

October 26, 2018

The Secretary / Executive Director
BSE Limited
National Stock Exchange of India Ltd.
New York Stock Exchange, Inc.

Dear Sir/Madam,

Sub: Outcome of Board Meeting – Unaudited Financial Results for the quarter and half-year ended September 30, 2018.

Further to our letter dated October 1, 2018, we would like to inform you that the Board of Directors of the Company at their meeting held on October 26, 2018 have *inter alia* approved the Unaudited Financial Results of the Company for the quarter and half-year ended September 30, 2018.

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

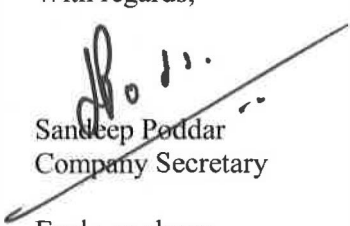
1. Unaudited Consolidated Financial Results of the Company for the quarter and half-year ended September 30, 2018 prepared in compliance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB) along with the Review Report of the Independent Auditors.
2. Press Release on Financial Results of the Company for the above period.
3. Unaudited Consolidated Financial Results of the Company and its subsidiaries for the quarter and half-year ended September 30, 2018 as per Indian Accounting Standards.
4. Unaudited Standalone Financial Results of the Company for the quarter and half-year ended September 30, 2018 as per Indian Accounting Standards.

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

The Board Meeting commenced at 1.30 PM and concluded at 2.30 PM.

This is for your information and records.

With regards,


Sandeep Poddar
Company Secretary

Encl.: as above

Report on Review of Interim Financial Information

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

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Dr. Reddy's Laboratories Limited as of September 30, 2018 and the related condensed consolidated interim income statements, the statements of comprehensive income for the three and six months period then ended, changes in equity and cash flows for the six months period then ended ("interim financial information").

Management is responsible for the preparation and presentation of this interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity."

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting.

Other matter

The condensed consolidated interim financial statements of the Company as at September 30, 2017, and for the three-month and six months period then ended, were reviewed by other auditors who expressed an unmodified conclusion on those financial statements vide their review report dated October 31, 2017. The consolidated balance sheet of the Company as of March 31, 2018, the related consolidated statements of income, statements of comprehensive income, shareholders' equity and cash flows for the year then ended, and the related notes and schedules (not presented herein) were audited by other auditors who expressed an unmodified opinion on those statements vide their audit report dated May 22, 2018.

Ernst & Young Associates LLP

Ernst & Young Associates LLP
Hyderabad, India
October 26, 2018

Unaudited consolidated financial results of Dr. Reddy's Laboratories Limited and its subsidiaries for the quarter and half year ended 30 September 2018 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			Half year ended		Year ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenues	37,978	37,207	35,460	75,185	68,619	142,028
2	Cost of revenues	17,081	16,479	16,559	33,560	32,621	65,724
3	Gross profit (1 - 2)	20,897	20,728	18,901	41,625	35,998	76,304
4	Selling, general and administrative expenses	12,372	12,106	11,032	24,478	22,795	46,910
5	Research and development expenses	4,120	4,157	4,175	8,277	9,250	18,265
6	Other (income)/expense, net	(641)	(303)	(114)	(944)	(308)	(788)
	Total operating expenses	15,851	15,960	15,093	31,811	31,737	64,387
7	Results from operating activities [(3) - (4 + 5 + 6)]	5,046	4,768	3,808	9,814	4,261	11,917
	Finance income	833	351	199	1,184	635	2,897
	Finance expense	(208)	(195)	(223)	(403)	(438)	(817)
8	Finance (expense)/income, net	625	156	(24)	781	197	2,080
9	Share of profit of equity accounted investees, net of tax	109	83	92	192	190	344
10	Profit before tax (7 + 8 + 9)	5,780	5,007	3,876	10,787	4,648	14,341
11	Tax expense	742	446	1,027	1,188	1,208	4,535
12	Profit for the period / year	5,038	4,561	2,849	9,599	3,440	9,806
13	Earnings per share:						
	Basic earnings per share of Rs.5/- each	30.35	27.48	17.18	57.83	20.75	59.13
	Diluted earnings per share of Rs.5/- each	30.31	27.45	17.15	57.76	20.71	59.00
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	



(MSK)

Segment reporting (consolidated)

All amounts in Indian Rupees millions

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment wise revenue and results:						
	Segment revenue:						
	a) Pharmaceutical Services and Active Ingredients	7,657	6,895	7,110	14,552	13,000	27,484
	b) Global Generics	30,536	30,636	28,618	61,172	56,073	114,014
	c) Proprietary Products	776	726	748	1,502	1,260	4,245
	d) Others	637	436	440	1,073	981	1,777
	Total	39,606	38,693	36,916	78,299	71,314	147,520
	Less: Inter-segment revenues	1,628	1,486	1,456	3,114	2,695	5,492
	Net revenue from operations	37,978	37,207	35,460	75,185	68,619	142,028
2	Segment results:						
	Gross profit from each segment						
	a) Pharmaceutical Services and Active Ingredients	1,697	1,185	1,107	2,882	1,640	4,446
	b) Global Generics	18,111	18,756	16,936	36,867	32,772	67,190
	c) Proprietary Products	653	594	633	1,247	1,051	3,799
	d) Others	436	193	225	629	535	869
	Total	20,897	20,728	18,901	41,625	35,998	76,304
	Less: Selling and other un-allocable expenditure, net of other income	15,117	15,721	15,025	30,838	31,350	61,963
	Total profit before tax	5,780	5,007	3,876	10,787	4,648	14,341

