



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

May 7, 2024

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

Dear Sir/Madam,

Sub: Outcome of Board Meeting – Audited Financial Results for the quarter and year ended March 31, 2024

In furtherance to our letter dated March 22, 2024, we would like to inform you that the Board of Directors of the Company, at its meeting held on May 7, 2024, has *inter alia* transacted and approved the following businesses:

Financial Results

Approved the Audited Financial Results of the Company for the quarter and year ended March 31, 2024. In terms of the above, we are enclosing herewith:

1. Audited Consolidated Financial Results of the Company and its subsidiaries for the quarter and year ended March 31, 2024 as per the 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. Audited Consolidated Financial Results of the Company and its subsidiaries for the quarter and year ended March 31, 2024, as per Indian Accounting Standards.
4. Audited Standalone Financial Results of the Company for the quarter and year ended March 31, 2024, as per Indian Accounting Standards.

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

We would like to confirm that the Statutory Auditors of the Company have issued Audit Reports with 'Unmodified Opinion' on the Audited Financial Statements of the Company (Standalone and Consolidated) for the year ended March 31, 2024

Dividend

Recommended a final dividend of Rs. 40/- (800%) per equity share of Rs. 5/- each for the financial year 2023-24. The dividend will be paid on or after five days from the date of declaration of the final dividend by the shareholders at the ensuing 40th Annual General Meeting (AGM) of the Company.

Change in Key Managerial Personnel

- a) Mr. Parag Agarwal will retire as the Chief Financial Officer of the Company effective from close of working hours on July 31, 2024, consequent to his decision to expand his involvement in philanthropy for the cause of making a meaningful difference to the lives of the most vulnerable segment of the society – the voiceless animals. His resignation cum retirement letter is attached. He will also cease to be a member of the Management Council and Senior Management Personnel of the Company, effective from the close of working hours on July 31, 2024. He will continue to be available with the Company till August 31, 2024, and
- b) Mr. M V Narasimham, currently Dy. Chief Financial Officer of the Company is being elevated to the role of the Chief Financial Officer of the Company with effect from August 1, 2024. Presently, he is also a Member of the Management Council and Senior Management Personnel of the Company.

The details required under Regulation 30 of the SEBI Listing Regulations, read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, is given in Annexure enclosed herewith.

Annual General Meeting and Book Closure Date

Approved convening of 40th Annual General Meeting (AGM) of the members of the Company on Monday, July 29, 2024.

The Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday, July 17, 2024, to Friday, July 19, 2024 (both days inclusive) for the purpose of the Dividend and Annual General Meeting of the Company.

The Board Meeting commenced at 2:00 p.m. IST and concluded at 3:55 p.m IST.

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

Annexure

Details under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023

Sl. No.	Particulars	Details
1	Reason for change viz. appointment, re-appointment, resignation, removal, death or otherwise	<p>a) Resignation cum retirement of Mr. Parag Agarwal from his position as Chief Financial Officer of the Company, consequent to his decision to expand involvement in philanthropy for the cause of making a meaningful difference to the lives of the most vulnerable segment of the society – the voiceless animals.</p> <p>b) Appointment of Mr. M V Narasimham, currently the Dy. Chief Financial Officer of the Company, as the Chief Financial Officer of the Company.</p>
2	Date of appointment/ re-appointment/ cessation (as applicable); and term of appointment/ re-appointment	<p>a) Resignation cum retirement of Mr. Parag Agarwal will be effective from the close of working hours on July 31, 2024. He will also cease to be a Member of Management Council as well as a Senior Management Personnel of the Company, effective on that day. He will continue to be available with the Company till August 31, 2024.</p> <p>b) Mr. M V Narasimham, currently the Dy. Chief Financial Officer of the Company, has been appointed as the Chief Financial Officer of the Company, with effect from August 1, 2024.</p> <p>The Board of the Directors has approved the above changes at its meeting held today, i.e. on May 7, 2024 on the recommendations of the Nomination, Governance and Compensation Committee and the Audit Committee of the Company.</p>
3	Brief profile (in case of appointment)	<p>a) Not applicable</p> <p>b) The profile of Mr. M V Narasimham is annexed herewith</p>
4	Disclosure of relationships between directors (in case of appointment of a director)	Not applicable

Profile of Mr. M V Narasimham



Mr. M V Narasimham serves as Deputy Chief Financial Officer with responsibilities of global commercial business finance and global taxation. He is a qualified Chartered Accountant with more than 30 years of experience across several finance functions. Mr. Narasimham joined the Company in the year 2000 and has held various positions of increasing responsibility across finance in the Company. He was leading the finance operations of our business segments PSAI and Global Generics during the period 2006 to 2012. Since 2012, he has been heading the Corporate Finance (Direct and Indirect Taxation, Consolidation and Corporate Analytics) along with Global Business finance involving both India and overseas operations.

DR. REDDY'S LABORATORIES LIMITED

Audited consolidated financial results of Dr. Reddy's Laboratories Limited and its subsidiaries for the quarter and year ended 31 March 2024 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	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenues	70,830	72,148	62,968	279,164	245,879
2	Cost of revenues	29,347	29,945	26,971	115,557	106,536
3	Gross profit (1 - 2)	41,483	42,203	35,997	163,607	139,343
4	Selling, general and administrative expenses	20,476	20,228	17,992	77,201	68,026
5	Research and development expenses	6,877	5,565	5,366	22,873	19,381
6	Impairment of non-current assets, net	(173)	110	540	3	699
7	Other income, net	(656)	(967)	(281)	(4,199)	(5,907)
	Total operating expenses	26,524	24,936	23,617	95,878	82,199
8	Results from operating activities [(3) - (4 + 5 + 6 + 7)]	14,959	17,267	12,380	67,729	57,144
	Finance income	1,615	1,357	1,153	5,705	4,281
	Finance expense	(593)	(394)	(354)	(1,711)	(1,428)
9	Finance income, net	1,022	963	799	3,994	2,853
10	Share of profit of equity accounted investees, net of tax	35	27	76	147	370
11	Profit before tax (8 + 9 + 10)	16,016	18,257	13,255	71,870	60,367
12	Tax expense, net	2,946	4,468	3,663	16,186	15,300
13	Profit for the period/year (11 -12)	13,070	13,789	9,592	55,684	45,067
14	Earnings per share:					
	Basic earnings per share of Rs.5/- each	78.49	82.81	57.74	334.65	271.43
	Diluted earnings per share of Rs.5/- each	78.35	82.68	57.62	334.02	270.85
		(Not annualised)	(Not annualised)	(Not annualised)		



Segment information

All amounts in Indian Rupees millions

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	Segment wise revenue and results:					
1	Segment revenue:					
	a) Pharmaceutical Services and Active Ingredients	11,526	10,390	10,261	40,580	36,646
	b) Global Generics	61,191	63,095	54,257	245,453	213,768
	c) Others	1,420	1,214	924	3,910	3,042
	Total	74,137	74,699	65,442	289,943	253,456
	Less: Inter-segment revenues	3,307	2,551	2,474	10,779	7,577
	Total Revenues	70,830	72,148	62,968	279,164	245,879
2	Segment results:					
	Gross profit from each segment					
	a) Pharmaceutical Services and Active Ingredients	2,350	2,306	1,963	6,919	4,715
	b) Global Generics	37,933	39,075	33,498	154,268	132,719
	c) Others	1,200	822	536	2,420	1,909
	Total	41,483	42,203	35,997	163,607	139,343
	Less: Selling and other un-allocable expenditure, net of other income	25,467	23,946	22,742	91,737	78,976
	Total profit before tax	16,016	18,257	13,255	71,870	60,367

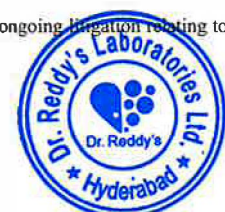
Global Generics segment includes operations of Biologics business. Inter-segment revenues represent sale from Pharmaceutical Services and Active Ingredients to Global Generics and Others at cost.

