

November 11, 2011

<b>Reco</b> Hold	<b>Previous Reco</b> Hold
<b>CMP</b> Rs 760	<b>Target Price</b> Rs 760
EPS change FY12E/13E (%)	NA
Target Price change (%)	NA
Nifty	5,221
Sensex	17,570

### Price Performance

(%)	1M	3M	6M	12M
Absolute	0	(11)	(16)	4
Rel. to Nifty	(4)	(14)	(11)	25

Source: Bloomberg

### Relative Price Chart



Source: Bloomberg

### Stock Details

Sector	Pharmaceuticals
Bloomberg	CDH@IN
Equity Capital (Rs mn)	1024
Face Value(Rs)	5
No of shares o/s (mn)	205
52 Week H/L	984/703
Market Cap (Rs bn/USD mn)	156/3,152
Daily Avg Volume (No of sh)	94520
Daily Avg Turnover (US\$m)	1.5

### Shareholding Pattern (%)

	Sep-11	Jun-11	Mar-11
Promoters	74.8	74.8	74.8
FII/NRI	6.2	5.9	5.5
Institutions	11.6	12.6	13.3
Private Corp	2.4	1.8	1.5
Public	5.0	4.9	4.9

Source: Capitaline

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- **Muted revenue growth (up 11% YoY) to Rs12.4bn and poor operating performance (up 6% YoY) to Rs2bn resulted in 2% YoY de-growth in Adjusted PAT to Rs1.77bn**
- **Muted revenue growth was due to 7% growth in domestic formulations, 5% growth in Consumer business and 5% in Europe business**
- **Higher interest expenses because of increase in debt by ~Rs10bn to Rs20bn over the last 6 months. Company is looking for strategic investment in US**
- **With business momentum slowing down and possibility of earnings downgrade going forward- we maintain Hold rating with a revised target price of Rs760 (17x FY13 EPS of Rs44.7)**

### Muted growth performance across business segments, except US

- Domestic formulation business (contributed 38%) grew by 7% to Rs4700mn due to pricing pressure in acute therapies (70% exposure) as well as lower growth in key specialty segments
- Consumer business (contributed 7%) grew by 5% at net level due to overall slowdown in consumer spending and increasing competitive pressure from MNCs on key brands – Sugar Free, EverYuth and Nutralite
- EBIDTA margins declined 462bps YoY and 843bps QoQ to 16.6% due to ~300bps increase in employee cost and ~200bps increase in operating expenses
- Adjusted for forex loss of Rs830mn, PAT stood at Rs1.77bn (down 2% YoY)

### Growth will continue going forward but at a reduced pace

- In the domestic business the company has increased the rate of new product launches – 23 launched in Q2FY12 and has guided for 40 more product launches in Q3FY12 out of which 9 will be first to launch
- Bayer JV has commenced operations with a focus on women's healthcare, metabolic disorders, diagnostic imaging, CVS, oncology and anti diabetic for which a team of 500 MRs has been deployed
- Neshers acquisition to contribute USD30mn and expected to turn profitable from FY13. The company expects to achieve USD100 mn in revenues over next 3 years. USFDA approval for Baddi facility is a long-term positive

### Valuation

We expect Cadila to report 12% revenue growth in FY12 and 18% growth in FY13. We expect EBIDTA margins to move from 21.5% in FY11 to 22.4% in FY13. Earnings will grow by 17% CAGR over FY11-13E. We value the company at 17x FY13 EPS with a revised target price of Rs760 and Hold rating. At current price, the stock trades at 21x FY12E EPS of Rs36.4 and 17X FY13E EPS of 44.7.