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

Notes:

- The above financial results have been prepared from the interim condensed consolidated financial statements, which are prepared in accordance with International Financial Reporting Standards and its interpretations (IFRS), as issued by the International Accounting Standards Board (IASB).
- Post implementation of Goods and Services Tax ("GST") in India with effect from 1 July 2017, revenues are disclosed net of GST. Revenues for the period prior to 1 July 2017 included excise duty which is now subsumed in the GST. Accordingly, revenues for the half year ended 30 September 2017 and year ended 31 March 2018 are not comparable with those of the other periods presented.
- The Company received a warning letter, dated 5 November 2015 from the U.S. FDA, regarding deviations with current Good Manufacturing Practices at its API manufacturing facilities in Srikakulam, Andhra Pradesh and Miryalaguda, Telangana, as well as regarding violations at its oncology formulation manufacturing facility at Duvvada, Visakhapatnam, Andhra Pradesh. The Company submitted its response to the warning letter on 7 December 2015. The Company has provided an update to the U.S. FDA on the progress of remediation in January 2016, March 2016, May 2016 and August 2016. The U.S. FDA completed the reinspection of the aforementioned facilities in March and April 2017. The Company has responded to the observations identified by the U.S. FDA. The Company received Establishment Inspection report ("EIR") from the U.S. FDA for API manufacturing facility at Miryalaguda in June 2017 which indicates that the audit is closed. With regard to the Oncology manufacturing facility at Duvvada and API manufacturing facility at Srikakulam, the Company received EIRs from the U.S. FDA in November 2017 and February 2018, respectively, which indicates that the status remains unchanged. In June 2018, the Company requested the U.S. FDA to schedule an inspection of the oncology formulation manufacturing facility at Duvvada. As on 26 October 2018, the facility is undergoing inspection by the U.S. FDA. With respect to API manufacturing facility at Srikakulam, the Company was asked to carry out certain detailed investigations and analyses. In response, the Company submitted the results of the investigations and analyses in October 2018. As part of the review of the response by the U.S. FDA, certain additional follow up queries have been received by the Company. The Company is in the process of responding to these queries.
- IFRS 15, *Revenue from Contracts with Customers*, mandatory for reporting periods beginning on or after 1 April 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach, there were no significant adjustments required to the retained earnings as at 1 April 2018. Also, the application of IFRS 15 did not have any significant impact on recognition and measurement of revenue and related items in the financial results of the Company.
- Effective 1 April 2018, the Company adopted IFRS 9, *Financial instruments*, using modified retrospective approach. IFRS 9 significantly differs from IAS 39, *Financial Instruments: Recognition and Measurement*, and includes a logical model for classification and measurement, a single, forward looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. As a result of the aforesaid changes, the overall impact of adoption of the new accounting standard on the retained earnings as on 1 April 2018 is Rs.12 million.
- On 15 October 2018, the Company entered into a definitive agreement for the sale of its API manufacturing business unit located in Jeedimetla, Hyderabad, to Therapiva Private Limited, Hyderabad. This divestiture is being done by way of slump sale and includes all related property, plant and equipment, current assets, current liabilities, and its employees. Accordingly, the carrying value of all the assets and liabilities forming part of this divestiture was disclosed as disposal group in the consolidated statement of financial position.
- Other (income)/expense, net includes gain of Rs.464 million on account of sale of rights relating to an intangible asset forming part of Company's Proprietary Products Segment and sale of membership interest in Dr. Reddy's Laboratories Tennessee, LLC.
- The unaudited results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at their meeting held on 26 October 2018.
- The results for the quarter and half year ended 30 September 2017, and the year ended 31 March 2018 were reviewed / audited respectively, by other auditors. An unqualified report was issued by them thereon.
- The results for the quarter and half year ended 30 September 2018 were subjected to a "Limited Review". An unqualified report was issued thereon.

(MSK)



11 Consolidated statements of financial position

All amounts in Indian Rupees millions

Particulars	As at	As at
	30.09.2018	31.03.2018
	(Unaudited)	(Audited)
ASSETS		
Current assets		
Cash and cash equivalents	3,780	2,638
Other investments	15,605	18,330
Trade and other receivables	46,135	40,617
Inventories	32,490	29,089
Derivative financial instruments	347	103
Tax assets	3,285	4,567
Other current assets	13,139	14,301
Total current assets without disposal group	114,781	109,645
Assets of disposal group held for sale	829	-
Total current assets	115,610	109,645
Non-current assets		
Property, plant and equipment	56,640	57,869
Goodwill	4,016	3,945
Other intangible assets	47,274	44,665
Trade and other receivables	182	169
Investment in equity accounted investees	2,329	2,104
Other investments	1,452	2,549
Deferred tax assets	5,564	3,628
Other non-current assets	1,167	1,030
Total non-current assets	118,624	115,959
Total assets	234,234	225,604
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	14,073	16,052
Short-term borrowings	27,855	25,466
Long-term borrowings, current portion	62	63
Provisions	3,905	3,732
Tax liabilities	1,084	1,530
Derivative financial instruments	690	85
Bank overdraft	8	96
Other current liabilities	23,552	22,668
Total current liabilities without disposal group	71,229	69,692
Liabilities of disposal group held for sale	77	-
Total current liabilities	71,306	69,692
Non-current liabilities		
Long-term borrowings	27,597	25,089
Deferred tax liabilities	694	730
Provisions	54	53
Other non-current liabilities	3,137	3,580
Total non-current liabilities	31,482	29,452
Total liabilities	102,788	99,144
Equity		
Share capital	830	830
Treasury shares	(64)	-
Share premium	8,155	7,790
Share based payment reserve	820	1,021
Capital redemption reserve	173	173
Retained earnings	119,449	113,865
Other components of equity	2,083	2,781
Total equity	131,446	126,460
Total liabilities and equity	234,234	225,604