Segmental capital employed

As certain assets of the Company including manufacturing facilities, development facilities, 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 financial results of Dr.Reddy's Laboratories Limited ("the Company"), which have been prepared in accordance with recognition and measurement principles 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 07 May 2024. The Independent Auditors have issued an unqualified report thereon.
- 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 and year ended 31 March 2024, an amount of Rs. 810 million and Rs. 4,232 million respectively, and during the quarter and year ended 31 March 2023, an amount of Rs. 305 million and Rs. 3,111 million, respectively, representing government grants has been accounted for as a reduction from cost of revenues.
- "Impairment of non-current assets, net" for the year ended 31 March 2024 primarily includes:
 - Reversal of impairment loss of Rs. 226 million in March 2024, with respect to saxagliptin/metformin (generic version of Kombiglyze® - XR) and enalaprilat (generic version of Vasotec®) pursuant to launch of these two products during the year. The Company re-assessed the recoverable amount pursuant to favorable market conditions and change in circumstances that led to initial impairment during year ended 31 March 2021 by revisiting the market volumes, share and price assumptions of these two products and accordingly, capitalized under product related intangibles with corresponding reversal of impairment loss of Rs. 191 million and Rs. 35 million respectively. This impairment loss pertains to the Company's Global Generics segment
 - Consequent to adverse market conditions with respect to certain products related intangibles and software platforms, the Company assessed the recoverable amount of certain products and recognized impairment loss of Rs. 86 million and Rs. 99 million pertaining to products and software platforms forming part of the Company's Global Generics and Others segment, respectively.
- 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 had 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.
- "Other income, net" for the year ended 31 March 2024 includes:
 - Rs. 540 million recognised, in April 2023, 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).
 - Rs. 984 million recognised pursuant to settlement of product related litigation by the Company and its affiliates in the United Kingdom. These transactions pertain to the Company's Global Generics segment.
- "Other income, net" for the year ended 31 March 2023 includes:
 - Rs. 991 million representing the loss on sale of assets recognised in December 2022, pursuant to agreement dated 16 December 2022 with Delpharm Development Leiden B.V (Delpharm) for transfer of certain assets, liabilities and employees at its site at Leiden, Netherlands.This transaction pertains to Company's Global Generics segment.
 - Rs. 5,638 million (U.S.\$71.39 million discounted to present value) recognised in June 2022 towards the settlement of an ongoing litigation relating to launch of a product with Indivior Inc., Indivior UK Limited and Aquestive Therapeutics, Inc.



8 The Company considered the uncertainties relating to the escalation of conflict in the middle east, and duration of 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.

9 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.

During the previous years, the Company made presentations to the SEC and the DOJ in relation to the investigation in the aforementioned countries, and in relation to its Global Compliance Framework, which includes enhancement initiatives undertaken by the Company. The Company continues to respond to the requests made by the SEC and the DOJ and 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 and can also lead to civil and criminal sanctions under relevant laws, the outcomes, including liabilities, are not reasonably ascertainable at this time.

10 Consolidated statements of financial position

All amounts in Indian Rupees millions

Particulars	As at	
	31.03.2024	31.03.2023
	(Audited)	(Audited)
ASSETS		
Current assets		
Cash and cash equivalents	7,107	5,779
Other investments	74,363	56,018
Trade and other receivables	80,298	72,485
Inventories	63,552	48,670
Derivative financial instruments	169	1,232
Other current assets	22,560	20,069
Total current assets	248,049	204,253
Non-current assets		
Property, plant and equipment	76,886	66,462
Goodwill	4,253	4,245
Other intangible assets	36,951	30,849
Investment in equity accounted investees	4,196	4,702
Other investments	1,059	660
Deferred tax assets	10,774	7,196
Tax assets	3,718	2,687
Other non-current assets	1,632	800
Total non-current assets	139,469	117,601
Total assets	387,518	321,854
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	30,919	26,444
Short-term borrowings	12,723	7,390
Long-term borrowings, current portion	1,307	4,804
Provisions	5,383	5,454
Tax liabilities	2,342	2,144
Derivative financial instruments	468	137
Other current liabilities	42,897	39,472
Total current liabilities	96,039	85,845
Non-current liabilities		
Long-term borrowings	5,990	1,278
Deferred tax liabilities	909	833
Provisions	61	59
Other non-current liabilities	3,969	2,848
Total non-current liabilities	10,929	5,018
Total liabilities	106,968	90,863
Equity		
Share capital	834	833
Treasury shares	(991)	(1,269)
Share premium	10,765	9,688
Share based payment reserve	1,508	1,652
Capital redemption reserve	173	173
Debenture redemption reserve	-	380
Special economic zone re-investment reserve	653	886
Retained earnings	265,257	215,593
Other components of equity	2,351	3,055
Total equity	280,550	230,991
Total liabilities and equity	387,518	321,854



11 Consolidated statements of cash flows

All amounts in Indian Rupees millions

Particulars	Year ended	
	31.03.2024 (Audited)	31.03.2023 (Audited)
Cash flows from/(used in) operating activities :		
Profit for the year	55,684	45,067
<i>Adjustments for:</i>		
Tax expense, net	16,186	15,300
Fair value changes and profit on sale of financial instruments measured at FVTPL**, net	(3,149)	(876)
Depreciation and amortization	14,841	12,636
Impairment of non-current assets, net	3	699
Allowance for credit losses (on trade receivables and other advances)	275	205
(Gain)/loss on sale or de-recognition of non-current assets, net	(900)	208
Share of profit of equity accounted investees	(147)	(370)
Unrealized exchange (gain)/loss, net	(534)	(939)
Interest (income)/expense, net	(567)	248
Inventories write-down	3,563	4,869
Equity settled share-based payment expense	407	397
Dividend income	-*	-*
<i>Changes in operating assets and liabilities:</i>		
Trade and other receivables	(8,054)	(5,752)
Inventories	(18,445)	(2,654)
Trade and other payables	3,460	23
Other assets and other liabilities, net	2,857	528
Cash generated from operations	65,480	69,589
Income tax paid, net	(20,047)	(10,714)
Net cash generated from operating activities	45,433	58,875
Cash flows from/(used in) investing activities :		
Purchase of property, plant and equipment	(16,403)	(11,323)
Proceeds from sale of property, plant and equipment	1,064	82
Purchase of other intangible assets	(11,032)	(7,543)
Proceeds from sale of other intangible assets	21	-
Investment in associates	(12)	-
Purchase of other investments (including bank deposits)	(145,488)	(136,171)
Proceeds from sale of other investments (including bank deposits)	129,784	112,805
Dividend received from equity accounted investees	445	-
Interest and dividend received	1,338	777
Net cash used in investing activities	(40,283)	(41,373)
Cash flows from/(used in) financing activities :		
Proceeds from issuance of equity shares (including treasury shares)	805	157
Proceeds from sale of treasury shares	-	211
Proceeds from/(Repayment of) short-term loans and borrowings, net	5,493	(19,382)
Proceeds from long-term borrowings	3,800	-
Repayment of long-term borrowings	(3,800)	-
Payment of principal portion of lease liabilities	(1,147)	(1,015)
Dividend paid	(6,648)	(4,979)
Interest paid	(2,266)	(1,853)
Net cash used in financing activities	(3,763)	(26,861)
Net increase/(decrease) in cash and cash equivalents	1,387	(9,359)
Effect of exchange rate changes on cash and cash equivalents	(59)	286
Cash and cash equivalents at the beginning of the year	5,779	14,852
Cash and cash equivalents at the end of the year	7,107	5,779

*Rounded off to million.

**FVTPL (fair value through profit or loss)

- 12 The Board of Directors, at their meeting held on 07 May 2024, have recommended a final dividend of Rs.40 per share subject to approval of shareholders.
- 13 The figures of the fourth 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. Also the figures upto the end of third quarter were only reviewed and not subjected to audit. Previous period figures have been regrouped/rearranged, wherever necessary.

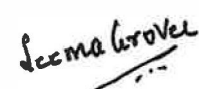
By order of the Board
For Dr. Reddy's Laboratories Limited





G V Prasad
Co-Chairman & Managing Director

Place: Hyderabad
Date: 07 May 2024



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
AISHWARYA SITHARAM	aishwaryasitharam@drreddys.com	ushaiyer@drreddys.com

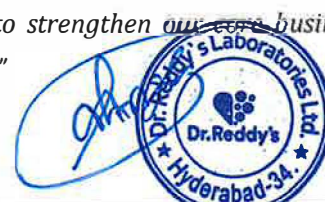
Dr. Reddy's Q4 & full year FY24 Financial Results

Hyderabad, India, May 7, 2024: Dr. Reddy's Laboratories Ltd. (BSE: 500124 | NSE: DRREDDY | NYSE: RDY | NSEIFSC: DRREDDY) today announced its consolidated financial results for the fourth quarter and full year ended March 31, 2024. The information mentioned in this release is based on consolidated financial statements under International Financial Reporting Standards (IFRS).

