board
For Dr. Reddy's Laboratories Limited



G V Prasad
Co-Chairman & Managing Director