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




G V Vasad

Co-Chairman and Chief Executive Officer

Place: Hyderabad
Date: 26 October 2018


(MSK)

DR. REDDY'S LABORATORIES LTD.

8-2-337, Road No. 3, Banjara Hills,
Hyderabad - 500034. Telangana, India.

CONTACT

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Dr. Reddy's Q2 & H1 FY19 Financial Results

Hyderabad, India, October 26, 2018: Dr. Reddy's Laboratories Ltd. (BSE: 500124 | NSE: DRREDDY | NYSE: RDY) today announced its consolidated financial results for the quarter and half year ended September 30, 2018 under International Financial Reporting Standards (IFRS).

Q2 Performance Summary

₹3,798 Cr

Revenue

[Up: 2% QoQ; 7% YoY]

55.0%

Gross Margin

[Q1 FY19: 55.7%; Q2 FY18: 53.3%]

₹1,237 Cr

SGNA expenses

[Up: 2% QoQ; 12% YoY]

₹412 Cr

R&D expenses

[10.8% of Revenues]

₹578 Cr

Profit before Tax

[Up: 15% QoQ; 49% YoY]

₹504 Cr

Profit after Tax

[Up: 10% QoQ; 77% YoY]

H1 Performance Summary

₹7,519 Cr

Revenue

[Up: 10% YoY]

55.4%

Gross Margin

[H1 FY17: 52.5%]

₹2,448 Cr

SGNA expenses

[Up: 7% YoY]

₹828 Cr

R&D expenses

[11.0% of Revenues]

₹1,079 Cr

Profit before Tax

[Up: 132%]

₹960 Cr

Profit after Tax

[Up: 179%]

Commenting on the results, Co-chairman and CEO, G.V. Prasad said, "I am encouraged with our performance and progress in the second quarter. Our continuous focus on execution, operational efficiency and cost optimization are showing results.

Looking ahead, our priority will be to resolve pending regulatory issues, and continue to work on execution and cost structures that will enable affordable medicines for more patients."




Dr. Reddy's Laboratories Limited and Subsidiaries

Consolidated Income Statement

Particulars	Q2 FY19		Q2 FY18		YoY Gr %	Q1 FY19		QoQ Gr%
	(\$)	(Rs.)	(\$)	(Rs.)		(\$)	(Rs.)	
Revenues	524	37,978	489	35,460	7	513	37,207	2
Cost of Revenues	235	17,081	228	16,559	3	227	16,479	4
Gross Profit	288	20,897	261	18,901	11	286	20,728	1
Operating Expenses								
Selling, General & Administrative expenses	171	12,372	152	11,032	12	167	12,106	2
Research and Development expenses	57	4,120	58	4,175	(1)	57	4,157	(1)
Other (income) / expense, net	(9)	(641)	(2)	(114)	463	(4)	(303)	112
Results from operating activities	70	5,046	52	3,808	33	66	4,768	6
Net finance (income) / expense	(9)	(625)	0.3	24	-	(2)	(156)	301
Share of (profit) / loss of equity accounted investees, net of tax	(1)	(109)	(1)	(92)	17	(1)	(83)	30
Profit before income tax	80	5,780	53	3,876	49	69	5,007	15
Income tax expense	10	742	14	1,027	(28)	6	446	67
Profit for the period	69	5,038	39	2,849	77	63	4,561	10

Diluted Earnings Per Share (EPS)	0.42	30.31	0.24	17.15	77	0.38	27.45	10
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As % to Revenues
Gross Profit
SG&A
R&D
EBITDA
PBT
PAT

Q2 FY19
55.0
32.6
10.8
22.8
15.2
13.3

Q2 FY18
53.3
31.1
11.8
19.4
10.9
8.0

Q1 FY19
55.7
32.5
11.2
21.7
13.5
12.3

EBITDA Computation

Particulars	Q2 FY19	
	(\$)	(Rs.)
Profit before Income Tax	80	5,780
Interest (income) net*	(2)	(132)
Depreciation#	28	2,033
Amortization#	13	965
EBITDA	119	8,646