### Financials

Rs mn

YE-	Net Sales	EBITDA (Core)	EBITDA (%)	APAT	EPS (Rs)	EPS % chg	RoE (%)	P/E	EV/ EBITDA	P/BV
Mar										
FY10	36,580	7,798	21.3	4,799	23.4	50.7	37.0	32.4	21.8	6.5
FY11E	45,925	9,885	21.5	6,733	32.9	40.3	39.1	23.1	16.9	7.2
FY12E	51,563	11,495	22.3	7,452	36.4	10.7	31.3	20.9	14.5	5.7
FY13E	60,618	13,581	22.4	9,159	44.7	22.9	30.4	17.0	11.9	4.5

## Key Financials - Quarterly

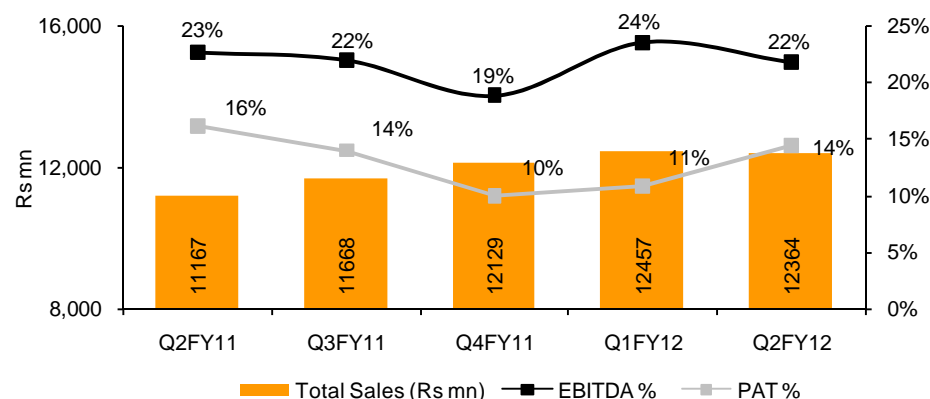
Rs mn	Q2FY11	Q3FY11	Q4FY11	Q1FY12	Q2FY12	YoY (%)	QoQ (%)	YTD12	YTD11	YoY (%)
<b>Revenue</b>	<b>11,167</b>	<b>11,668</b>	<b>12,129</b>	<b>12,457</b>	<b>12,364</b>	<b>10.7</b>	<b>(0.7)</b>	<b>24,821</b>	<b>22,505</b>	<b>10.3</b>
<b>Expenditure</b>	<b>8,638</b>	<b>9,106</b>	<b>9,851</b>	<b>9,525</b>	<b>9,673</b>	<b>12.0</b>	<b>1.6</b>	<b>19,198</b>	<b>17,003</b>	<b>12.9</b>
<i>as % of sales</i>	77%	78%	81%	76%	78%			77%	76%	
Consumption of RM	3,541	3,572	4,381	3,620	3,906	10.3	7.9	7,526	6,801	10.7
<i>as % of sales</i>	32%	31%	36%	29%	32%			30%	30%	
Employee Cost	1,365	1,421	1,952	1,615	1,803	32.1	11.7	3,418	2,667	28.2
<i>as % of sales</i>	12%	12%	16%	13%	15%			14%	12%	
Other expenditure	3,732	4,114	3,518	4,290	3,965	6.2	(7.6)	8,255	7,535	9.6
<i>as % of sales</i>	33%	35%	29%	34%	32%			33%	33%	
<b>EBITDA</b>	<b>2,529</b>	<b>2,562</b>	<b>2,278</b>	<b>2,932</b>	<b>2,691</b>	<b>6.4</b>	<b>(8.2)</b>	<b>5,623</b>	<b>5,502</b>	<b>2.2</b>
Depreciation	304	334	317	347	375	23.3	8.1	723	618	16.9
<b>EBIT</b>	<b>2,224</b>	<b>2,228</b>	<b>1,961</b>	<b>2,585</b>	<b>2,315</b>	<b>4.1</b>	<b>(10.4)</b>	<b>4,900</b>	<b>4,884</b>	<b>0.3</b>
Other Income	39	29	35	63	110	186.8	75.0	174	67	158.2
Interest	141	194	190	189	259	82.9	37.2	447	457	(2.1)
<b>PBT</b>	<b>2,121</b>	<b>2,064</b>	<b>1,806</b>	<b>2,459</b>	<b>2,167</b>	<b>2.2</b>	<b>(11.9)</b>	<b>4,626</b>	<b>4,494</b>	<b>2.9</b>
Total Tax	254	368	104	285	235	(7.4)	(17.6)	521	592	(12.0)
<b>Adjusted PAT</b>	<b>1,708</b>	<b>1,624</b>	<b>1,198</b>	<b>1,341</b>	<b>1,932</b>	<b>13.1</b>	<b>44.1</b>	<b>3,273</b>	<b>1,270</b>	<b>157.7</b>
(Profit)/loss from JV's/Ass/MI	(86)							0	-86.427	
<b>APAT after MI</b>	<b>1,795</b>	<b>1,624</b>	<b>1,198</b>	<b>1,341</b>	<b>1,767</b>	<b>(1.5)</b>	<b>31.8</b>	<b>3,108</b>	<b>1,356</b>	<b>129.2</b>
Extra ordinary items	-86	-5	662	956	-740			216	352	
<b>Reported PAT</b>	<b>1,708</b>	<b>1,619</b>	<b>1,860</b>	<b>2,297</b>	<b>1,027</b>	<b>(39.9)</b>	<b>(55.3)</b>	<b>3,324</b>	<b>1,708</b>	<b>94.5</b>
<b>AEPS</b>	<b>8.8</b>	<b>7.9</b>	<b>5.8</b>	<b>6.5</b>	<b>8.6</b>	<b>(1.5)</b>	<b>31.8</b>	<b>15.2</b>	<b>6.6</b>	<b>129.2</b>

