

# Business Standard

## Dr Reddy's Lab Q3 results: Net profit soars over 25 times to Rs 707 cr

Revenues stood at Rs 5,319.7 crore during the third quarter as compared with Rs 4,929.6 crore in the same period of 2020-21

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Dr  
Reddy's

Laboratories Limited on Friday reported a 3,468 percent jump in net profit to Rs 706.50 crore in the quarter ended December from a year ago on the back of a steep fall in impairment charges.

A senior official of the company said the profit after tax during the same quarter in the last fiscal was at Rs 19.8 crore. Impairment charges dropped from Rs 597.2 crore in the year-ago quarter to Rs 4.7 crore in the latest quarter.

However, on a sequential basis, profit declined by 29 percent from Rs 992 crore during October-December quarter of financial year 2020-21 (FY21), Parag Agarwal, Chief Financial Officer of Dr Reddy's, said in a press conference.

Dr Reddy's revenues increased by eight per cent to Rs 5,320 crore during the last quarter from Rs 4,929.60 crore in the third quarter of FY21. The growth in revenues was basically led by strong global generic sales.

Revenues from Pharmaceutical Services and Active Ingredients (PSAI) stood at Rs 727 crore during the last quarter compared to Rs 701 crore in the same quarter a year ago.

We continue to play our role in the fight against COVID-19 by acting proactively to bring multiple preventive and curative treatment options, including a vaccine... We have conducted clinical trials for Sputnik Light and are also developing several other COVID-related drugs for treatment ranging from mild to severe conditions," Agarwal said.

Co-Chairman and Managing Director G V Prasad in a statement said the drug-maker delivered a steady performance in Q3 with healthy EBITDA (earnings before interest, taxes, depreciation, and amortization) and strong cash generation, while continuing to invest in building a pipeline of products across businesses.

Dr Reddy's spent Rs 416 crore towards Research and Development expenses.