	Q4FY24	FY24
Revenues	₹ 70,830 Mn [Up: 12% YoY; Down: 2% QoQ]^	₹ 279,164 Mn [Up: 14% YoY]^
Gross Margin	58.6% [Q4FY23: 57.2%; Q3FY24: 58.5%]	58.6% [FY23: 56.7%]
SG&A Expenses	₹ 20,476 Mn [Up: 14% YoY; 1% QoQ]	₹ 77,201 Mn [Up: 13% YoY]
R&D Expenses	₹ 6,877 Mn [9.7% of Revenues]	₹ 22,873 Mn [8.2% of Revenues]
EBITDA	₹ 18,720 Mn [26.4% of Revenues]	₹ 83,013 Mn [29.7% of Revenues]
Profit before Tax	₹ 16,016 Mn [Up: 21% YoY; Down: 12% QoQ]	₹ 71,870 Mn [Up: 19% YoY]
Profit after Tax	₹ 13,070 Mn [Up: 36% YoY; Down: 5% QoQ]	₹ 55,684 Mn [Up: 24% YoY]

^Excluding revenues from brands divested during the corresponding previous periods, Q4FY24 YoY growth is 17% and FY24 growth is 16%.

Commenting on the results, Co-Chairman & MD, G V Prasad said: "Our growth and profitability in FY2024 has been driven by our performance in the US. We have also made significant progress on future growth drivers through licensing, collaboration and pipeline building. We will continue to strengthen our core businesses through superior execution as we invest and build the future growth drivers."



Dr. Reddy's Laboratories Limited & Subsidiaries

Revenue Mix by Segment for the quarter

Particulars	Q4FY24	Q4FY23	YoY	Q3FY24	QoQ
	(₹)	(₹)	Gr %	(₹)	Gr%
Global Generics	61,191	54,257	13	63,095	(3)
North America	32,626	25,321	29	33,492	(3)
Europe	5,208	4,960	5	4,970	5
India	11,265	12,834	(12)^	11,800	(5)
Emerging Markets	12,091	11,142	9	12,833	(6)
Pharmaceutical Services and Active Ingredients (PSAI)	8,219	7,787	6	7,839	5
Others	1,420	924	54	1,214	17
Total	70,830	62,968	12	72,148	(2)

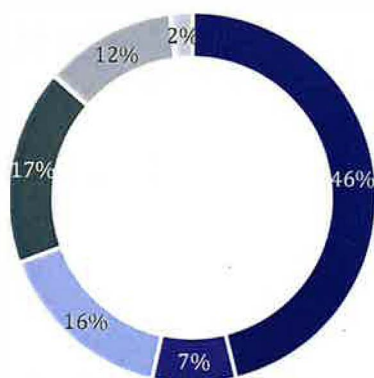
^Excluding revenues from brands divested during the corresponding previous periods, Q4FY24 YoY India growth is 17%.

Revenue Mix by Segment for the year

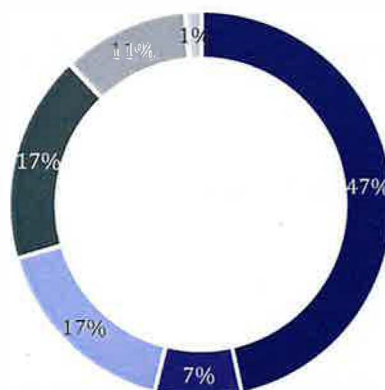
Particulars	FY24	FY23	YoY
	(₹)	(₹)	Gr%
Global Generics	245,453	213,768	15
North America	129,895	101,704	28
Europe	20,511	17,603	17
India	46,407	48,932	(5)^
Emerging Markets	48,640	45,529	7
PSAI	29,801	29,069	3
Others	3,910	3,042	29
Total	279,164	245,879	14^

^Excluding revenues from brands divested during the corresponding previous periods, India growth is 5.5% and overall 16%.

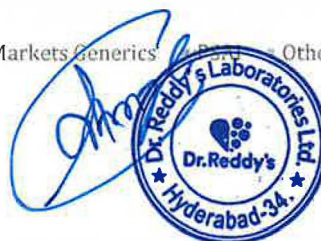
Q4FY24 Revenue Mix



FY24 Revenue Mix



■ North America Generics ■ Europe Generics ■ India Generics ■ Emerging Markets Generics ■ PSAI ■ Others



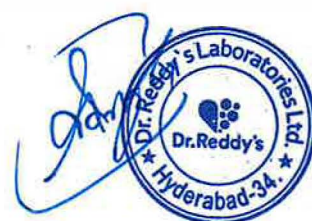
Consolidated Income Statement for the quarter

Particulars	Q4FY24		Q4FY23		YoY Gr %	Q3FY24		QoQ Gr%
	(\$)	(₹)	(\$)	(₹)		(\$)	(₹)	
Revenues	850	70,830	756	62,968	12	866	72,148	(2)
Cost of Revenues	352	29,347	324	26,971	9	359	29,945	(2)
Gross Profit	498	41,483	432	35,997	15	506	42,203	(2)
% of Revenues		58.6%		57.2%			58.5%	
Operating Expenses								
Selling, General & Administrative Expenses	246	20,476	216	17,992	14	243	20,228	1
% of Revenues		28.9%		28.6%			28.0%	
Research & Development Expenses	83	6,877	64	5,366	28	67	5,565	24
% of Revenues		9.7%		8.5%			7.7%	
Impairment of Non-Current Assets, net	(2)	(173)	6	540	(132)	1	110	(257)
Other Operating (Income)/Expense	(8)	(656)	(3)	(281)	133	(12)	(967)	(32)
Results from Operating Activities	179	14,959	149	12,380	21	207	17,267	(13)
Finance (Income)/Expense, net	(12)	(1022)	(10)	(799)	28	(12)	(963)	6
Share of Profit of Equity Accounted Investees, net of tax	(0)	(35)	(1)	(76)	(54)	(0)	(27)	30
Profit before Income Tax	192	16,016	159	13,255	21	219	18,257	(12)
% of Revenues		22.6%		21.1%			25.3%	
Income Tax Expense	35	2,946	44	3,663	(20)	54	4,468	(34)
Profit for the Period	157	13,070	115	9,592	36	165	13,789	(5)
% of Revenues		18.5%		15.2%			19.1%	
Diluted Earnings per Share (EPS)	0.94	7835	0.69	5762	36	0.99	8267	(5)

EBITDA Computation for the quarter

*Includes income from Investment

Particulars	Q4FY24		Q4FY23		Q3FY24	
	(\$)	(₹)	(\$)	(₹)	(\$)	(₹)
Profit before Income Tax	192	16,016	159	13,255	219	18,257
Interest (Income) / Expense, net*	(10)	(835)	(8)	(673)	(12)	(1,030)
Depreciation	29	2,421	27	2,213	29	2,437
Amortization	15	1,291	12	977	16	1,333
Impairment	(2)	(173)	6	539	1	110
EBITDA	225	18,720	196	16,311	253	21,107
% of Revenues		26.4%		25.9%		29.3%



Consolidated Income Statement for the year

Particulars	FY24		FY23		YoY Gr %
	(\$)	(₹)	(\$)	(₹)	
Revenues	3,350	279,164	2,950	245,879	14
Cost of Revenues	1,387	115,557	1,278	106,536	8
Gross Profit	1,963	163,607	1,672	139,343	17
% of Revenues		58.6%		56.7%	
Operating Expenses					
Selling, General & Administrative Expenses	926	77,201	816	68,026	13
% of Revenues		27.7%		27.7%	
Research & Development Expenses	274	22,873	233	19,381	18
% of Revenues		8.2%		7.9%	
Impairment of Non-Current Assets, net	0	3	8	699	(100)
Other Operating (Income)/Expense	(50)	(4,199)	(71)	(5,907)	(29)
Results from Operating Activities	813	67,729	686	57,144	19
Finance (Income)/Expense, net	(48)	(3,994)	(34)	(2,853)	40
Share of Profit of Equity Accounted Investees, net of tax	(2)	(147)	(4)	(370)	(60)
Profit before Income Tax	862	71,870	724	60,367	19
% of Revenues		25.7%		24.6%	
Income Tax Expense	194	16,186	184	15,300	6
Profit for the Period	668	55,684	541	45,067	24
% of Revenues		19.9%		18.3%	
Diluted Earnings per Share (EPS)	4.01	334.02	3.25	270.85	23

EBITDA Computation for the year

*Includes income from Investment

Particulars	FY24		FY23	
	(\$)	(₹)	(\$)	(₹)
Profit before Income Tax	862	71,870	724	60,367
Interest (Income) / Expense, net*	(45)	(3,716)	(7)	(621)
Depreciation	115	9,576	103	8,614
Amortization	63	5,280	48	4,022
Impairment	0	3	8	698
EBITDA	996	83,013	877	73,081
% of Revenues		29.7%		29.7%