Q2 FY18	
(\$)	(Rs.)
53	3,876
1	72
29	2,078
12	862
95	6,888

Q1 FY19	
(\$)	(Rs.)
69	5,007
(1)	(46)
31	2,214
12	896
111	8,071

* Includes income from Investments # includes impairment charge



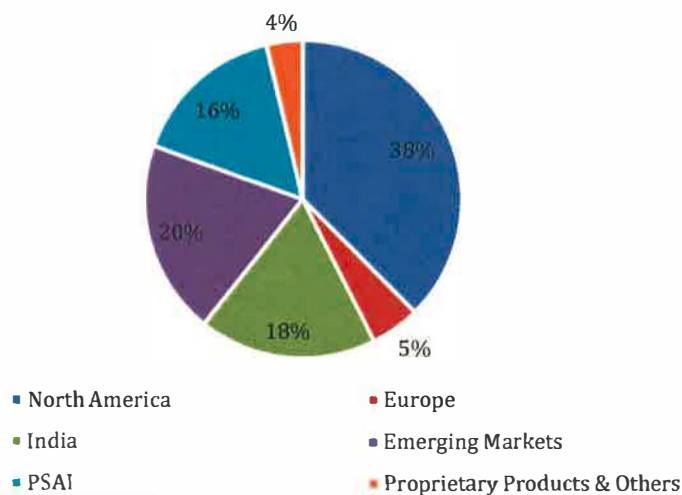

Key Balance Sheet Items

Particulars	As on 30 th Sep, 2018		As on 30 th June 2018		As on 30 th Sep 2017	
	(\$)	(Rs.)	(\$)	(Rs.)	(\$)	(Rs.)
Cash and cash equivalents and other investments	287	20,837	235	17,047	232	16,793
Trade receivables (current & non-current)	639	46,317	663	48,095	582	42,203
Inventories	448	32,490	434	31,498	372	26,998
Property, plant and equipment	781	56,640	786	57,020	798	57,905
Goodwill and Other Intangible assets	707	51,290	679	49,289	684	49,634
Loans and borrowings (current & non-current)	765	55,522	748	54,273	740	53,668
Trade and other payables	194	14,073	204	14,816	196	14,193
Equity	1,812	1,31,446	1,798	1,30,430	1,680	1,21,840

Revenue Mix by Segment

Particulars	Q2 FY19	Q2 FY18	YoY Growth %	Q1 FY19	QoQ Growth %
	(Rs.)	(Rs.)		(Rs.)	
Global Generics	30,536	28,618	7	30,636	0
North America	14,265	14,318	-0.4	15,903	-10
Europe	1,915	2,424	-21	2,016	-5
India	6,864	6,370	8	6,074	13
Emerging Markets	7,492	5,506	36	6,643	13
Pharmaceutical Services and Active Ingredients (PSAI)	6,029	5,654	7	5,409	11
Proprietary Products & Others	1,413	1,188	19	1,162	22
Total	37,978	35,460	7	37,207	2

Q2 FY19 Sales Mix




Segmental Analysis

Global Generics (GG)

Revenues from **GG** segment at ₹30.5 billion. Year-on-year growth of 7%, primarily driven by contributions from Emerging Markets, India and favorable forex. Quarter-on-quarter the sales remained flat.

- Revenues from North America at ₹14.3 billion. Year-on-year decline is 0.4%. Sequential decline of 10%, primarily due to absence of gSuboxone sales in Q2, competitive pricing pressure on some of the key molecules offset by favourable forex benefit.

As of 30th Sep 2018, cumulatively 113 generic filings are pending for approval with the USFDA (110 ANDAs and 3 NDAs under 505(b)(2) route). Of these 110 ANDAs, 63 are Para IVs out of which we believe 32 have 'First to File' status.

- Revenues from **Emerging Markets** at ₹7.5 billion. Year-on-year growth is 36%. Sequential growth is 13%. Growth is primarily on account of improved volume offtake in our existing markets and scale up in our new markets.
 - Revenues from **Russia** at ₹3.8 billion. Year-on-year growth of 18%. Growth primarily driven by new launches and improved volume offtake in some of the key molecules marginally offset by unfavourable forex.
 - Revenues from **other CIS countries and Romania** market at ₹1.4 billion. Year-on-year growth of 56%.
 - Revenues from **Rest of World (RoW)** territories at ₹2.3 billion. Year-on-year growth of 65%, primarily driven by new markets and volume traction in base business.
- Revenues from **India** at ₹6.9 billion. Year-on-year growth of 8%. Growth was primarily driven by new products and improvement in base business.
- Revenues from **Europe** at ₹1.9 billion. Year-on-year decline of 21%, primarily on account of higher price erosion in some of the key molecules.

Pharmaceutical Services and Active Ingredients (PSAI)

- Revenues from **PSAI** at ₹6.0 billion. Year-on-year growth of 7% and sequential growth of 11%, growth driven by volume traction in some of our key molecules.

Proprietary Products (PP)

- Revenues from **PP** at ₹776 million. Year-on-year growth of 4% and sequential growth of 7%.



