

May 12, 2016

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 – Audited Financial Results for the quarter and year ended March 31, 2016

Further to our letter dated April 19, 2016, we would like to inform you that the Board of Directors of the Company at their meeting held on May 12, 2016, have approved the Audited Financial Results of the Company for the quarter and year ended March 31, 2016.

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

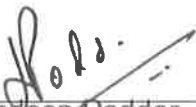
1. Audited Standalone Financial Results of the Company for the quarter and year ended March 31, 2016 as per Indian GAAP.
2. Audited Consolidated Financial Results of the Company for the quarter and year ended March 31, 2016 prepared in compliance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB).
3. Press Release on Financial Results of the Company for the above period.

Pursuant to Regulation 33 of the Listing Regulations, the Audit Reports of the Statutory Auditors on the financial results as mentioned at serial Nos.1 & 2 along with respective Form A are also enclosed. We have also uploaded the financial results on the website of the Company as also on the website of BSE Ltd. and National Stock Exchange of India Ltd. viz. www.bseindia.com and www.nseindia.com respectively.

We would also like to inform you that the Board of Directors of the Company have recommended a final dividend of Rs.20/- (400%) per equity share of Rs.5/- face value, for the financial year 2015-16. The dividend on equity shares, if declared by the shareholders at the ensuing Annual General Meeting, will be credited / dispatched on or after August 1, 2016.

This is for your information and records.

With regards,


Sandeep Poddar
Company Secretary

Encl : as above

BSR & Co. LLP

Chartered Accountants

8-2-618/2, Reliance Humsafar,
4th Floor, Road, No. 11,
Banjara Hills
Hyderabad - 500 034, India.

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Auditor's Report on Standalone Quarterly Financial Results and Annual Financial Results of Dr. Reddy's Laboratories Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

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

We have audited the accompanying annual financial results of Dr. Reddy's Laboratories Limited ("the Company") for the year ended 31 March 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31 March 2016 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter of the relevant financial year had only been reviewed and not subjected to audit.

These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results which are the responsibility of the Company's Management and have been approved by the Board of Directors in the meeting held on 12 May 2016. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India and in compliance with requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We conducted our audit in accordance with the Standards on Auditing generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our opinion.



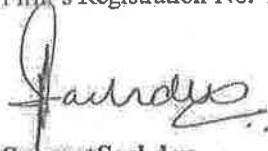
In our opinion and to the best of our information and according to the explanations given to us, these annual financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the year ended 31 March 2016.

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Supreet Sachdev

Partner

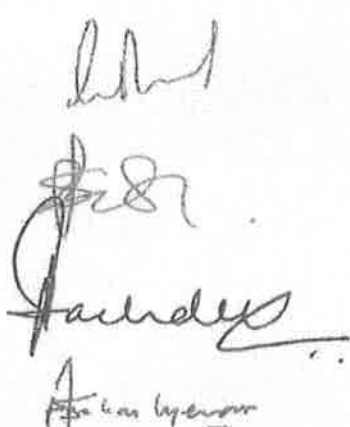
Membership Number: 205385

Place: Hyderabad

Date: 12 May 2016

FORM A (for audit report with unmodified opinion)

[Standalone Financial Results]

1	Name of the company	Dr. Reddy's Laboratories Limited
2	Annual financial statements for the year ended	31 st March 2016
3	Type of Audit observation	Un Modified / ~~Emphasis of Matter~~
4	Frequency of observation	NA
5	To be signed by- • CEO/Managing Director • CFO • Auditor of the company • Audit Committee Chairman	

DR. REDDY'S LABORATORIES LIMITED
PART I: STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2016

All amounts in Indian Rupees millions, except share data and where otherwise stated

Sl. No.	Particulars	Quarter ended		Year ended	
		31.03.2016	31.12.2015	31.03.2016	31.03.2015
		(Audited)	(Unaudited)	(Audited)	(Audited)
1	Income from operations				
	a) Net sales / income from operations (Net of excise duty)	21,441	24,079	26,612	99,218
	b) License fees and service income	2,021	102	101	2,288
	c) Other operating income	106	105	174	571
	Total income from operations (net)	23,568	24,286	26,887	102,077
2	Expenses				
	a) Cost of materials consumed	4,902	4,887	4,720	19,885
	b) Purchase of traded goods	1,267	1,814	1,312	6,104
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	461	(183)	1,301	(288)
	d) Employee benefits expense	4,498	4,287	3,843	17,100
	e) Selling expenses	1,558	2,575	2,234	9,275
	f) Depreciation and amortisation	1,811	1,672	1,368	6,491
	g) Other expenditure	7,461	6,641	5,916	25,961
	Total expenses	21,958	21,693	20,694	84,528
3	Profit from ordinary activities before other income, finance costs and exceptional items (1 - 2)	1,610	2,593	6,193	17,549
4	Other income	1,219	348	873	2,448
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	2,829	2,941	7,066	19,997
6	Finance costs	146	135	188	638
7	Profit from ordinary activities before exceptional items (5 - 6)	2,683	2,806	6,878	19,359
8	Exceptional items	3,559	-	-	3,559
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	(876)	2,806	6,878	15,800
10	Tax expense	(819)	438	1,164	2,255
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(57)	2,368	5,714	13,545
12	Extra-ordinary items (net of tax)	-	-	-	-
13	Net Profit / (Loss) for the period / year (11 - 12)	(57)	2,368	5,714	13,545
14	Paid-up equity share capital (face value Rs. 5/- each)	853	853	852	853
15	Reserves (excluding revaluation reserve)				115,201
16	Earnings per share before and after extra-ordinary items (in Rupees) per Rs. 5/- share				
	- Basic	(0.33)	13.89	33.54	79.42
	- Diluted	(0.33)	13.84	33.40	79.14
		(Not annualised)	(Not annualised)	(Not annualised)	