Key Balance Sheet Items

Particulars	As on 31 st Mar 2024		As on 31 st Dec 2023		As on 31 st Mar 2023	
	(\$)	(₹)	(\$)	(₹)	(\$)	(₹)
Cash and Cash Equivalents and Other Investments	990	82,529	920	76,665	749	62,456
Trade Receivables	963	80,298	948	79,028	870	72,486
Inventories	763	63,552	729	60,796	584	48,670
Property, Plant, and Equipment	923	76,886	871	72,554	797	66,462
Goodwill and Other Intangible Assets	494	41,204	494	41,192	421	35,094
Loans and Borrowings (Current & Non-Current)	240	20,020	238	19,851		13,472
Trade Payables	371	30,919	381	31,772	317	26,444
Equity	3,366	280,550	3,264	272,772	3,272	230,991

Key Business Highlights [for Q4FY24]

- Entered into an **exclusive partnership** with **Sanofi** to promote and distribute its **vaccine** brands in India.
- Partnered with **Bayer** to distribute the second brand for heart failure management drug, **Vericiguat**, in India.
- Entered into a licensing agreement with U.S. based biopharma, **Pharmazz**, to market first-in-class **Cenchaquine** (Lyfaquin®) for treatment of hypovolemic shock in India.
- Acquired **MenoLabs®** business, a women's health, and dietary supplement branded portfolio from Amyris, Inc.
- Forayed into the **consumer health market** of **United Kingdom (UK)** with the launch of allergy medication, **Histallay®**.
- Launched **Bevacizumab**, our first biosimilar in the UK.
- Launched migraine management wearable device, **Nerivio®**, in Germany and South Africa.
- Received a '**Voluntary Action Indicated**' (**VAI**) status from the United States Food and Drug Administration (**U.S. FDA**) at both our **formulations manufacturing facility** (FTO-3) following their routine cGMP inspection in October 2023 as well as our **R&D facility center** in **Bachupally**, following their GMP and Pre-Approval Inspection (PAI) in December 2023.
- Received a **Complete Response Letter (CRL)** from the **U.S. FDA** on our Biologics License Application (BLA) of our proposed biosimilar, Rituximab. We will continue to work closely with the agency to address and resolve all concerns within stipulated timelines.

ESG & other Highlights [for Q4FY24]

- Included in the **S&P Global Sustainability Yearbook 2024** for the 4th consecutive year, making it to the **top 10% score category** for the **first time**.
- Received an '**A**' rating in **Carbon Disclosure Project (CDP) Supplier Engagement**, which is in the Leadership Band. **Only Indian Pharma company** to get an '**A**' rating in **Climate Change** and **Water Security** for our **2023 CDP disclosures**.
- Secured the **Leadership position** in the **Indian Corporate Governance Assessment for 2023** conducted by the **Institutional Investor Advisory Services (IIAS)**



Revenue Analysis

- **Q4FY24 consolidated revenues** at ₹ 70.8 billion, YoY growth of 12% and QoQ decline of 2%. Adjusted for income from non-core brands divested in the previous year, on a re-based comparator, YoY growth was 17%. The reported YoY growth was largely driven by growth in global generics revenues in North America as well as Emerging Markets. QoQ decline was primarily due to lower global generics revenues in North America, Emerging Markets, and India.

FY24 consolidated revenues at ₹ 279.2 billion, YoY growth of 14%. Adjusted for income from brands divested in the previous year, on a re-based comparator, YoY growth of 16%. The reported growth was primarily driven by strong performances witnessed in North America, Europe, and Emerging Markets.

Global Generics (GG)

- **Q4FY24 revenues** at ₹ 61.2 billion, YoY growth of 13% and QoQ decline of 3%. YoY growth was primarily driven by increase in volumes of our base business, new product launches, partially offset by price erosion in certain markets. Sequential decline is due change in product mix, price erosion and unfavorable forex impact.

FY24 revenues at ₹ 245.5 billion, a YoY growth of 15%. The growth was primarily driven by increase in volumes of our base business, new product launches partially offset by price erosion in US and Europe.

North America

- **Q4FY24 revenues** at ₹ 32.6 billion, YoY growth of 29% and QoQ decline of 3%. YoY growth was largely on account of increase in volumes of our base business, contribution from new launches, partly offset by price erosion. Sequential decline was due to decrease in base business volumes and price erosion in select brands.

FY24 revenues at ₹ 129.9 billion, YoY growth of 28%. The growth was largely on account of increase in base business volumes, integration of Mayne portfolio, forex gains partly offset by price erosion.

- During the quarter, we launched 5 new products in the region, of which 4 were launched in the U.S. A total of 21 products were launched during the year.
- During the quarter, we filed 9 new Abbreviated New Drug Applications (ANDAs) with the USFDA, taking our annual ANDA filing count to 17. As of March 31, 2024, 86 generic filings were pending approval from the USFDA. These comprise of 81 ANDAs and five New Drug Applications (NDAs) filed under the Section 505(b)(2) route of the US Federal Food, Drug, and Cosmetic Act. Of the 86 ANDAs, 50 are Paragraph IV applications, and we believe that 24 of these have the 'First to File' status.

Europe

- **Q4FY24 revenues** at ₹ 5.2 billion, YoY and sequential growth of 5%. YoY growth was primarily on account of improvement in base business volumes, new product launches, partly offset by price erosion. QoQ growth was primarily on account increase in base business and favorable forex.
 - **Germany** at ₹ 2.8 billion, YoY growth of 7% and QoQ growth of 5%.
 - **UK** at ₹ 1.5 billion, YoY growth of 9% and QoQ growth of 10%.
 - **Rest of Europe** at ₹ 0.9 billion, YoY decline of 7% and QoQ decline of 5%.

FY24 revenues at ₹ 20.5 billion, YoY growth of 17%. The growth was primarily on account of integration of the portfolio and momentum in base business, partly offset by price erosion.

- **Germany** at ₹ 10.6 billion, YoY growth of 13%.



- **UK** at ₹ 6.3 billion, YoY growth of 32%.
- **Rest of Europe** at ₹ 3.6 billion, YoY growth of 4%.
- During the quarter, we launched 6 new products in the region, taking the annual total to 42.

India

- **Q4FY24 revenues** at ₹ 11.3 billion, YoY decline of 12% and QoQ decline of 5%. Adjusted for brand divestment income, on a re-based comparator, YoY growth of 11%. QoQ decline is on account of lower volumes from base business. As per IQVIA, our IPM rank was at 10 for the quarter.
- **FY24 revenues** at ₹ 46.4 billion, YoY decline of 5%. Excluding the income from divestment of non-core brands in the previous year, on a re-based comparator, India growth is in mid-single digit.
- During the quarter, we launched 3 new brands in the country, taking the annual total to 13.

Emerging Markets

- **Q4FY24 revenues** at ₹ 12.1 billion, YoY growth of 9% and QoQ decline of 6%. YoY growth is attributable to new product launches, while QoQ decline was due to unfavorable forex.
 - **Revenues from Russia** at ₹ 5.0 billion, YoY decline of 4% and QoQ decline of 15%.
 - YoY decline was majorly due to unfavorable currency exchange rate movements, partially offset by price increases.
 - QoQ decline was on account of unfavorable forex.
 - **Revenues from other Commonwealth of Independent States (CIS) countries and Romania** at ₹ 2.2 billion, decline of 5% YoY and 7% QoQ.
 - YoY decline was primarily on account of decline in base business volumes, partly offset by increase in prices.
 - QoQ decline was driven by decline in base business volumes, partly offset by higher prices.
 - **Revenues from Rest of World (RoW) territories** at ₹ 4.9 billion, growth of 34% YoY and 7% QoQ.
 - YoY growth was largely attributable to contribution from new products.
 - QoQ growth was primarily driven by increase in base business volumes and new product launches.
- **FY24 revenues** at ₹ 48.6 billion, YoY growth of 7%. The growth is attributable to new product launches and market share expansion, partially offset by unfavorable forex.
 - **Revenues from Russia** at ₹ 22.3 billion, YoY growth of 5%. The growth was largely on account of improved volumes and increase in certain brand prices, partially offset by unfavorable currency exchange rate movements.
 - **Revenues from other CIS countries and Romania** at ₹ 8.6 billion, broadly flat on YoY basis.
 - **Revenues from RoW territories** at ₹ 17.7 billion, YoY growth of 13%. The growth is largely attributable to contribution from new product launches.
- During the quarter, we launched 17 new products across various countries in the region, taking the annual total to 106.