Income Statement Highlights:

- Gross profit margin at 55.0%.
 - Improved by ~170 bps over that of previous year and declined by ~70 bps sequentially
 - Sequential decline attributable to the contribution from gSuboxone sales in Q1FY19. Ex-Suboxone marginal improvement in margin led by higher contribution from branded generics markets, favorable forex partially offset by price erosion in some of our key molecules.
 - Year-on-year improvement primarily aided by contribution from new launches, improved leverage, better product mix coupled with favorable foreign exchange. This was partially offset by higher price erosions due to increased competitive intensity in some of our key molecules in the US.
 - Gross profit margin for GG and PSAl business segments are at 59.3% and 28.1% respectively.
- SG&A expenses at ₹12.4 billion, increase of 12% on a year-on-year basis and 2% sequentially. Adjusted for the forex related increase, the balance increase is primarily on account of normal salary increments and increased spend towards promotion and branding activities.
- R&D expenses at ₹4.1 billion. As % to Revenues- Q2 FY19: 10.8% | Q1 FY 19: 11.2% | Q2 FY18: 11.8%
- Other income includes gain of ₹464 million on account of sale of rights relating to Cloderm brand (including its authorized generic) and profit on sale of antibiotic manufacturing facility in Bristol, US.
- Net Finance income at ₹625 million compared to net finance expense of ₹2 million in Q2FY18.
- Profit after Tax at ₹5.0 billion. Effective tax rate for the quarter is 12.8%. Lower rate is primarily on account of profit mix and favourable resolutions of certain tax related litigations pertaining to earlier years.
- Diluted earnings per share is at ₹30.31
- Capital expenditure is at ₹1.4 billion.



Earnings Call Details (06:00 pm IST, 08:30 am EDT, October 26, 2018)

The Company will host an earnings call to discuss the performance and answer any questions from participants.

Audio conference Participants can dial-in on the numbers below

Primary number: **91 22 6280 1219**
Secondary number: **91 22 7115 8120**
The numbers listed above are universally accessible from all networks and all countries.

Local Access number (India): **91 70456 71221**

International Toll Free Number	USA	18667462133
	UK	08081011573
	Singapore	8001012045
	Hong Kong	800964448

Playback of call: **91 22 7194 5757, 91 22 6663 5757**
Playback Code: **07565#**

Transcript of the event will be available at www.drreddys.com. Playback will be available for a few days.



About Dr. Reddy's: Dr. Reddy's Laboratories Ltd. (BSE: 500124, NSE: DRREDDY, NYSE: RDY) is an integrated pharmaceutical company, committed to providing affordable and innovative medicines for healthier lives. Through its three businesses - Pharmaceutical Services & Active Ingredients, Global Generics and Proprietary Products - Dr. Reddy's offers a portfolio of products and services including APIs, custom pharmaceutical services, generics, biosimilars and differentiated formulations. Our major therapeutic areas of focus are gastrointestinal, cardiovascular, diabetology, oncology, pain management and dermatology. Dr. Reddy's operates in markets across the globe. Our major markets include - USA, India, Russia & CIS countries, and Europe. 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 reorganisation, including related integration issues.

The company assumes no obligation to update any information contained herein.

Limited Review Report – Consolidated Financial Results**Review Report to
The Board of Directors
Dr. Reddy's Laboratories Limited**

1. We have reviewed the accompanying statement of unaudited consolidated Ind AS financial results of Dr. Reddy's Laboratories Limited Group comprising Dr. Reddy's Laboratories Limited (the 'Company') comprising its subsidiaries (together referred to as 'the Group'), and its joint ventures, for the quarter ended September 30, 2018 and year to date from April 01, 2018 to September 30, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated Ind AS financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004
per S Balasubrahmanyam
Partner
Membership No: 053315Place: Hyderabad
Date: October 26, 2018

DR. REDDY'S LABORATORIES LIMITED
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2018

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations						
	a) Net sales / income from operations	36,866	36,507	34,905	73,373	67,394	138,022
	b) License fees and service income	1,112	700	555	1,812	1,225	4,006
	c) Other operating income	197	158	138	355	311	782
	Total revenue from operations	38,175	37,365	35,598	75,540	68,930	142,810
2	Other income	1,282	504	316	1,786	696	1,552
3	Total income (1 + 2)	39,457	37,869	35,914	77,326	69,626	144,362
4	Expenses						
	a) Cost of materials consumed	6,786	7,394	6,078	14,180	12,626	26,309
	b) Purchase of stock-in-trade	4,567	4,430	3,308	8,997	6,107	14,501
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(836)	(1,775)	983	(2,611)	1,228	(415)
	d) Employee benefits expense	8,722	8,371	7,890	17,093	15,963	32,149
	e) Depreciation and amortisation expense	2,786	2,787	2,702	5,573	5,294	10,772
	f) Finance costs	208	195	223	403	438	788
	g) Selling and other expenses	11,343	11,257	10,645	22,600	23,080	46,754
	Total expenses	33,576	32,659	31,829	66,235	64,736	130,858
5	Profit before tax (3 - 4)	5,881	5,210	4,085	11,091	4,890	13,504
6	Tax expense:						
	a) Current tax	1,288	1,396	615	2,684	916	1,753
	b) Deferred tax	(481)	(864)	508	(1,345)	444	2,627
7	Net profit for the period before share of profit of equity accounted investees	5,074	4,678	2,962	9,752	3,530	9,124
8	Share of profit of equity accounted investees, net of tax	109	83	92	192	190	344
9	Net profit after taxes and share of profit of associates (7 + 8)	5,183	4,761	3,054	9,944	3,720	9,468
10	Other comprehensive income						
	a) (i) Items that will not be reclassified subsequently to profit or loss	66	(515)	(680)	(449)	(2,274)	(3,710)
	(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss	(16)	140	165	124	544	874
	b) (i) Items that will be reclassified subsequently to profit or loss	(60)	(346)	(126)	(406)	(106)	(23)
	(ii) Income tax relating to items that will be reclassified subsequently to profit or loss	113	118	46	231	(12)	23
	Total other comprehensive income	103	(603)	(595)	(500)	(1,848)	(2,836)
11	Total comprehensive income (9 + 10)	5,286	4,158	2,459	9,444	1,872	6,632
12	Paid-up equity share capital (face value Rs. 5/- each)	830	830	829	830	829	830
13	Other equity						124,886
14	Earnings per equity share (face value Rs.5/- each)						
	Basic	31.22	28.69	18.42	59.91	22.44	57.08
	Diluted	31.18	28.66	18.39	59.83	22.39	56.96
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	

