

Financial Statements

Income Statement

(₹ mn)

Year end	Mar 11	Mar 12	% Chg	Mar 13	% Chg
Total Sales + Excise	57779.0	67802.0	17.35	83946.0	23.81
Other Income	1624.0	872.0	(46.31)	2565.0	194.15
Change in Stocks	790.0	1048.0	32.66	1006.0	(4.01)
Raw Material Con.	17506.0	18153.0	3.70	23788.0	31.04
Employee Exp.	7274.0	8661.0	19.07	11381.0	31.41
Indirect Taxes	1111.0	1046.0	(5.85)	1501.0	43.50
Other Exp.	20246.0	23168.0	14.43	28177.0	21.62
Operating Exp.	45347.0	49980.0	10.22	63841.0	27.73
Operating Profit	12432.0	17822.0	43.36	20105.0	12.81
Total Interest	99.0	1471.0	1385.86	1021.0	(30.59)
Gross Profit	13957.0	17223.0	23.40	21649.0	25.70
Net Dep.	3438.0	4631.0	34.70	4113.0	(11.19)
Total Taxation	1585.0	3468.0	118.80	4877.0	40.63
Net Profit/Loss	8934.0	9124.0	2.13	12659.0	38.74

4 Years Balance Sheet

(₹ mn)

Balance Sheet as on 31 st	Mar 10	Mar 11	Mar 12	Mar 13
SOURCES OF FUNDS	64,778.0	74,650.0	82,532.0	98,834.0
Equity Share capital	844.0	846.0	848.0	849.0
Share Application Money	0.0	0.0	0.0	0.0
Preference Share Capital	0.0	0.0	0.0	0.0
Reserves & Surplus	58,302.0	59,356.0	66,330.0	76,985.0
Long Term Loans	5,593.0	14,379.0	15,354.0	15,880.0
Short Term Loans	39.0	69.0	0.0	5,120.0
USES OF FUNDS	64,778.0	74,650.0	82,532.0	98,834.0
Gross Block	24,257.0	30,250.0	35,078.0	42,330.0
Less : Revaluation Reserves	0.0	0.0	0.0	0.0
Less : Accumulated Depreciation	11,101.0	13,340.0	16,110.0	18,460.0
Net Block	13,156.0	16,910.0	18,968.0	23,870.0
Capital Work in Progress	7,454.0	5,460.0	6,176.0	4,232.0
Investments	25,253.0	24,620.0	24,777.0	23,792.0
Current Assets	44,504.0	55,683.0	67,615.0	85,758.0
Less : Current Liabilities	25,589.0	28,023.0	35,004.0	38,818.0
Total Net Current Assets	18,915.0	27,660.0	32,611.0	46,940.0
Misc. Expenses not written	0.0	0.0	0.0	0.0
NOTE				
Bk Val Unquoted Investments	21,974.0	24,617.0	22,704.0	21,823.0
Mkt Val. Quoted Investments	3,302.0	33.0	2,105.0	2,035.0
Contingent Liabilities	20,173.0	24,763.0	24,885.0	20,221.9
Dividend (%)	225	225	275	300

Quarterly Income Sheets

(₹ mn)

Quarter Ended	Jun 12	Sep 12	Dec 12	Mar 13
Net Sales	18,045.40	21,085.50	21,584.40	22,513.20
Cost Of Sales	15,265.30	16,565.60	15,974.30	17,929.10
Operating Profit	2,780.10	4,519.90	5,610.10	4,584.10
Recurring Income	304.00	1,638.90	278.60	887.90
Adjusted PBDIT	3,084.10	6,158.80	5,888.70	5,472.00
Financial Expenses	172.20	150.40	115.40	176.00
Depreciation	731.20	760.30	790.70	846.30
Other Write Offs	0.00	0.00	0.00	0.00
Adjusted PBT	2,180.70	5,248.10	4,982.60	4,449.70
Tax Charges	404.10	1,395.90	1,298.10	1,778.50
Adjusted PAT	1,776.60	3,852.20	3,684.50	2,671.20
Non Recurring Items	0.00	(221.90)	(218.10)	1,110.30
Other Non Cash Adjust	0.00	0.00	0.00	0.00
Net Profit	1,776.60	3,630.30	3,466.40	3,781.50