Pharmaceutical Services and Active Ingredients (PSAI)

- **Q4FY24 revenues** at ₹ 8.2 billion, with a growth of 6% YoY and 5% QoQ. YoY growth was mainly driven by revenues from new products, favourable forex, partially offset by price decline. QoQ growth was driven by improved volumes in base business partially offset by price decline.
- **FY24 revenues** at ₹ 29.8 billion, with a growth of 3% YoY. The growth was mainly driven by revenues from new products, favourable forex, partially offset by price erosion.
- During the quarter, we filed 48 Drug Master Files (DMFs) globally, taking the annual count to 133.

Income Statement Highlights:

Gross Margin

- **Q4FY24** at 58.6% (GG: 62.0%, PSAI: 28.6%), an increase of 140 basis points (bps) over previous year and 7 bps sequentially. The YoY increase was on account of improvement in product mix and productivity cost savings, partially offset by income from non-core brands divested in previous period. On a sequential basis, the growth was primarily on account of favourable product mix.

FY24 at 58.6% (GG: 62.9%, PSAI: 23.2%). Gross margin increased by 193 bps YoY. The expansion in margin was on account of favourable product mix, higher government incentive, productivity cost savings, partially offset by price erosion in select markets and brand divestment income during previous period.

Selling, General & Administrative (SG&A) Expenses

- **Q4FY24** at ₹ 20.5 billion, YoY increase of 14% and by 1% QoQ.
FY24 at ₹ 77.2 billion, YoY increase of 13%.

The increase is largely on account of higher investments in sales & marketing activities to strengthen our existing brands, new business initiatives including scaling up OTC and consumer health & wellness business, digitalization initiatives and building strong commercial capabilities.

Research & Development (R&D) Expenses

- **Q4FY24** at ₹ 6.9 billion. As % to Revenues – Q4FY24: 9.7% | Q3FY24: 7.7% | Q4FY23: 8.5%.
FY24 at ₹ 22.9 billion. As % to Revenues – FY24: 8.2% | FY23: 7.9%.

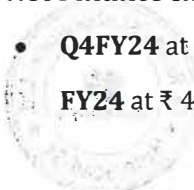
R&D investments is related to our biosimilar products pipeline, development efforts across generics as well as our novel oncology assets.

Other Operating Income

- **Q4FY24** at ₹ 0.7 billion as compared to ₹ 0.3 billion in Q4FY23.
FY24 at ₹ 4.2 billion as compared to ₹ 5.9 billion in FY23.

Net Finance Income

- **Q4FY24** at ₹ 1.0 billion compared to ₹ 0.8 billion in Q4FY23.
FY24 at ₹ 4.0 billion as compared to ₹ 2.9 billion in FY23.



h

Profit before Tax

- **Q4FY24** at ₹ 16.0 billion, YoY growth of 21%. QoQ decline of 12%.
FY24 at ₹ 71.9 billion, an increase of 19%. As % to Revenues –FY24: 25.7% | FY23: 24.6%.

Profit after Tax

- **Q4FY24** at ₹ 13.1 billion, YoY growth of 36%, QoQ decline of 5%.
FY24 at ₹ 55.7 billion, a growth of 24%. As % to Revenues –FY24: 19.9% | FY23: 18.3%.

The Effective Tax Rate (ETR) for the quarter has been 18.4%. The ETR during the quarter is lower due to a one-time benefit accruing on account reversal of a tax provision, re-measurement of Deferred Tax asset owing to increase in USA state tax liability and adoption of corporate tax rate under section 115BAA of the IT Act.

The ETR for FY24 was 22.5% as compared to 25.3% in FY23. The ETR was lower for FY24 mainly due to adoption of corporate tax rate under section 115BAA of the Income Tax Act of India.

Diluted Earnings per Share (EPS)

- **Q4FY24** is ₹ 78.4. **FY24** is ₹ 334.0.

Other Highlights:

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)

- **Q4FY24** at ₹ 18.7 billion, YoY growth of 15% and QoQ decline of 11%. EBITDA margin is 26.4%.
FY24 at ₹ 83.0 billion, a YoY growth of 14%. EBITDA margin is 29.7%.

Others:

- **Operating Working Capital : As on 31st March 2024** at ₹ 112.9 billion.
- **Capital Expenditure: Q4FY24** at ₹ 5.0 billion. **FY24** at ₹ 15.2 billion.
- **Free Cash Flow: Q4FY24** at ₹ 5.3 billion. **FY24** at ₹ 19.1 billion.
- **Net Cash Surplus : As on 31st March 2024** at ₹ 64.6 billion
- **Debt to Equity : As on 31st March 2024** is (0.23)
- **ROCE : FY24** at 36%.
- The Board has recommended payment of a **dividend of Rs. 40 per equity share** of face value Rs. 5/- each (**800% of face value**) for the year ended March 31, 2024, subject to approval of the members of the company.



12

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 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.



All amounts in millions, except EPS

Reconciliation of GAAP Measures to Non-GAAP Measures

Operating Working Capital

Particulars	As on 31 st Mar 2024
	(₹)
Inventories	63,552
Trade Receivables	80,298
Less:	
Trade Payables	30,919
Operating Working Capital	112,931

Free Cash Flow

Particulars	Three months ended 31 st Mar 2024	Year ended 31 st Mar 2024
	(₹)	(₹)
Net cash generated from operating activities	17,053	65,479
Less:		
Taxes	5,534	20,047
Investments in Property, Plant & Equipment, and Intangibles	6,230	18,709
Free Cash Flow before Acquisitions	5,289	26,723
Less:		
Acquisitions related Pay-out	-	7,640
Free Cash Flow	5,289	19,083

Net Cash Surplus and Debt to Equity

Particulars	As on 31 st Mar 2024
	(₹)
Cash and Cash Equivalents	7,107
Investments	75,422
Short-term Borrowings	(12,723)
Long-term Borrowings, Non-Current	(5,990)
Less:	
Restricted Cash Balance – Unclaimed Dividend	227
Lease liabilities (included in Long-term Borrowings, Non-Current)	(2,190)
Equity Investments (Included in Investments)	1,193
Net Cash Surplus	64,586
Equity	280,550
Net Debt/Equity	(0.23)



Computation of Return on Capital Employed

Particulars	As on 31 st Mar 2024
	(₹)
Profit before Tax	71,870
Less:	
Interest and Investment Income (Excluding forex gain/loss)	3,716
Earnings Before Interest and taxes [A]	68,154
Average Capital Employed [B]	191,809
Return on Capital Employed (A/B) (Ratio)	36%

Computation of Capital Employed:

Particulars	Year Ended	
	Mar 31, 2024	Mar 31, 2023
Property Plant and Equipment	76,886	66,462
Intangibles	36,951	30,849
Goodwill	4,253	4,245
Investment in Equity Accounted Associates	4,196	4,702
Other Current Assets	22,560	20,069
Other Investments	1,059	660
Other Non-Current Assets	1,632	800
Inventories	63,552	48,670
Trade Receivables	80,298	72,485
Derivative Financial Instruments	(299)	1,095
Less:		
Other Liabilities	46,866	42,320
Provisions	5,444	5,513
Trade payables	30,919	26,444
Operating Capital Employed	207,859	175,760
Average Capital Employed		191,809

Computation of EBITDA

Refer page no. 3 & 4.



Earnings Call Details

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

Date: May 7, 2024

Time: 19:30 pm IST / 10:00 am ET

Conference Joining Information

Option 1: Pre-register with the below link and join without waiting for the operator

<https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=9249934&linkSecurityString=380ecdb9f6>

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.

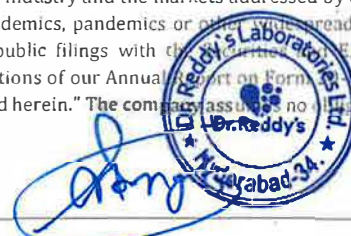
Play Back: The play back will be available after the earnings call, till May 14th, 2024. For play back dial in phone No: +91 22 7194 5757, and Playback Code is 40871.

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 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, and (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 outbreaks, 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 10-K for the year ended March 31, 2023. The company assumes no obligation to update any information contained herein. The company assumes no obligation to update any information contained herein.



Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Dr. Reddy's Laboratories Limited

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Statement of Audited Consolidated Financial Results for the quarter and year ended 31 March 2024 ("Statement") of Dr. Reddy's Laboratories Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint ventures for the quarter and year ended March 31, 2024, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements of the subsidiary referred to in the Other Matters paragraph below, the Statement:

(i) includes the results of the following entities:

Holding Company:

1. Dr. Reddy's Laboratories Limited

Subsidiaries

1. Aurigene Oncology 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 Owners and Land Possessions Private Limited (Formerly 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
13. beta Institut gemeinnützige GmbH
14. betapharm Arzneimittel GmbH
15. Chirotech Technology Limited
16. DRL 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.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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, Russia
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
49. Dr. Reddy's Laboratories Jamaica Limited (effective from September 25, 2023)
50. Dr. Reddy's Nutraceuticals Limited (effective from March 14, 2024)

Associate

1. O2 Renewable Energy IX Private Limited (effective from November 10, 2023)

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 Research Foundation

- i. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive loss and other financial information of the Group, its associate and joint ventures for the quarter and year ended March 31, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, its associate and joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive loss and other financial information of the Group including its associate and joint ventures in accordance with the applicable accounting standards prescribed under section 133 of the Act 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 respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the companies or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint ventures to cease to continue as a going concern.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Master Circular issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

1. The accompanying Statement includes the audited financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of Rs 13,142 million as at March 31, 2024, total revenues of Rs 4,700 million and Rs 21,391 million total net profit after tax of Rs. 100 million and Rs. 1,079 million, total comprehensive income of Rs. 100 million and Rs. 1,079 million, for the quarter and year ended on that date respectively, and net cash inflows of Rs. 554 million for the year ended March 31, 2024, as considered in the Statement which have been audited by their auditors. The auditor's report on the financial statements and other financial information of this entity has been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such audited financial statements and other financial information.
2. The accompanying Statement includes the unaudited financial results and other unaudited financial information, in respect of one associate and two joint ventures, whose financial results include the Group's share of net profit of Rs. 147 million and Rs. 147 million and Group's share of total comprehensive income of Rs. 147 million and Rs. 147 million for the quarter and year ended March 31, 2024 respectively, as considered in the Statement whose financial results have not been audited by their respective auditors. These unaudited financial results and other unaudited financial information have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate and joint venture, is based solely on such unaudited financial results and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial results/financial information certified by the Management.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

3. The Statement includes the results for the quarter ended March 31, 2024 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004


per Shankar Srinivasan
Partner

Membership No.: 213271



UDIN: 24213271BKELCI9910

Place: Hyderabad

Date: May 07, 2024

DR. REDDY'S LABORATORIES LIMITED
STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2024

All amounts in Indian Rupees millions

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from operations					
	a) Sales	68,258	69,647	58,430	271,396	234,595
	b) License fees and service income	2,572	2,501	4,539	7,768	11,284
	c) Other operating income	308	220	183	947	818
	Total revenue from operations	71,138	72,368	63,152	280,111	246,697
2	Other income	1,975	2,162	1,385	8,943	10,555
3	Total income (1 + 2)	73,113	74,530	64,537	289,054	257,252
4	Expenses					
	a) Cost of materials consumed	10,962	11,412	10,728	44,901	42,198
	b) Purchase of stock-in-trade	11,759	12,083	7,667	43,991	33,670
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,800)	(1,735)	586	(6,805)	709
	d) Employee benefits expense	12,836	12,764	12,760	50,301	46,466
	e) Depreciation and amortisation expense	3,677	3,735	3,155	14,700	12,502
	f) Impairment of non-current assets, net	(173)	110	540	3	699
	g) Finance costs	593	394	354	1,711	1,428
	h) Other expenses	19,242	17,503	15,532	68,389	59,465
	Total expenses	57,096	56,266	51,322	217,191	197,137
5	Profit before tax and before share of equity accounted investees(3 - 4)	16,017	18,264	13,215	71,863	60,115
6	Share of profit of equity accounted investees, net of tax	35	27	76	147	370
7	Profit before tax (5+6)	16,052	18,291	13,291	72,010	60,485
8	Tax expense/(benefit):					
	a) Current tax	2,823	3,538	4,279	19,459	8,144
	b) Deferred tax	131	944	(589)	(3,228)	7,268
9	Net profit after taxes and share of profit of associates (7 - 8)	13,098	13,809	9,601	55,779	45,073
10	Other comprehensive income/(loss)					
	a) (i) Items that will not be reclassified subsequently to profit or loss	(44)	132	83	(28)	(660)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	4	-	(12)	4	(43)
	b) (i) Items that will be reclassified subsequently to profit or loss	(565)	782	1,196	(749)	276
	(ii) Income tax relating to items that will be reclassified to profit or loss	48	78	(342)	117	306
	Total other comprehensive income/(loss)	(557)	992	925	(656)	(121)
11	Total comprehensive income (9 + 10)	12,541	14,801	10,526	55,123	44,952
12	Paid-up equity share capital (face value Rs. 5/- each)	834	834	833	834	833
13	Other equity				281,714	232,028
14	Earnings per equity share (face value Rs. 5/- each)					
	Basic	78.66	82.94	57.79	335.22	271.47
	Diluted	78.53	82.81	57.68	334.59	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	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	Segment wise revenue and results:					
1	Segment revenue :					
	a) Pharmaceutical Services and Active Ingredients	11,725	10,580	10,398	41,295	37,195
	b) Global Generics	61,289	63,124	54,297	245,673	213,953
	c) Others	1,431	1,215	931	3,922	3,126
	Total	74,445	74,919	65,626	290,890	254,274
	Less: Inter-segment revenue	3,307	2,551	2,474	10,779	7,577
	Total revenue from operations	71,138	72,368	63,152	280,111	246,697
2	Segment results:					
	Gross profit from each segment					
	a) Pharmaceutical Services and Active Ingredients	2,349	2,307	1,970	6,929	4,733
	b) Global Generics	37,937	39,077	33,498	154,272	132,719
	c) Others	1,202	823	535	2,423	1,909
	Total	41,488	42,207	36,003	163,624	139,361
	Less: Selling and other un-allocable expenditure/(income), net	25,436	23,916	22,712	91,614	78,876
	Total profit before tax	16,052	18,291	13,291	72,010	60,485

Global Generics includes operations of Biologics business. Inter-segment revenue represents sales 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 audited 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 7 May 2024. The Statutory Auditors have issued an unqualified report thereon.
- 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 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.
- "Other income" for the year ended 31 March 2024 includes :
 - Rs.540 million recognised in April 2023, 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.
 - Rs.984 million recognised pursuant to settlement of product related litigation by the Company and its affiliates in the United Kingdom. This transaction pertains to the Company's Global Generics segment.
- "Other income" for the year ended 31 March 2023 includes an amount of Rs.5,638 million (U.S.\$71.39 discounted to present value), recognised in June 2022 towards the settlement of an ongoing litigation relating to launch of a product with Indivior Inc., Indivior UK Limited and Aquestive Therapeutics, Inc.
- During the quarter and year ended 31 March 2024, an amount of Rs. 810 million and Rs. 4,232 million respectively, and during the quarter and year ended 31 March 2023, an amount of Rs.305 million and Rs.3,111 million, respectively, representing government grants has been accounted for as a reduction from cost of materials consumed.
- "Impairment of non-current assets, net" for the year ended 31 March 2024 primarily includes:
 - Reversal of impairment loss of Rs. 226 million in March 2024, with respect to saxagliptin/metformin (generic version of Kombiglyze® - XR) and enalaprilat (generic version of Vasotec®) pursuant to launch of these two products during the year.
The company re-assessed the recoverable amount pursuant to favorable market conditions and change in circumstances that led to initial impairment during year ended 31 March 2021 by revisiting the market volumes, share and price assumptions of these two products and accordingly capitalized under Product related intangibles with corresponding reversal of impairment loss of Rs. 191 million and Rs. 35 million respectively. This impairment loss pertains to the Company's Global Generics segment.
 - Consequent to adverse market conditions with respect to certain products related intangibles and software platforms, the Company assessed the recoverable amount of certain products and recognized impairment loss of Rs. 86 million and Rs. 99 million pertaining to products and software platforms forming part of the Company's Global Generics and Others segment, respectively.