See accompanying notes to the financial results



DR. REDDY'S LABORATORIES LIMITED

Segment Information

All amounts in Indian Rupees millions

Sl. No	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Segment wise revenue and results:						
1	Segment revenue :						
	a) Pharmaceutical Services and Active Ingredients	7,787	7,020	7,210	14,807	13,182	27,930
	b) Global Generics	30,609	30,663	28,672	61,272	56,154	114,282
	c) Proprietary Products	772	730	728	1,502	1,267	4,250
	d) Others	635	438	444	1,073	1,022	1,840
	Total	39,803	38,851	37,054	78,654	71,625	148,302
	Less: Inter-segment revenue	1,628	1,486	1,456	3,114	2,695	5,492
	Total revenue from operations	38,175	37,365	35,598	75,540	68,930	142,810
2	Segment results:						
	Gross profit from each segment						
	a) Pharmaceutical Services and Active Ingredients	1,705	1,192	1,125	2,897	1,658	4,477
	b) Global Generics	18,111	18,756	16,936	36,867	32,772	67,190
	c) Proprietary Products	653	594	633	1,247	1,051	3,799
	d) Others	436	193	225	629	535	869
	Total	20,905	20,735	18,919	41,640	36,016	76,335
	Less: Selling and other un-allocable expenditure / (income), net	15,024	15,525	14,834	30,549	31,126	62,831
	Total profit before tax	5,881	5,210	4,085	11,091	4,890	13,504

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

Segmental Capital employed

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

Notes:

- These results have been prepared in accordance with the Ind AS notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules 2015 as amended.
- Post implementation of Goods and Services Tax ("GST") in India with effect from 1 July 2017, revenues are disclosed net of GST. Revenues for the period prior to 1 July 2017 included excise duty which is now subsumed in the GST. Accordingly, revenues for the half year ended 30 September 2017 and year ended 31 March 2018 are not comparable with those of the other periods presented.
- The Company received a warning letter, dated 5 November 2015 from the U.S. FDA, regarding deviations with current Good Manufacturing Practices at its API manufacturing facilities in Srikakulam, Andhra Pradesh and Miryalaguda, Telangana, as well as regarding violations at its oncology formulation manufacturing facility at Duvvada, Visakhapatnam, Andhra Pradesh. The Company submitted its response to the warning letter on 7 December 2015. The Company has provided an update to the U.S. FDA on the progress of remediation in January 2016, March 2016, May 2016 and August 2016. The U.S. FDA completed the reinspection of the aforementioned facilities in March and April 2017. The Company has responded to the observations identified by the U.S. FDA. The Company received Establishment Inspection report ("EIR") from the U.S. FDA for API manufacturing facility at Miryalaguda in June 2017 which indicates that the audit is closed. With regard to the Oncology manufacturing facility at Duvvada and API manufacturing facility at Srikakulam, the Company received EIRs from the U.S. FDA in November 2017 and February 2018, respectively, which indicates that the status remains unchanged. In June 2018, the Company requested the U.S. FDA to schedule an inspection of the oncology formulation manufacturing facility at Duvvada. As on 26 October 2018, the facility is undergoing inspection by the U.S. FDA. With respect to API manufacturing facility at Srikakulam, the Company was asked to carry out certain detailed investigations and analyses. In response, the Company submitted the results of the investigations and analyses in October 2018. As part of the review of the response by the U.S. FDA, certain additional follow on queries have been received by the Company. The Company is in the process of responding to these queries.
- Ind AS 115, *Revenue from Contracts with Customers*, mandatory for reporting periods beginning on or after 1 April 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach, there were no significant adjustments required to the retained earnings as at 1 April 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results of the Company.
- On 15 October 2018, the Company entered into a definitive agreement for the sale of its API manufacturing business unit located in Jeedimetla, Hyderabad, to Therapiva Private Limited, Hyderabad. This divestiture is being done by way of slump sale and includes all related property, plant and equipment, current assets, current liabilities, and its employees. Accordingly, the carrying value of all the assets and liabilities forming part of this divestiture was disclosed as disposal group in the consolidated balance sheet.
- Other income includes gain of Rs.460 million on account of sale of rights relating to an intangible asset forming part of Company's Proprietary Products Segment and sale of membership interest in Dr. Reddy's Laboratories Tennessee, LLC.
- The unaudited results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at their meeting held on 26 October 2018.
- The results for the quarter and half year ended 30 September 2018 were subject to a "Limited Review" by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.