See accompanying notes to the financial results



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(54)

Segment Information

All amounts in Indian Rupees millions, except share data and where otherwise stated

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	Segment wise revenue and results:					
1	Segment revenue:					
	a) Pharmaceutical Services and Active Ingredients	6,199	4,826	6,816	22,913	27,303
	b) Global Generics	18,854	20,642	21,348	84,472	79,616
	c) Proprietary Products	-	-	-	1	-
	Total	25,053	25,468	28,164	107,386	106,919
	Less: Inter segment revenue	1,485	1,182	1,277	5,309	6,809
	Add: Other unallocable income	-	-	-	-	-
	Total income from operations	23,568	24,286	26,887	102,077	100,110
2	Segment results:					
	Profit / (loss) before tax and interest from each segment					
	a) Pharmaceutical Services and Active Ingredients	(1,042)	(710)	168	(1,324)	451
	b) Global Generics	1,664	4,375	7,188	23,068	22,181
	c) Proprietary Products	(915)	(615)	(971)	(2,964)	(3,103)
	Total	(293)	3,050	6,385	18,780	19,529
	Less: (i) Interest	146	135	188	638	638
	(ii) Other un-allocable expenditure / (income), net	437	109	(681)	2,342	(1,708)
	Total profit / (loss) before tax	(876)	2,806	6,878	15,800	20,599

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:
1 Statement of assets and liabilities

All amounts in Indian Rupees millions, except share data and where otherwise stated

Sl. No.	PARTICULARS	As at	As at
		31.03.2016	31.03.2015
		(Audited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders funds		
	a) Share capital	853	852
	b) Reserves and surplus	115,201	105,488
	Sub-total - Shareholders' funds	116,054	106,340
2	Non-current liabilities		
	a) Long term borrowings	9,944	9,391
	b) Deferred tax liabilities, net	355	1,290
	c) Other long term liabilities	571	255
	d) Long-term provisions	665	498
	Sub-total - Non current liabilities	11,535	11,434
3	Current liabilities		
	a) Short-term borrowings	20,896	21,857
	b) Trade payables	7,192	7,160
	c) Other current liabilities	14,095	12,374
	d) Short-term provisions	5,804	5,395
	Sub-total - Current liabilities	47,987	46,786
	TOTAL - EQUITY AND LIABILITIES	175,576	164,560
B	ASSETS		
1	Non-current assets		
	a) Fixed assets	50,443	37,377
	b) Non-current investments	17,761	17,601
	c) Long-term loans and advances	6,396	5,538
	d) Other non-current assets	27	11
	Sub-total - Non-current assets	74,627	60,527
2	Current assets		
	a) Current investments	21,122	21,022
	b) Inventories	16,996	17,233
	c) Trade receivables	38,935	47,117
	d) Cash and bank balances	12,680	9,014
	e) Short-term loans and advances	8,326	8,657
	f) Other current assets	2,890	990
	Sub-total - Current assets	100,949	104,033
	TOTAL - ASSETS	175,576	164,560



- 1 On 1 April 2015, the Company entered into a definitive agreement to acquire a select portfolio of established products' business of UCB in the territories of India, Nepal, Sri Lanka and Maldives for a total consideration of Rs. 8,000 million. On 16 June 2015, the company completed the acquisition and recorded Rs. 200 million, Rs. 7,477 million and Rs. 323 million towards various current and fixed assets, intangible assets, and goodwill, respectively. The acquisition pertains to Company's Global Generics segment.
- 2 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 believes that it can resolve the issues raised by the U.S. FDA satisfactorily in a timely manner. The Company takes the matters identified by U.S. FDA in the warning letter seriously and will continue to work diligently to address the observations identified in the warning letter and is concurrently continuing to develop and implement its corrective action plans relating to the warning letter. Further, the Company has provided an update to the U.S. FDA on the progress of remediation in January 2016 and March 2016.
- 3 The Company has not received approvals from the Venezuelan government to repatriate amounts beyond USD 4 million received during the year. Consequently, the current outstanding receivable from Venezuelan subsidiary amounting to Rs. 3,559 million, has been provided during the quarter ended 31 March 2016 and presented as an exceptional item.
- 4 The above financial results are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value. GAAP comprises Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, guidelines issued by Securities and Exchange Board of India and other accounting principles generally accepted in India.
- 5 The audited results have been reviewed by the Audit Committee of the Board on 11th May 2016 and approved by the Board of Directors of the Company at their meeting held on 12th May 2016.
- 6 The Board of Directors, at their meeting held on 12 May 2016, have recommended a final dividend of Rs. 20 per share subject to the approval of shareholders.
- 7 The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year. Also the figures upto the end of third quarter were only reviewed and not subject to audit.
- 8 The figures for the previous periods have been re-grouped/ re-classified, wherever necessary, to conform to the current period's classification.