7 Consolidated Balance Sheet

All amounts in Indian Rupees millions

Particulars	As at	As at
	31.03.2024	31.03.2023
	(Audited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	62,487	56,542
Capital work-in-progress	13,510	9,752
Goodwill	5,501	5,474
Other intangible assets	36,268	30,175
Intangible assets under development	683	549
Investment in equity accounted investees	4,196	4,702
Financial assets		
Investments	1,059	660
Other financial assets	1,212	727
Deferred tax assets, net	10,578	7,052
Tax assets, net	3,718	2,687
Other non-current assets	1,373	276
Total non-current assets	140,585	118,596
Current assets		
Inventories	63,552	48,670
Financial assets		
Investments	44,050	44,496
Trade receivables	80,298	72,485
Derivative financial instruments	169	1,232
Cash and cash equivalents	7,107	5,779
Other bank balances	10,170	11,523
Other financial assets	22,527	4,950
Other current assets	20,180	15,120
Total current assets	248,053	204,255
TOTAL ASSETS	388,638	322,851
EQUITY AND LIABILITIES		
Equity		
Equity share capital	834	833
Other equity	281,714	232,028
Total equity	282,548	232,861
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	3,800	-
Lease liabilities	2,190	1,278
Provisions	239	199
Deferred tax liabilities, net	841	760
Other non-current liabilities	3,140	2,032
Total non-current liabilities	10,210	4,269
Current liabilities		
Financial liabilities		
Borrowings	12,723	11,190
Lease liabilities	1,307	1,004
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	282	83
Total outstanding dues of creditors other than micro enterprises and small enterprises	25,862	22,601
Derivative financial instruments	468	137
Other financial liabilities	34,540	29,175
Liabilities for current tax, net	2,341	2,143
Provisions	6,920	6,525
Other current liabilities	11,437	12,863
Total current liabilities	95,880	85,721
TOTAL EQUITY AND LIABILITIES	388,638	322,851



8 Consolidated statement of cashflows

All amounts in Indian Rupees millions

Particulars	Year ended	Year ended
	31.03.2024	31.03.2023
	(Audited)	(Audited)
Cash flows from/(used in) operating activities :		
Profit before tax	72,010	60,485
<i>Adjustments for:</i>		
Fair value changes and profit on sale of financial instruments measured at FVTPL**, net	(3,149)	(876)
Depreciation and amortisation expense	14,700	12,502
Impairment of non-current assets	3	699
Allowance for credit losses (on trade receivables and other advances)	275	205
(Profit)/Loss on sale or de-recognition of non-current assets, net	(900)	208
Share of profit of equity accounted investees	(147)	(370)
Unrealized exchange (gain)/loss, net	(533)	(925)
Interest income	(2,278)	(1,180)
Finance costs	1,711	1,428
Equity settled share-based payment expense	407	397
Inventories write-down	3,563	4,869
Dividend income	-*	-*
<i>Changes in operating assets and liabilities:</i>		
Trade receivables	(8,054)	(5,752)
Inventories	(18,445)	(2,654)
Trade payables	3,460	23
Other assets and other liabilities, net	2,857	528
Cash generated from operations	65,480	69,587
Income tax paid, net	(20,047)	(10,714)
Net cash from operating activities	45,433	58,873
Cash flows from/(used in) investing activities :		
Purchase of property, plant and equipment	(16,403)	(11,323)
Proceeds from sale of property, plant and equipment	1,064	82
Purchase of other intangible assets	(11,032)	(7,541)
Proceeds from sale of other intangible assets	21	-
Investment in associates	(12)	-
Purchase of investments (including bank deposits)	(145,488)	(136,171)
Proceeds from sale of investments (including bank deposits)	129,784	112,805
Dividend received from equity accounted investees	445	-
Interest and dividend received	1,338	777
Net cash used in investing activities	(40,283)	(41,371)
Cash flows from/(used in) financing activities :		
Proceeds from issuance of equity shares (including treasury shares)	805	157
Proceeds from sale of treasury shares	-	211
Proceeds from/(Repayment of) from short-term loans and borrowings, net	5,493	(19,382)
Repayment of long-term loans and borrowings	(3,800)	-
Proceeds from long term borrowings	3,800	-
Payment of principal portion of lease liabilities	(1,147)	(1,015)
Dividend paid	(6,648)	(4,979)
Interest paid	(2,266)	(1,853)
Net cash used in financing activities	(3,763)	(26,861)
Net increase/(decrease) in cash and cash equivalents	1,387	(9,359)
Effect of exchange rate changes on cash and cash equivalents	(59)	286
Cash and cash equivalents at the beginning of the year	5,779	14,852
Cash and cash equivalents at the end of the year	7,107	5,779

*Rounded off to million.

**FVTPL (fair value through profit or loss)



- 9 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.
- 10 Included in "Other expenses" for the year ended 31 March 2023, is an amount of Rs. 991 million representing the Loss on sale of Assets recognised in December 2022, pursuant to agreement 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.
- 11 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 July 6, 2021, the Company received a subpoena from the SEC for the production of related documents, which were provided to the SEC.
- During the previous years, the Company made presentations to the SEC and the DOJ in relation to the investigation in the aforementioned countries, and in relation to its Global Compliance Framework, which includes enhancement initiatives undertaken by the Company. The Company continues to respond to the requests made by the SEC and the DOJ and 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 and can also lead to civil and criminal sanctions under relevant laws, the outcomes, including liabilities, are not reasonably ascertainable at this time.
- 12 The Company considered the uncertainties relating to the escalation of conflict in the middle east, and duration of 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.
- 13 The Board of Directors, at their meeting held on 7 May 2024, have recommended a final dividend of Rs.40 per share subject to approval of shareholders.
- 14 The figures of the fourth 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. Also the figures upto the end of third quarter were only reviewed and not subjected to audit.

Place: Hyderabad
Date: 7 May 2024



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


G V Prasad
Co-Chairman & Managing Director



Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Dr. Reddy's Laboratories Limited

Report on the audit of the Standalone Financial Results**Opinion**

We have audited the accompanying Statement of Audited Standalone Financial Results for the quarter and year ended 31 March 2024 ("Statement") of Dr. Reddy's Laboratories Limited (the "Company") for the quarter and year ended March 31, 2024, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information of the Company for the quarter and year ended March 31, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

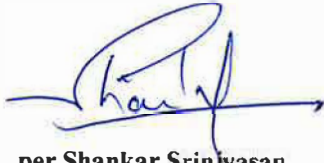
Other Matter

The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Shankar Srinivasan

Partner

Membership No.: 213271



UDIN: 24213271BKE LCJ6463

Place: Hyderabad

Date: May 07, 2024

DR. REDDY'S LABORATORIES LIMITED
STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2024

All amounts in Indian Rupees millions

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from operations					
	a) Sales	50,304	40,389	42,491	192,764	162,989
	b) License fees and service income	514	442	2,887	1,277	6,002
	c) Other operating income	230	199	162	797	634
	Total revenue from operations	51,048	41,030	45,540	194,838	169,625
2	Other income	2,127	2,276	1,148	8,623	5,913
	Total income (1 + 2)	53,175	43,306	46,688	203,461	175,538
3	Expenses					
	a) Cost of materials consumed	9,077	8,187	8,541	32,915	31,614
	b) Purchase of stock-in-trade	5,463	5,569	3,692	19,866	17,793
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(520)	(651)	1,068	(2,388)	1,295
	d) Employee benefits expense	7,795	7,823	7,651	30,857	28,326
	e) Depreciation and amortisation expense	2,462	2,464	2,367	9,756	9,232
	f) Impairment of non current assets, net	260	-	41	260	51
	g) Finance costs	59	56	26	218	169
	h) Other expenses	15,187	13,539	13,936	54,064	48,398
	Total expenses	39,783	36,987	37,322	145,548	136,878
4	Profit before tax (1 + 2 - 3)	13,392	6,319	9,366	57,913	38,660
5	Tax expense/ (benefit)					
	a) Current tax	2,702	1,569	2,319	13,618	8,641
	b) Deferred tax	342	(2)	323	875	3,891
6	Net profit for the period / year (4 - 5)	10,348	4,752	6,724	43,420	26,128
7	Other comprehensive income/(loss)					
	a) (i) Items that will not be reclassified to profit or loss	27	(8)	86	21	89
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(7)	-	(22)	(7)	(53)
	b) (i) Items that will be reclassified subsequently to profit or loss	(189)	24	1,350	(446)	(928)
	(ii) Income tax relating to items that will be reclassified to profit or loss	49	(6)	(339)	114	358
	Total other comprehensive income / (loss)	(120)	10	1,075	(318)	(534)
8	Total comprehensive income (6 + 7)	10,228	4,762	7,799	43,102	25,594
9	Paid-up equity share capital (face value Rs. 5/- each)	834	834	833	834	833
10	Other equity				241,574	203,909
11	Earnings per equity share (face value Rs. 5/- each)					
	Basic	62.14	28.55	40.49	260.95	157.37
	Diluted	62.04	28.50	40.41	260.46	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	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	Segment wise revenue and results					
1	Segment revenue					
	a) Pharmaceutical Services and Active Ingredients	9,842	7,658	9,111	30,742	27,896
	b) Global Generics	44,006	35,726	38,651	173,405	147,999
	c) Others	353	66	129	678	497
	Total	54,201	43,450	47,891	204,825	176,392
	Less: Inter-segment revenue	3,153	2,420	2,351	9,987	6,767
	Total revenue from operations	51,048	41,030	45,540	194,838	169,625
2	Segment results					
	Profit / (loss) before tax and interest from each segment					
	a) Pharmaceutical Services and Active Ingredients	1,246	(397)	486	(287)	(1,336)
	b) Global Generics	12,172	6,832	9,054	57,670	46,716
	c) Others	239	198	(51)	536	(154)
	Total	13,657	6,633	9,489	57,919	45,226
	Less: (i) Finance costs	59	56	26	218	169
	(ii) Other un-allocable expenditure / (income), net	206	258	97	(212)	6,397
	Total profit before tax	13,392	6,319	9,366	57,913	38,660