Particulars	As at	As at
	30.09.2018	31.03.2018
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	48,714	49,733
Capital work-in-progress	7,610	7,678
Goodwill	5,510	5,331
Other intangible assets	19,593	14,616
Intangible assets under development	24,999	27,027
Investment in joint ventures	2,329	2,104
Financial assets		
Investments	1,452	2,549
Trade receivables	182	169
Other financial assets	860	756
Deferred tax assets, net	5,680	5,405
Tax assets, net	3,281	4,567
Other non-current assets	541	524
Total non-current assets	120,751	120,459
Current assets		
Inventories	32,490	29,089
Financial assets		
Investments	15,605	18,330
Trade receivables	46,135	40,527
Derivative instruments	347	105
Cash and cash equivalents	3,780	2,638
Other financial assets	1,726	1,533
Other current assets	11,390	12,762
Total current assets without disposal group	111,473	104,984
Assets of disposal group held for sale	829	-
Total current assets	112,302	104,984
TOTAL ASSETS	233,053	225,443
EQUITY AND LIABILITIES		
Equity		
Equity share capital	830	830
Other equity	130,427	124,886
Total equity	131,257	125,716
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	27,597	25,089
Other financial liabilities	109	144
Provisions	731	817
Deferred tax liabilities, net	429	1,950
Other non-current liabilities	2,362	2,789
Total non-current liabilities	31,228	30,789
Current liabilities		
Financial liabilities		
Borrowings	27,863	25,562
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	49	93
Total outstanding dues of creditors other than micro enterprises and small enterprises	12,854	13,252
Derivative instruments	690	85
Other financial liabilities	18,668	19,497
Liabilities for current tax, net	1,084	1,530
Provisions	4,472	4,387
Other current liabilities	4,811	4,532
Total current liabilities without disposal group	70,491	68,938
Liabilities of disposal group held for sale	77	-
Total current liabilities	70,568	68,938
TOTAL EQUITY AND LIABILITIES	233,053	225,443



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

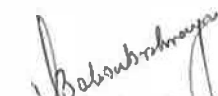
G V Prasad
Co-Chairman & Chief Executive Officer

Limited Review Report – Standalone Financial Results**Review Report to
The Board of Directors
Dr. Reddy's Laboratories Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Dr. Reddy's Laboratories Limited (the 'Company') for the quarter ended September 30, 2018 and year to date from April 01, 2018 to September 30, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004
per S Balasubrahmanyam
Partner
Membership No.: 053315Place: Hyderabad
Date: October 26, 2018

DR. REDDY'S LABORATORIES LIMITED
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2018

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations						
	a) Net sales / income from operations	25,725	25,821	22,380	51,546	43,101	92,468
	b) License fees and service income	436	218	82	654	146	558
	c) Other operating income	149	137	81	286	193	567
	Total revenue from operations	26,310	26,176	22,543	52,486	43,440	93,593
2	Other income	748	349	404	829	892	2,040
	Total income (1 + 2)	27,058	26,525	22,947	53,315	44,332	95,633
3	Expenses						
	a) Cost of materials consumed	4,799	5,539	4,471	10,338	9,402	20,110
	b) Purchase of stock-in-trade	1,935	1,811	1,696	3,746	2,884	6,716
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	327	(479)	450	(152)	58	(516)
	d) Employee benefits expense	5,030	4,670	4,525	9,700	9,030	18,430
	e) Depreciation and amortisation expense	1,908	1,921	1,948	3,829	3,858	7,741
	f) Finance costs	158	165	190	323	354	628
	g) Selling and other expenses	8,573	8,887	8,265	17,192	17,446	35,554
	Total expenses	22,730	22,514	21,545	44,976	43,032	88,663
4	Profit before tax (1 + 2 - 3)	4,328	4,011	1,402	8,339	1,300	6,970
5	Tax expense						
	a) Current tax	942	785	326	1,727	326	1,381
	b) Deferred tax	(76)	(63)	69	(139)	40	(80)
6	Net profit for the period / year (4 - 5)	3,462	3,289	1,007	6,751	934	5,669
7	Other comprehensive income						
	a) (i) Items that will not be reclassified to profit or loss	8	1	(3)	9	(5)	43
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(3)	-	-	(3)	-	(16)
	b) (i) Items that will be reclassified to profit or loss	(327)	(302)	(142)	(629)	(32)	(133)
	(ii) Income tax relating to items that will be reclassified to profit or loss	114	106	49	220	11	46
	Total other comprehensive income	(208)	(195)	(96)	(403)	(26)	(60)
8	Total comprehensive income (6 + 7)	3,254	3,094	911	6,348	908	5,609
9	Paid-up equity share capital (face value Rs. 5/- each)	830	830	829	830	829	830
10	Other equity						117,248
11	Earnings per equity share (face value Rs. 5/- each)						
	Basic	20.86	19.82	6.07	40.67	5.63	34.19
	Diluted	20.83	19.80	6.06	40.62	5.62	34.12
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	

See accompanying notes to the financial results.