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



G V Prasad
Co-Chairman & Chief Executive Officer

Place: Hyderabad
Date: 12 May 2016



(msk)

BSR & Co. LLP

Chartered Accountants

8-2-618/2, Reliance Humsafar,
4th Floor, Road, No. 11,
Banjara Hills
Hyderabad - 500 034, India.

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Fax +91 40 3046 5299

Auditor's Report on Quarterly Consolidated Financial Results and Consolidated Year to Date Results of Dr. Reddy's Laboratories Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We have audited the annual Consolidated Financial Results of Dr. Reddy's Laboratories Limited ("the Company"), its subsidiaries and joint ventures (collectively referred to as the "Group") for the year ended 31 March 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31 March 2016 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter of the respective financial year have only been reviewed and not been subjected to audit.

These consolidated financial results have been prepared on the basis of the annual consolidated financial statements and reviewed quarterly financial results up to the end of the third quarter, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of annual consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the International Financial Reporting Standards as issued by International Accounting Standards Board (IFRS) and in compliance with requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of two subsidiaries included in the consolidated financial results, whose financial results reflect total assets of INR 11,987 million as at 31 March 2016 as well as total revenue of INR 3,312 million and INR 15,133 million for the quarter and year ended 31 March 2016 respectively. The financial statements of subsidiary have been audited by another auditor whose report has been furnished to us, and our opinion on the consolidated financial results, to the extent they have been derived from such financial statements is based solely on the report of such other auditor.



BSR & Co. (a partnership firm with
Registration No. BA61223) converted into
BSR & Co. LLP (a Limited Liability Partnership
with LLP Registration No. AAB-8181)
with effect from October 14, 2013

Registered Office:
1st Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011

Auditor's Report on Quarterly Consolidated Financial Results and Consolidated Year to Date Results of Dr. Reddy's Laboratories Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)

In our opinion and to the best of our information and according to the explanations given to us these consolidated financial results:

i. include the financial results for the year ended 31 March 2016 of the following entities:

1. Aurigene Discovery Technologies (Malaysia) SDN BHD
2. Aurigene Discovery Technologies Inc.
3. Aurigene Discovery Technologies Limited
4. beta Institut gemeinnützige GmbH
5. betapharm Arzneimittel GmbH
6. Cheminor Investments Limited
7. Chirotech Technology Limited
8. Dr. Reddy's Farmaceutica Do Brasil Ltda.
9. Dr. Reddy's Laboratories (Proprietary) Limited
10. Dr. Reddy's Laboratories Inc.
11. Dr. Reddy's SRL
12. Dr. Reddy's Bio-Sciences Limited
13. Dr. Reddy's New Zealand Ltd.
14. Dr. Reddy's Laboratories (Australia) Pty. Limited
15. Dr. Reddy's Laboratories (EU) Limited
16. Dr. Reddy's Laboratories (UK) Limited
17. Dr. Reddy's Laboratories Louisiana LLC
18. Dr. Reddy's Laboratories SA
19. Dr. Reddy's Laboratories International SA
20. Dr. Reddy's Laboratories Tennessee, LLC
21. Dr. Reddy's Laboratories Romania SRL
22. Dr. Reddy's Pharma SEZ Limited
23. Dr. Reddy's Venezuela, C.A.
24. DRL Impex Limited
25. Eurobridge Consulting B.V.
26. Industrias Quimicas Falcon de Mexico, S.A. de C.V.
27. Idea2Enterprises (India) Pvt. Limited
28. Lacock Holdings Limited
29. OOO Dr. Reddy's Laboratories Limited
30. OOO DRS LLC
31. Promius Pharma LLC
32. Reddy Antilles N.V
33. Reddy Cheminor S.A.
34. Reddy Holding GmbH
35. Reddy Netherlands B.V.
36. Reddy Pharma Iberia SA
37. Reddy Pharma Italia S.p.A



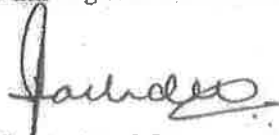
Auditor's Report on Quarterly Consolidated Financial Results and Consolidated Year to Date Results of Dr. Reddy's Laboratories Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)

