

Return Goods Policy

Effective April 1, 2021

The Return Goods Policy of Dr. Reddy's Laboratories, Inc. ("Dr. Reddy's" or "Company") applies to all pharmaceutical products manufactured and/or distributed by Dr. Reddy's in the USA ("Product" or "Products"). Only Products purchased directly or through an Authorized Distributor of Record from Dr. Reddy's will qualify for return and/or credit.

DAMAGED PRODUCT/ MIS-SHIPMENT PROCESS

In an effort to minimize any delay in resolving damage or mis-shipments claims:

- Questions or Claims for Product damages, shortages and mis-shipments can be directed to Dr. Reddy's Customer Service Department by calling 866-733-3952.
- All orders should be received and counted prior to customer's acceptance of delivery from the carrier.
- Any Product damages or mis-shipments, including shortages, should be noted on the transport company's freight bill or bill of lading and be countersigned by the customer. Customer will limit approved damaged Product returns to packages/cases that are actually damaged and unsaleable to qualify for credit or replacement.
- The damaged Product must remain in the original carton should inspection be required by the transportation company.
- Dr. Reddy's must be notified of any Products damaged in transit or Product shortages within ten (10) business days of receipt of the merchandise by customer and Dr. Reddy's must be in receipt of Product no more than twenty (20) days after RA issuance in order to qualify for credit or Product replacement. The customer must provide Dr. Reddy's with pictures of the damaged Product to be eligible for Product credit or replacement.

OUTDATED PRODUCT RETURN PROCESS

Dr. Reddy's contracts with Inmar CLS Pharmaceutical Services ("Inmar") to manage the return of outdated Products. All direct, indirect and non-contracted Product purchases must be returned to Inmar in accordance with the following procedures to be eligible for credit. Customers that do not follow the below procedures may be assessed a fee if the Company is charged a processing fee by Inmar for a non-complaint shipped box.

You may obtain a Return Authorization (RA) Label via Inmar's website address:

<https://returns.healthcare.inmar.com>. Be prepared to upload a PDF copy of your debit memo onto this website as instructed. The following information must be supplied or the RA Request may be declined and not eligible for credit:

- NDC Number, Product Description, Lot/Batch #, Quantity, Customer's Reference Number
- Expiration Date (In the event the package expiration date is stated in month /year format, expiration date will be by default to the last day of the month)
- Reason for Return & Proof of Purchase (Purchase Order and/or Dr. Reddy's Invoice #) (when specifically required by Dr. Reddy's)

All returns must be received by Company's Return Agent, Inmar, no later than thirty (30) calendar days after RA Label issuance, with the RA Label attached on the exterior of the box, together with a copy of the Customer's debit memo for such return(s) enclosed in the return shipment.

Do not photocopy a RA label or use a RA label more than once. Company recommends use of carriers with trackable delivery methods.

Controlled substances (Schedule III-V): Controlled substances must be returned to Inmar in accordance with federal and state regulations governing the transfer of these substances.

Schedule II narcotic: Prior to the return of any Schedule II narcotic, a DEA Form 222 must be issued by Inmar.

Please contact Inmar should there be any questions regarding outdated/expired returns by phone at 800-967-5952, or via email: rarequest@inmar.com. Outdated/expired returned product will always be shipped to: Inmar RX Solutions Inc., 3845 Grand Lakes Way, Suite 125, Grand Prairie, Texas 75050.

TERMS

The following rules will be applied to determine the credit amount for eligible Product returns that comply with the return procedures noted above:

- Damaged Product returns /Mis-shipment
 - Credit will be extended at 100% of original purchase price, net of any discounts and/or credits (including any shelf stock adjustment), if any, for such Product

- Outdated Product returns
 - For direct customers, credit will be calculated at the lower of the original invoice price, current contract price or prevailing published list price less a fifteen percent (15%) processing fee, unless otherwise agreed.
 - For direct customers returning non-contract Product purchased indirectly, credit will be given at predetermined Dr. Reddy's return price less a fifteen percent (15%) processing fee, unless otherwise agreed.
 - For indirect customers, a credit will be extended to customer's wholesaler at a Dr. Reddy's predetermined return price less a fifteen percent (15%) processing fee.