Segment information

Sl. No.	Particulars	All amounts in Indian Rupees millions					
		Quarter ended			Half year ended		Year ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment wise revenue and results						
	Segment revenue						
	a) Pharmaceutical Services and Active Ingredients	6,548	5,652	6,189	12,200	10,868	22,741
	b) Global Generics	21,294	21,979	17,774	43,273	35,153	76,150
	c) Proprietary Products	96	31	29	127	56	109
	Total	27,938	27,662	23,992	55,600	46,077	99,000
	Less: Inter-segment revenue	1,628	1,486	1,449	3,114	2,637	5,407
	Total revenue from operations	26,310	26,176	22,543	52,486	43,440	93,593
2	Segment results						
	Profit / (loss) before tax and interest from each segment						
	a) Pharmaceutical Services and Active Ingredients	968	(74)	209	894	(442)	(3)
	b) Global Generics	6,690	6,683	3,046	13,373	4,646	11,956
	c) Proprietary Products	(609)	(629)	(876)	(1,238)	(1,922)	(3,464)
	Total	7,049	5,980	2,379	13,029	2,282	8,489
	Less: (i) Finance costs	158	165	190	323	354	628
	(ii) Other un-allocable expenditure / (income), net	2,563	1,804	787	4,367	628	891
	Total profit before tax	4,328	4,011	1,402	8,339	1,300	6,970

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

Segmental capital employed

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

Notes:

- These results have been prepared in accordance with the Ind AS notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules 2015 as amended.
- Post implementation of Goods and Services Tax ("GST") in India with effect from 1 July 2017, revenues are disclosed net of GST. Revenues for the period prior to 1 July 2017 included excise duty which is now subsumed in the GST. Accordingly, revenues for the half year ended 30 September 2017 and year ended 31 March 2018 are not comparable with those of the other periods presented.
- The Company received a warning letter, dated 5 November 2015 from the U.S. FDA, regarding deviations with current Good Manufacturing Practices at its API manufacturing facilities in Srikakulam, Andhra Pradesh and Miryalaguda, Telangana, as well as regarding violations at its oncology formulation manufacturing facility at Duvvada, Visakhapatnam, Andhra Pradesh. The Company submitted its response to the warning letter on 7 December 2015. The Company has provided an update to the U.S. FDA on the progress of remediation in January 2016, March 2016, May 2016 and August 2016. The U.S. FDA completed the reinspection of the aforementioned facilities in March and April 2017. The Company has responded to the observations identified by the U.S. FDA. The Company received Establishment Inspection Report ("EIR") from the U.S. FDA for API manufacturing facility at Miryalaguda in June 2017 which indicates that the audit is closed. With regard to the Oncology manufacturing facility at Duvvada and API manufacturing facility at Srikakulam, the Company received EIRs from the U.S. FDA in November 2017 and February 2018, respectively, which indicates that the status remains unchanged. In June 2018, the Company requested the U.S. FDA to schedule an inspection of the oncology formulation manufacturing facility at Duvvada. As on 26 October 2018, the facility is undergoing inspection by the U.S. FDA. With respect to API manufacturing facility at Srikakulam, the Company was asked to carry out certain detailed investigations and analyses. In response, the Company submitted the results of the investigations and analyses in October 2018. As part of the review of the response by the U.S. FDA, certain additional follow on queries have been received by the Company. The Company is in the process of responding to these queries.
- Ind AS 115, *Revenue from Contracts with Customers*, mandatory for reporting periods beginning on or after 1 April 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach, there were no significant adjustments required to the retained earnings as at 1 April 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results of the Company.

(MSK)



5 Balance sheet

All amounts in Indian Rupees millions

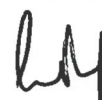
Particulars	As at	As at
	30.09.2018	31.03.2018
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	38,827	39,790
Capital work-in-progress	6,521	6,750
Goodwill	323	323
Other intangible assets	6,916	7,060
Financial assets		
Investments	18,875	19,537
Trade receivables	182	169
Loans	367	1,991
Other financial assets	449	437
Deferred tax assets, net	1,287	931
Tax assets, net	2,321	3,518
Other non-current assets	115	112
Total non-current assets	76,183	80,618
Current assets		
Inventories	19,733	18,568
Financial assets		
Investments	14,075	16,828
Trade receivables	48,986	42,038
Cash and cash equivalents	1,669	1,207
Other financial assets	660	526
Other current assets	9,877	11,218
Total current assets without disposal group	95,000	90,385
Assets of disposal group held for sale	829	-
Total current assets	95,829	90,385
TOTAL ASSETS	172,012	171,003
EQUITY AND LIABILITIES		
Equity		
Equity share capital	830	830
Other equity	119,694	117,248
Total Equity	120,524	118,078
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	5,430	4,880
Provisions	488	533
Other non-current liabilities	261	313
Total non-current liabilities	6,179	5,726
Current liabilities		
Financial liabilities		
Borrowings	20,225	21,008
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	49	93
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,882	10,517
Other financial liabilities	10,867	11,471
Provisions	1,792	1,734
Other current liabilities	2,417	2,376
Total current liabilities without disposal group	45,232	47,199
Liabilities of disposal group held for sale	77	-
Total current liabilities	45,309	47,199
TOTAL EQUITY AND LIABILITIES	172,012	171,003

- 6 On 15 October 2018, the Company entered into a definitive agreement for the sale of its API manufacturing business unit located in Jeedimetla, Hyderabad, to Therapiva Private Limited, Hyderabad. This divestiture is being done by way of slump sale and includes all related property, plant and equipment, current assets, current liabilities, and its employees. Accordingly, the carrying value of all the assets and liabilities forming part of this divestiture was disclosed as disposal group in the balance sheet.
- 7 The unaudited results were reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at their meeting held on 26 October 2018.
- 8 The results for the quarter ended 30 September 2018 presented were subjected to a "Limited review" by the Statutory Auditors of the Company. An unqualified report was issued by them thereon.

Place: Hyderabad
Date: 26 October 2018



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



G V Prasad
Co-Chairman & Chief Executive Officer