38. Dr. Reddy's Laboratories New York, Inc.
 39. Dr. Reddy's Laboratories LLC, Ukraine
 40. DRANU LLC
 41. OctoPlus B.V.
 42. OctoPlus Development B.V.
 43. OctoPlus Technologies B.V.
 44. OctoShare B.V.
 45. OctoPlus Sciences B.V.
 46. OctoPlus PolyActive Sciences B.V.
 47. Chienna B.V.
 48. Dr. Reddy's Laboratories Canada Inc.
 49. Dr. Reddy's Singapore PTE. LTD
 50. Dr. Reddy's Laboratories SAS
 51. Dr. Reddy's Laboratories Japan K.K.
 52. Reddy Pharma SAS
 53. Kunshan Rotam Reddy Pharmaceutical Co. Limited (accounted in accordance with IFRS 11 'Joint Arrangements')
 54. DRSS Solar Power Private Limited (accounted in accordance with IFRS 11 'Joint Arrangements')
 55. DRES Energy Private Limited (accounted in accordance with IFRS 11 'Joint Arrangements')
- ii. have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015; and
- iii. give a true and fair view of the consolidated net profit and other financial information of the Company for the financial year ended 31 March 2016.

for B S R & Co. LLP

Chartered Accountants

Firm Registration Number : 101248W/W-100022



Supreet Sachdev

Partner

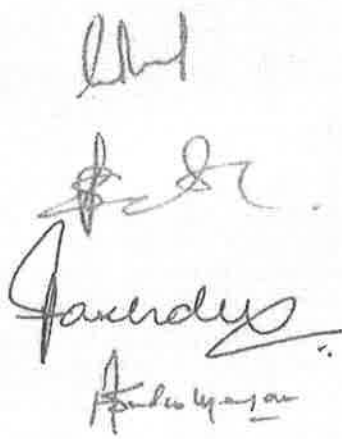
Membership No: 205385

Place: Hyderabad

Date: 12 May 2016

FORM A (for audit report with unmodified opinion)

[Consolidated Financial Results]

1	Name of the company	Dr. Reddy's Laboratories Limited
2	Annual financial statements for the year ended	31 st March 2016
3	Type of Audit observation	Un Modified / ~~Emphasis of Matter~~
4	Frequency of observation	NA
5	To be signed by- • CEO/Managing Director • CFO • Auditor of the company • Audit Committee Chairman	 The right column of row 5 contains four handwritten signatures. From top to bottom, they appear to be: a signature for the CEO/Managing Director, a signature for the CFO, a signature for the Auditor of the company (which includes the word 'Jaindya' in the middle), and a signature for the Audit Committee Chairman.

Audited consolidated financial results of Dr. Reddy's Laboratories Limited and its subsidiaries for the quarter and year ended 31 March 2016 prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)

All amounts in Indian Rupees millions, except share data and where otherwise stated

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Net Income from Sales and Services	37,562	39,679	38,704	154,708	148,189
2	Cost of Sales and Services					
	a) (Increase) / decrease in stock-in-trade and work-in-progress	943	98	2,644	(957)	(556)
	b) Consumption of raw materials	4,676	5,644	5,783	22,265	28,097
	c) Purchase of traded goods	2,585	3,071	2,468	11,743	9,265
	d) Other expenditure	8,082	7,276	6,588	29,376	25,980
3	Gross Profit (1 - 2)	21,276	23,590	21,221	92,281	85,403
4	Selling, General and Administrative expenses	11,632	12,039	10,082	45,702	42,585
5	Research and Development expenses	4,879	4,095	5,144	17,834	17,449
6	Other (income) / expense, net	(307)	(122)	(125)	(874)	(917)
7	Operating profit (3) - (4 + 5 + 6)	5,072	7,578	6,120	29,619	26,286
8	Finance (expense) / income, net	(2,646)	(62)	(233)	(2,708)	1,682
9	Share of profit of equity accounted affiliate, net of income taxes	59	64	43	229	195
10	Profit before tax (7 + 8 + 9)	2,485	7,580	5,930	27,140	28,163
11	Tax expense	1,739	1,788	742	7,127	5,984
12	Net Profit after tax (10 - 11)	746	5,792	5,188	20,013	22,179
13	Extra-ordinary items (net of tax expense)	-	-	-	-	-
14	Net Profit for the period / year (12 - 13)	746	5,792	5,188	20,013	22,179
15	Net Profit attributable to:					
	- Equity holders of the Company	746	5,792	5,188	20,013	22,179
	- Non-controlling interest	-	-	-	-	-
16	Paid-up equity share capital (Face value of Rs. 5/- each)	853	853	852	853	852
17	Securities premium, retained earnings, share based payment reserve and other components of equity				127,483	110,450
18	Earnings per share before and after extra-ordinary items (in Rupees) per Rs. 5/- share					
	- Basic	4.37	33.95	30.45	117.34	130.22
	- Diluted	4.36	33.86	30.35	116.98	129.75
		(Not annualised)	(Not annualised)	(Not annualised)		
19	Details of items exceeding 10% of total expenditure					
	- Employee cost	7,909	7,893	7,294	31,174	28,967

Segment reporting (Consolidated)

All amounts in Indian Rupees millions, except share data and where otherwise stated