52 Week Index Relative Percentage Appreciation



Dr. Reddy's vs SENSEX vs Healthcare

Business Areas

Dr Reddy's, a fully integrated global pharmaceutical company committed to providing affordable and innovative medicines through three core businesses :

➔ **Pharmaceutical Services and Active Ingredients :**

Under this it offer over 100 molecules to customers across the world. APIs are its core strength, having a wide range of portfolio. It submits the largest number of US DMF from India. It entered into the custom pharmaceutical services (CPS) in 2001 .With acquisition of Roche's API manufacturing unit Mexico in 2005, it got boost in the CPS business. It also acquired the small molecule business of Dow Pharma at its Mirfield and Cambridge sites, UK in 2008, strengthening its CPS business.

➔ **Global Generics :**

Branded Generics portfolio offers over 200 products in the major therapeutic areas of gastro-intestinal, cardiovascular, pain management, oncology, anti-infectives, paediatrics and dermatology. Brands like Omez, Ciprolet, Nise, Enam, Ketorol, Exifine and Cetrine enjoy leadership positions in several key markets, including India, Romania, Venezuela, Russia & the CIS countries (Belarus, Ukraine and Kazakhstan).

➔ **Proprietary Products :**

Under this it includes NCE research, biologics business and differentiated formulations conducted in the US. Under this it has launched Grafeel (Filgrastim) and Reditux (Rituximab). NCE research efforts are focused on metabolic diseases, anti-infectives and inflammatory diseases.

Dr. Reddy's

In a Nutshell

Dr Reddy's Laboratories, is a 25+ year old global pharmaceutical company catering to the needs of the pharmaceutical sector and headquartered in India. It is among the top three API players in world. It has a global presence in more than 100 countries, with subsidiaries in the US, UK, Russia, Germany and Brazil; joint ventures in China, South Africa and Australia; representative offices in 16 countries and third-party distribution set ups in 21 countries. The pharma major has launched brands like Ciprolet, Nise, Enam, Stamlo, Omez, and Ketorol among others. Therapeutic focus is on gastro-intestinal, cardiovascular, diabetology, oncology, pain management, anti-infective and pediatrics. Major markets include India, USA, Russia and CIS, Germany, UK, Venezuela, S. Africa, Romania, and New Zealand. Branded Generics portfolio offers over 200 products in the major therapeutic areas of gastro-intestinal, cardiovascular, pain management, oncology, anti-infectives, paediatrics and dermatology. Brands like Omez, Ciprolet, Nise, Enam, Ketorol, Exifine and Cetrine enjoy leadership positions in several key markets, including India, Romania, Venezuela, Russia & the CIS countries. Generics offerings deliver quality medicines at cost-effective prices in the highly regulated markets of the United States, UK and Germany. Dr. Reddy's offers an unparalleled portfolio comprising of innovators and generic formulators worldwide. With a strong product portfolio of products, including niches like oncology and hormones. It is today among the leading generic API players globally and one of the highest DMF filers worldwide. Within a short span, it has become the largest CPS player from India and a partner-of-choice to innovators, offering top-end technical expertise and tailor-made pharma solutions.

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Rating Interpretation

Buy	: Expected to appreciate 20% or more over 12-months	Reduce	: Expected to depreciate up to 10% over 12-months
Accumulate	: Expected to appreciate 10% to 20% over 12-months	Sell	: Expected to depreciate 10% or more over 12-months
Trade Buy	: Expected to appreciate more than 10% over 45-days	Trade Sell	: Expected to depreciate more than 10% over 45-days

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