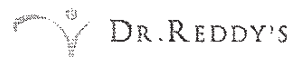


Press Release



Dr. Reddy's and Nordion Inc. (formerly MDS Inc.) settle claims

Hyderabad, India, March 22, 2013

Dr. Reddy's Laboratories (NYSE: RDY) announced today that it had settled its claims against Nordion Inc. (formerly MDS Inc.), headquartered in Ottawa, Canada, in a case pending in the United States District Court for the District of New Jersey, for a cash payment of USD 22.5 Million by Nordion to Dr. Reddy's. The settlement was concluded on 20 March 2013, with the receipt of the settlement funds by Dr. Reddy's.

The case was brought by Dr. Reddy's in April 2009 seeking damages sustained by the company caused by a claimed breach by Nordion (then MDS) of its Laboratory Services Agreement with Dr. Reddy's. Nordion, as a contract research organization, provided laboratory services to Dr. Reddy's, including bio-equivalency studies, to support Dr. Reddy's regulatory applications for approval of generic drugs, including Abbreviated New Drug Applications (ANDAs) filed with the United States Food and Drug Administration (the USFDA) for approval to market generic drugs in the United States.

The case arose after the USFDA cited MDS with violations of good laboratory practices which caused the USFDA not to accept, without further substantiation, MDS's laboratory reports performed during the period 2000-2004.

Disclaimer

This press release includes forward-looking statements, as defined in the U.S. Private Securities Litigation Reform Act of 1995. We have based these forward-looking statements on our current expectations and projections about future events. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. Such factors include, but are not limited to, changes in local and global economic conditions, our ability to successfully implement our strategy, the market acceptance of and demand for our products, our growth and expansion, technological change and our exposure to market risks. By their nature, these expectations and projections are only estimates and could be materially different from actual results in the future.

About Dr. Reddy's

Dr. Reddy's Laboratories Ltd. (NYSE: RDY) is an integrated global pharmaceutical company, committed to providing affordable and innovative medicines for healthier lives. Through its three businesses - *Pharmaceutical Services and Active Ingredients*, *Global Generics* and *Proprietary Products* – Dr. Reddy's offers a portfolio of products and services including APIs, custom pharmaceutical services, generics, biosimilars, differentiated formulations and NCEs. Therapeutic focus is on gastro-intestinal, cardiovascular, diabetology, oncology, pain management, anti-infective and pediatrics. Major markets include India, USA, Russia and CIS, Germany, UK, Venezuela, S. Africa, Romania, and New Zealand. For more information, log on to: www.drreddys.com

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