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Segment wise revenue and results:					
	Segment revenue:					
	a) Pharmaceutical Services and Active Ingredients	7,258	6,334	8,719	27,826	32,360
	b) Global Generics	30,775	33,558	30,717	128,062	119,397
	c) Proprietary Products	645	654	300	2,659	2,172
	d) Others	377	385	273	1,608	1,164
	Total	39,055	40,931	40,009	160,155	155,093
	Less: Inter-segment revenue	1,493	1,252	1,305	5,447	6,904
	Net Revenue from operations	37,562	39,679	38,704	154,708	148,189
2	Segment results:					
	Gross Profit from each segment					
	a) Pharmaceutical Services and Active Ingredients	1,187	886	1,712	4,931	5,709
	b) Global Generics	19,435	22,017	19,236	84,427	77,569
	c) Proprietary Products	533	546	208	2,217	1,796
	d) Others	121	141	65	706	329
	Total	21,276	23,590	21,221	92,281	85,403
	Less: Other un-allocable expenditure, net of other income	18,791	16,010	15,291	65,141	57,240
	Total profit before tax	2,485	7,580	5,930	27,140	28,163

Global Generics includes operations of Biologics business. Inter-segment revenue represents sale from Pharmaceutical Services and Active Ingredients to Global Generics at Cost. Commencing 1 April 2015, there has been a change in the monitoring of performance of one product from Global Generics to Proprietary Products. Consequently, revenues and gross profit from such product for the previous periods have been reclassified to conform to such change.

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:

- On 1 April 2015, the Company entered into a definitive agreement to acquire a select portfolio of established products' business of UCB in the territories of India, Nepal, Sri Lanka and Maldives for a total consideration of Rs. 8,000 million. On 16 June 2015, the company completed the acquisition and recorded Rs. 200 million, Rs. 7,477 million and Rs. 323 million towards various current and fixed assets, intangible assets, and goodwill, respectively. The acquisition pertains to Company's Global Generics segment.
- 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 believes that it can resolve the issues raised by the U.S. FDA satisfactorily in a timely manner. The Company takes the matters identified by U.S. FDA in the warning letter seriously and will continue to work diligently to address the observations identified in the warning letter and is concurrently continuing to develop and implement its corrective action plans relating to the warning letter. Further, the Company has provided an update to the U.S. FDA on the progress of remediation in January 2016 and March 2016.
- On 9 March 2016, the Venezuelan government announced the following changes to the exchange rates:
 - preferential rate of CENCOEX of 6.3 VEF per USD to DIPRO rate of 10 VEF per USD; and
 - DICOM rate of 206 VEF per USD as at 9 March 2016 (272.5 VEF per USD as on 31 March 2016).

The Company has not received approvals from the Venezuelan government to repatriate any amount beyond USD 4 million already received during the year. The Company believes that in the interim, it is appropriate to use DICOM rate (i.e. 272.5 VEF per USD) for translating the monetary assets and liabilities of the Venezuelan subsidiary as at 31 March 2016.

The impact of the above is Rs. 4,309 million and Rs. 5,085 million, during the quarter and year ended 31 March 2016, respectively and recorded as part of finance expenses.
- Tax expense for the current quarter includes accrual for deferred tax liability of Rs. 519 million on proposed distribution of profits by a subsidiary and impact of non deductible translation losses of the Venezuela operations.
- The Board of Directors, at their meeting held on 12 May 2016, have recommended a final dividend of Rs. 20 per share subject to the approval of shareholders.
- The audited results have been reviewed by the Audit Committee of the Board on 11 May 2016 and approved by the Board of Directors of the Company at their meeting held on 12 May 2016. The above financial results have been prepared from the 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).
- On 6 November 2015, the Securities and Exchange Board of India (SEBI) relaxed the requirement of Regulations 33(1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ending 31 December 2015 and quarter and financial year ending 31 March 2016 for all such listed entities which had exercised the option of preparing consolidated financial statements under IFRS for the earlier quarters of FY 2015-16. The Company had earlier availed the option of publishing consolidated financial results under IFRS as per the circular dated 5 April 2010 and continues to do so for the quarter ending 31 March 2016 pursuant to the relaxation provided by the aforesaid 6 November 2015 circular.
- The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year. The figures up to the end of third quarter were only reviewed and not subject to audit.

9 Statement of Assets and Liabilities (Consolidated)

All amounts in Indian Rupees millions

Particulars	As at	As at
	31.03.2016	31.03.2015
	(Audited)	(Audited)
ASSETS		
Current assets		
Cash and cash equivalents	4,921	5,394
Other investments	35,034	34,259
Trade and other receivables	41,306	40,755
Inventories	25,578	25,529
Derivative financial instruments	175	800
Current tax assets	1,664	1,819
Other current assets	11,010	11,282
Total current assets	119,688	119,838
Non-current assets		
Property, plant and equipment	53,961	48,090
Goodwill	3,848	3,380
Other intangible assets	20,796	13,050
Investment in equity accounted investees	1,309	1,033
Other investments – non-current	1,988	2,817
Deferred tax assets	4,997	5,792
Other non-current assets	1,063	762
Total non-current assets	87,962	74,924
Total assets	207,650	194,762
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	12,300	10,660
Derivative financial instruments	108	462
Current tax liabilities	2,581	2,506
Short-term borrowings	22,718	21,857
Long-term borrowings, current portion	110	6,962
Provisions	4,759	4,231
Other current liabilities	22,070	17,317
Total current liabilities	64,646	63,995
Non-current liabilities		
Long-term loans and borrowings, excluding current portion	10,685	14,307
Provisions - non-current	55	53
Deferred tax liabilities	767	1,779
Other non-current liabilities	3,161	3,326
Total non-current liabilities	14,668	19,465
Total liabilities	79,314	83,460
Equity		
Share capital	853	852
Share premium	22,601	22,178
Share based payment reserve	1,100	1,081
Retained earnings	99,550	83,643
Other components of equity	4,232	3,548
Total equity	128,336	111,302
Total liabilities and equity	207,650	194,762