- Recalled Product returns identified by lot and handled as per the recall mailing notice
 - Credit will be extended according to the rules above for direct customers returning contract and non-contract Products and indirect customers.

Submission of return Product does not constitute Company's acceptance of issuing a credit. Dr. Reddy's reserves the sole right to determine Products eligible for return and credit valuation. Dr. Reddy's and/or Inmar's physical count and any applicable credit of the returned Product will be final.

No return claim may be deducted until a credit memo is issued by Dr. Reddy's. Any and all credits that are not redeemed within one year of issuance shall be null and void. Any dispute of credit on Product returns must be resolved within twelve (12) months of original return claim (debit memo) date.

Dr. Reddy's will not honor any processing/handling, documentation, administrative or destruction fees assessed for the return, handling, processing or incineration of Product, excluding Dr. Reddy's recalled Product.

Transportation and/or shipping charges including Insurance will be prepaid by customer with the exception of Dr. Reddy's errors and/or recalls. Returns should be insured as the Company will not be responsible for loss or damage while in transit. Returns lost, damaged, or not compliant with return procedures will not be extended credit.

Company reserves the right to make all final determinations.

RETURNABLE PRODUCTS

For the purpose of this Policy, returns will be accepted for credit only if it constitutes **Authorized Product**. A return will be considered Authorized Product if it meets the following requirements:

- Products returned in full and sealed containers in original saleable packaging.
- Product which is within six (6) months of expiration and up to a maximum of twelve (12) months past expiration.
- Products sold into and returned by direct and indirect customers originating from states which expressly mandate the processing / crediting of partial containers (The Company may ask for Proof of Return).

NON-RETURNABLE PRODUCTS

- Products donated.
- Private Label Products.
- Products sold as samples or short dated.
- Product sold on a non-returnable basis, marked non-returnable, free goods or with similar markings and/or labels.
- Products which are re-packaged and/or Product not in its original packaging.
- Product with a Dr. Reddy's product label which is unlabeled, partially labeled, covered, unreadable or blemished.
- Product with a covered, removed, missing or with an unreadable NDC, unreadable lot number or unreadable expiration date.
- Products reported as concealed damage(s) but not reported within 10 days.
- Products returned in partial quantities of original package size (except as required by law).
- Overfilled, reconstituted or mixed filled Product package
- Packages which have been opened, partially used, marked or disfigured in any way.
- Deteriorated Products due to improper storage.
- Products not purchased directly from the Company or via an authorized distributor of record.
- Products not manufactured and/or distributed by Dr. Reddy's.
- Products damaged due to insurable causes such as fire or natural disasters or Products involved in distressed, sacrifice, fire or bankruptcy sale.
- Product returns without a valid RA# or missing RA #.
- Products returned to Dr. Reddy's or Inmar without prior approval including Product quantities sent more than requested on the RA.
- Products returns received by Dr. Reddy's or Inmar thirty (30) calendar days or more after the date of the RA.
- Product sold to any City, County, State and/or Federal entity for the purpose of stock piling directly by Dr. Reddy's or through an authorized distributor of record.
- Products which are exported or sold internationally.
- Product returns from closed and/or inactive customers purchasing directly from Dr. Reddy's.
- Products remaining after insolvency.
- Outdated returns per debit memo claim totaling \$25 or less in value based on company's calculations.
- Customer overstocked Product.
- An interpack Product NDC returned outside of saleable Product package sold by Dr. Reddy's.
- Forms only returns (i.e. physical Product packages must accompany the return claim).

This Return Goods policy supersedes all previous policies and such policy may be modified by the Company at its option, from time to time, upon written notice to Customer.