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

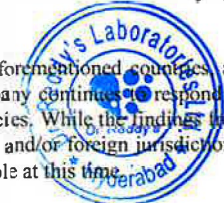
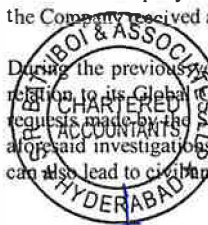
Segmental capital employed

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 audited 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 07 May 2024. The Statutory Auditors have issued an unqualified report thereon.
- 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, Pecef 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.
- "Other income" for the year ended 31 March 2024 includes Rs.540 million recognised in April 2023, 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 pertains to the Company's
- "Other income" for the year ended 31 March 2024 includes dividend income of Rs. 445 million declared by Kunshan Rotan Reddy Pharmaceutical Company Limited, joint venture of the company.
- During the quarter and year ended 31 March 2024, an amount of Rs. 806 million and Rs. 4,211 million respectively and during the quarter and year ended 31 March 2023, an amount of Rs. 305 million and Rs. 3,111 million respectively, representing government grants has been accounted as a reduction from cost of
- "Impairment of non-current assets, net" for the year ended 31 March 2024 primarily includes:
 - The Company assessed the recoverable amount of investment in equity shares of its subsidiary, Svaas Wellness Limited, India and recognized impairment loss of Rs. 288 million as the recoverable value is below the carrying value of the investment held by the Company. This impairment loss pertains to the Company's Others segment.
 - Consequent to adverse market conditions with respect to certain products related intangibles, the Company assessed the recoverable amount of certain products and recognized impairment loss of Rs. 7 million pertaining to products forming part of the Company's Global Generics segment.
 - Reversal of impairment loss of Rs. 35 million in March 2024, with respect to enalaprilat (generic version of Vasotec®) pursuant to launch of the product during the year. The company re-assessed the recoverable amount pursuant to favorable market conditions and change in circumstances that led to initial impairment during year ended 31 March 2021, by revisiting the market volumes, share and price assumptions of this product and accordingly capitalized under Product related intangibles with corresponding reversal of impairment loss of Rs. 35 million. This pertains to the Company's Global Generics segment.
- 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 July 6, 2021, the Company received a subpoena from the SEC for the production of related documents, which were provided to the SEC.

During the previous years, the Company made presentations to the SEC and the DOJ in relation to the investigation in the aforementioned countries, and in relation to its Global Compliance Framework, which includes enhancement initiatives undertaken by the Company. The Company continues to respond to the requests made by the SEC and the DOJ and 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 and can also lead to civil and criminal sanctions under relevant laws, the outcomes, including liabilities, are not reasonably ascertainable at this time.



8 The Company considered the uncertainties relating to the escalation of conflict in the middle east, and duration of 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.

9 **Balance sheet**

All amounts in Indian Rupees millions

Particulars	As at	As at
	31.03.2024	31.03.2023
	(Audited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	51,094	47,379
Capital work-in-progress	11,719	8,991
Goodwill	853	853
Other intangible assets	23,944	23,721
Intangible assets under development	391	253
Financial assets		
Investments	32,027	31,422
Loans	617	11
Other financial assets	919	533
Tax assets, net	3,161	2,546
Other non-current assets	709	156
Total non-current assets	125,434	115,865
Current assets		
Inventories	40,189	30,430
Financial assets		
Investments	41,179	42,978
Trade receivables	46,239	42,889
Derivative financial instruments	165	715
Cash and cash equivalents	2,014	1,123
Other bank balances	10,155	5,335
Other financial assets	22,078	2,224
Other current assets	16,140	12,189
Total current assets	178,159	137,883
TOTAL ASSETS	303,593	253,748
EQUITY AND LIABILITIES		
Equity		
Equity share capital	834	833
Other equity	241,574	203,909
Total Equity	242,408	204,742
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	495	286
Provisions	93	79
Deferred tax liabilities, net	4,161	3,392
Other non-current liabilities	1,055	852
Total non-current liabilities	5,804	4,609
Current liabilities		
Financial liabilities		
Borrowings	7,100	6
Lease liabilities	334	216
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	268	72
Total outstanding dues of creditors other than micro enterprises and small enterprises	20,180	17,573
Derivative financial instruments	290	135
Other financial liabilities	17,023	15,369
Liabilities for current tax, net	670	-
Provisions	3,283	3,052
Other current liabilities	6,233	7,974
Total current liabilities	55,381	44,397
TOTAL EQUITY AND LIABILITIES	303,593	253,748



10 Statement of cashflows

All amounts in Indian Rupees millions

Particulars	Year ended	Year ended
	31.03.2024	31.03.2023
	(Audited)	(Audited)
Cash flows from/(used in) operating activities :		
Profit before taxation	57,913	38,660
<i>Adjustments for:</i>		
Fair value changes and profit on sale of financial instruments measured at FVTPL**, net	(2,961)	(798)
Depreciation and amortisation expense	9,756	9,232
Impairment of non-current assets	260	51
Allowance for credit losses (on trade receivables and other advances)	177	161
(Profit)/Loss on sale or de-recognition of non-current assets, net	(771)	233
Unrealized exchange loss / (gain), net	76	(1,656)
Interest income	(3,046)	(1,300)
Finance costs	218	169
Equity settled share-based payment expense	346	318
Inventories write-down	2,411	4,048
Dividend income	(446)	-*
<i>Changes in operating assets and liabilities:</i>		
Trade receivables	(3,410)	6,568
Inventories	(12,170)	(1,000)
Trade payables	2,803	983
Other assets and other liabilities, net	(3,464)	2,687
Cash generated from operations	47,692	58,356
Income taxes paid, net	(13,195)	(7,827)
Net cash generated from operating activities	34,497	50,529
Cash flows from/(used in) investing activities		
Purchase of property, plant and equipment	(13,611)	(10,002)
Proceeds from sale of property, plant and equipment	882	247
Purchase of other intangible assets	(2,325)	(5,711)
Purchase of investments (including bank deposits)	(137,578)	(120,320)
Proceeds from sale of investments (including bank deposits)	117,468	100,769
Equity investments in subsidiary/associates	(802)	(459)
Dividend received	446	-
Interest income received	1,823	1,000
Loans and advances given to subsidiaries	(606)	-
Net cash used in investing activities	(34,303)	(34,476)
Cash flows from/(used in) financing activities		
Proceeds from issuance of equity shares (including treasury shares)	805	157
Proceeds from sale of treasury shares	-	211
Proceeds/(Repayment of) from short-term loans and borrowings, net	7,094	(21,705)
Payment of principal portion of lease liabilities	(237)	(195)
Dividend paid	(6,648)	(4,979)
Interest paid	(333)	(458)
Net cash from/(used in) financing activities	681	(26,969)
Net increase / (decrease) in cash and cash equivalents	875	(10,916)
Effect of exchange rate changes on cash and cash equivalents	16	445
Cash and cash equivalents at the beginning of the year	1,123	11,595
Cash and cash equivalents at the end of the year	2,014	1,123

*Rounded off to million.

**FVTPL (fair value through profit or loss)

- 11 The Board of Directors, at their meeting held on 07 May 2024, have recommended a final dividend of Rs.40 per share subject to the approval of shareholders.
- 12 The figures of the fourth quarter are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the third quarter of the relevant financial year. Also the figures upto the end of third quarter were only reviewed and not subjected to audit.

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



G V Prasad
Co-Chairman & Managing Director



Place, Hyderabad
Date 07 May 2024

Seema Grover