10 Audited financial results of Dr. Reddy's Laboratories Limited (Standalone Information) prepared as per IGAAP

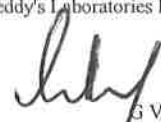
All amounts in Indian Rupees millions

Particulars	Quarter ended			Year ended	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Total income from operations	23,568	24,286	26,887	102,077	100,110
Profit / (Loss) from ordinary activities before tax	(876)	2,806	6,878	15,800	20,599
Profit / (Loss) from ordinary activities after tax	(57)	2,368	5,714	13,545	16,794

Note:

The audited standalone financial results for the quarter and year ended 31 March 2016 are available on the Stock Exchange's website: www.bseindia.com and www.nseindia.com and also on the Company's website: www.drreddys.com.

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



G V Prasad
Co-Chairman & Chief Executive Officer

DR. REDDY'S LABORATORIES LTD.

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Dr. Reddy's Q4 and FY16 Financial Results

Q4 Revenues at ₹37.6 billion (YoY decline of 3%) Q4 EBITDA at ₹4.8 billion (12.8% of the revenues) Q4 Adjusted EBITDA* at ₹9.0 billion (24.0% of the revenues)	FY16 Revenues at ₹154.7 billion (YoY growth of 4%) FY16 EBITDA at ₹36.3 billion (23.4% of the revenues) FY16 Adjusted EBITDA* at ₹41.2 billion (26.7% of the revenues)
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Hyderabad, India, May 12, 2016: Dr. Reddy's Laboratories Ltd. (NYSE: RDY | BSE: 500124 | NSE: DRREDDY) today announced its consolidated financial results for the fourth quarter and full year ended March 31, 2016 under International Financial Reporting Standards (IFRS).

FY16: Key Highlights

- Received two final approvals and one tentative approval of the NDAs filed by the Proprietary Products Business. Zembrace launched in April 2016.
- Consolidated revenues at ₹154.7 billion, year-on-year growth of 4%.
- Gross Profit Margin at 59.6%, improved by ~200 bps over last year.
- Research & Development (R&D) spend at ₹17.8 billion. 11.5% of revenues. Continued focus on building complex generics and differentiated products pipeline.
- EBITDA at ₹36.3 billion, 23.4% of revenues. Adjusted* EBITDA at 26.7% of revenues, year on year growth of 11%.
- Profit after tax at ₹20.0 billion. Diluted EPS at ₹117.

Q4 FY16: Key Highlights

- Consolidated revenues at ₹37.6 billion, year-on-year decline of 3%
- EBITDA at ₹4.8 billion, 12.8% of revenues. Adjusted* EBITDA at 24.0% of revenues.

Commenting on the company's fourth quarter results, Co-chairman and CEO, G V Prasad said "It's been a challenging quarter for Dr. Reddy's. While there has been a marginal decline in revenues, there has been a greater impact on profitability. This is mainly due to the provision, made as a matter of abundant precaution, to write down our outstanding receivables from Venezuela. We will continue to actively engage with the Venezuelan Government to provide affordable medicine to fulfil the need of people of the country, subject to repatriation of funds.

Our Bio-similars business is gaining traction, as we have started to receive approvals and build partnerships for our products in the emerging markets. Our topmost priority continues to be the strengthening of our quality management processes across the organisation."

* Adjusted for impact of devaluation and translation, on certain monetary assets and liabilities of our Venezuela subsidiary

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Dr. Reddy's Laboratories Limited and Subsidiaries

Consolidated Income Statement

Particulars	FY 16			FY 15			Growth %
	(\$)	(₹)	%	(\$)	(₹)	%	
Revenues	2,335	1,54,708	100.0	2,237	1,48,189	100.0	4
Cost of revenues	942	62,427	40.4	948	62,786	42.4	(1)
Gross profit	1,393	92,281	59.6	1,289	85,403	57.6	8
Operating Expenses							
Selling, general & administrative expenses	690	45,702	29.5	643	42,585	28.7	7
Research and development expenses	269	17,834	11.5	263	17,449	11.8	2
Other operating expense / (income)	(13)	(874)	(0.6)	(14)	(917)	(0.6)	(5)
Results from operating activities	447	29,619	19.1	397	26,286	17.7	13
Finance expense / (income), net	41	2,708	1.8	(25)	(1,682)	(1.1)	NM
Share of (profit) of equity accounted investees, net of income tax	(3)	(229)	(0.1)	(3)	(195)	(0.1)	18
Profit before income tax	410	27,140	17.5	425	28,163	19.0	(4)
Income tax expense	108	7,127	4.6	90	5,984	4.0	19
Profit for the period	302	20,013	12.9	335	22,179	15.0	(10)

Diluted EPS	1.77	117		1.96	130		(10)
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EBITDA Computation

Particulars	FY 16		FY 15	
	(\$)	(₹)	(\$)	(₹)
Profit before tax	410	27,140	425	28,163
Interest (income) / expense net*	(22)	(1,425)	(11)	(724)
Depreciation	104	6,874	86	5,719
Amortization	52	3,469	36	2,381
Impairment	2.9	194	9.5	629
EBITDA	547	36,252	546	36,168
EBITDA (% to sales)		23.4		24.4
Adjusted** EBITDA (% to sales)		26.7		25.0

* Includes income from investments

**Venezuela adjustment

The Company has not received approvals from the Venezuelan government to repatriate any amount beyond USD 4 million already received during the year. The Company believes that in the interim, it is appropriate to use the DICOM rate (i.e. 272.5 VEF per USD) instead of official 'preferential' rate (i.e. 10 VEF per USD) for translating the monetary assets and liabilities of the Venezuelan subsidiary as at 31 March 2016. Accordingly, the resultant impact for Q4 FY 16 and Fiscal 2016 is Rs. 4,309 million and Rs. 5,085 million respectively. Similar charge on account of translation of net monetary assets was Rs 843 million accrued in Q4 FY 15.

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Key Balance Sheet Items

Particulars	As on 31 st Mar 16		As on 31 st Mar 15	
	(\$)	(₹)	(\$)	(₹)
Cash and cash equivalents and Other current Investments	603	39,955	599	39,654
Trade receivables	623	41,306	615	40,755
Inventories	386	25,578	385	25,529
Property, plant and equipment	815	53,961	726	48,090
Goodwill and Other Intangible assets	372	24,644	248	16,430
Loans and borrowings (current & non-current)	506	33,513	651	43,125
Trade payables	186	12,300	161	10,660
Equity	1,937	1,28,336	1,680	1,11,302

Revenue Mix by Segment

Particulars	FY 16			FY 15			Growth %
	(\$)	(₹)	%	(\$)	(₹)	%	
Global Generics	1,933	1,28,062	83	1,802	1,19,397	81	7
North America		75,445			63,564		19
Europe*		7,732			6,482		19
India		21,293			17,870		19
Emerging Markets [#]		23,592			31,482		-25
PSAI	338	22,379	14	384	25,456	17	-12
North America		3,052			4,605		-34
Europe		9,313			10,507		-11
India		2,618			3,288		-20
Rest of World		7,396			7,056		5
Proprietary Products & Others	64	4,267	3	50	3,336	2	28
Total	2,335	1,54,708	100	2,237	1,48,189	100	4



* Europe primarily includes Germany, UK and out licensing sales business

Emerging Markets refers to Russia, other CIS countries, Romania and Rest of the World markets including Venezuela

Note: Effective Q1 FY 16, there was a change in the monitoring of performance of one product from Global Generics to Proprietary Products. Consequently, revenues and related costs of this product for the previous periods have been reclassified to conform to such change.

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Segmental Analysis

Global Generics

Revenues from Global Generics segment for FY16 are at ₹128.1 billion, year-on-year growth of 7%; primarily driven by North America, Europe and India.

- Revenues from **North America** for FY16 at ₹75.4 billion, year-on-year growth of 19%. Growth primarily on account of sustained performance of the injectable franchise and market share gains in key molecules. Habitrol integration in line with the expectation and focus is on expanding the franchise

14 new generics filings in the US during the year (13 ANDAs and 1 NDA). Cumulatively, 82 generic filings are pending for approval with the USFDA (79 ANDAs and 3 NDAs under 505(b)(2) route). Of these 79 ANDAs, 52 are Para IVs out of which we believe 18 have 'First to File' status.

- Revenues from **Emerging Markets** for FY16 at ₹23.6 billion, year-on-year decline of 25%.
 - Revenues from **Russia** at ₹10.6 billion, year-on-year decline of 29% primarily on account of depreciation of rouble. In constant currency revenues grew by 1% year-on-year.
 - Revenues from **other CIS countries and Romania** market at ₹3.5 billion, year-on-year growth of 1%.
 - Revenues from **Rest of World (RoW)** territories at ₹9.4 billion, year-on-year decline of 28% primarily on account of calibrated sales in Venezuela.
- Revenues from **India** for FY16 at ₹21.3 billion, year-on-year growth of 19%.
 - Continued momentum of mega brands.
 - Portfolio acquired from UCB well-integrated and performance inline with expectations. Normalizing for contribution from the UCB portfolio, growth of the base business during the year is healthy
- Revenues from **Europe** for FY16 at ₹7.7 billion, year-on-year growth of 19%. Growth was primarily driven by aripiprazole and pregabalin.

Pharmaceutical Services and Active Ingredients (PSAI)

- Revenues from **PSAI** at ₹22.4 billion, year-on-year decline of 12%.
- During the year, 50 DMFs were filed globally of which 8 were in the US. The cumulative number of DMF filings as of March 31, 2016 was 768.



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Income Statement Highlights:

- Gross profit margin at 59.6% and improved by ~200 bps over that of previous year. Gross profit margin for Global Generics (GG) and PSAI business segments are at 65.9% and 22.0% respectively.
- SG&A expenses at ₹45.7 billion, year-on-year growth of 7%. This increase is largely due to the ongoing remediation activities related to the USFDA's observations, settlement of patent litigation on zoledronic acid, launch related activities of the Proprietary Products business and certain routine items related to manpower and other spends.
- Research & development expenses at ₹17.8 billion. 11.5% of revenues in FY16 as compared to 11.8% in FY15. Continued focus on building complex generics and differentiated products pipeline.
- Net Finance expense at ₹2,708 million in FY 16 compared to the net finance income of ₹1,681 million in FY15. The incremental charge of ₹4,389 million is on account of:
 - Increase in the net interest income by ₹701 million
 - Net foreign exchange loss of ₹4,133 million in FY 16 vs net foreign exchange gain of ₹958 million in FY 15. Current year's foreign exchange loss is primarily on account of Venezuela related adjustments as detailed on Page 2
- Profit after Tax at ₹20.0 billion.
- Diluted earnings per share is at ₹117
- Capital expenditure is at ₹11.9 billion.

The board has recommended payment of a dividend of Rs. 20 per equity share of face value Rs 5/- each (400% of face value) for the year ended March 31, 2016 subject to approval of members



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Dr. Reddy's Laboratories Limited and Subsidiaries

Consolidated Income Statement

Particulars	Q4 FY 16			Q4 FY 15			Growth %
	(\$)	(₹)	%	(\$)	(₹)	%	
Revenues	567	37,562	100.0	584	38,704	100.0	(3)
Cost of revenues	246	16,286	43.4	264	17,483	45.2	(7)
Gross profit	321	21,276	56.6	320	21,221	54.8	0
Operating Expenses							
Selling, general & administrative expenses	176	11,632	31.0	152	10,082	26.0	15
Research and development expenses	74	4,879	13.0	78	5,144	13.3	(5)
Other operating expense / (income)	-5	-307	(0.8)	-2	-125	(0.3)	145
Results from operating activities	77	5,072	13.5	92	6,120	15.8	(17)
Finance expense / (income), net	40	2,646	7.0	4	233	0.6	NM
Share of (profit) of equity accounted investees, net of income tax	-1	-59	(0.2)	-1	-43	(0.1)	36
Profit before income tax	38	2,485	6.6	90	5,930	15.3	(58)
Income tax expense	26	1,739	4.6	11	742	1.9	134
Profit for the period	11	746	2.0	78	5,188	13.4	(86)
Diluted EPS	0.07	4.4		0.46	30.4		(86)

EBITDA Computation

Particulars	Q4 FY 16		Q4 FY 15	
	(\$)	(₹)	(\$)	(₹)
Profit before tax	38	2,485	90	5,930
Interest (income) / expense net*	(11)	(713)	(3)	(194)
Depreciation	31	2,062	23	1,530
Amortization	15	970	11	699
Impairment	-	-	1.4	95
EBITDA	73	4,804	122	8,061
EBITDA (% to sales)		12.8		20.8
Adjusted** EBITDA (% to sales)		24.0		23.0

* Includes income from investments

**Venezuela adjustment for current and previous period as explained in details on Page 2



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Particulars	Q4 FY 16			Q4 FY 15			Growth %
	(\$)	(₹)	%	(\$)	(₹)	%	
Global Generics	465	30,774	82	464	30,717	80	0
North America		18,950			16,879		12
Europe*		1,759			2,145		-18
India		5,267			4,744		11
Emerging Markets [#]		4,799			6,949		-31
PSAI	87	5,766	15	112	7,415	19	-22
North America		742			1,866		-60
Europe		2,585			2,639		-2
India		603			669		-10
Rest of World		1,835			2,241		-18
Proprietary Products & Others	15	1,022	3	8	572	1	79
Total	567	37,562	100	584	38,704	100	-3

Earnings Call Details (06.30 pm IST, May 12, 2016)

The Company will host an earnings call at 06.30 pm IST on May 12, 2016, to discuss the performance and answer any questions from participants. This call will be accessible through an audio dial-in and a web-cast.

Audio conference Participants can dial-in on the numbers below

Primary number:	91 22 3960 0616
Secondary number:	91 22 6746 5826
International Toll Free Number	USA 18667462133
	UK 08081011573
	Singapore 8001012045
	Hong Kong 800964448

Playback of call: **91 22 3065 2322, 91 22 6181 3322**

Conference ID: **375#**

Web-cast More details will be provided through our website, www.drreddys.com

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. (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 gastro-intestinal, cardiovascular, diabetology, oncology, pain management and anti-infectives. Dr. Reddy's operates in markets across the globe. Our major markets include - USA, Russia & CIS, Venezuela and India. 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.

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