Margins (%)						(bps)	(bps)			(bps)
EBIDTA	22.6	22.0	18.8	23.5	21.8	-88	-177	22.7	24.4	-180
EBIT	19.9	19.1	16.2	20.7	18.7	-119	-202	19.7	21.7	-196
EBT	19.0	17.7	14.9	19.7	17.5	-147	-221	18.6	20.0	-133
PAT	16.1	13.9	9.9	10.8	14.3	-178	353	12.5	6.0	650
Effective Tax rate	12.0	17.8	5.8	11.6	10.8	-112	-76	11.3	13.2	-191

## Highlights of muted revenue growth in Q1FY12

- Domestic formulation business (contributed 38%) grew by 7% to Rs4700mn due to pricing pressure in acute therapies (70% exposure) as well as lower growth in key specialty segments.
  - During the quarter company launched 20 new products in Domestic market and out of this 7 were first to launch
- Consumer business (contributed 7%) grew by 5% at net level due to overall slowdown in consumer spending and increasing competitive pressure from MNCs on key brands – Sugar Free, EverYuth and Nutralite
- EU (up 5%), Brazil (up 12%) and Japan (up 22%). Growth in RoW markets was hampered due to political turbulence
- North America Business (contributed 25%) grew by 36% to Rs3070mn led by acquisition of Neshor Pharma. Ex-Neshor, business grew by 26%.
  - The company did not launch any ANDA this quarter, 3 were launched in US in Q1FY12, ~136 cumulative ANDA filing till date. Filed 5 ANDAs this quarter (4 from Baddi plant). Cadila expects to launch 2 more ANDAs in H2FY12

## Quarterly trend



## Detail Revenue Breakup

Rs mn	Q2FY11	Q3FY11	Q4FY11	Q1FY12	Q2FY12	YoY (%)	QoQ (%)
<b>Domestic Revenues</b>	<b>5934</b>	<b>5588</b>	<b>5127</b>	<b>5946</b>	<b>6100</b>	<b>2.8</b>	<b>2.6</b>
<b>Formulation</b>	<b>4668</b>	<b>4243</b>	<b>3873</b>	<b>4574</b>	<b>4700</b>	<b>0.7</b>	<b>2.8</b>
Branded	4399	4003	3655	4356	4361	(0.9)	0.1
Generic	269	240	218	218	339	26.0	55.5
APIs	64	75	121	66	68	6.3	3.0
Consumer & Others	799	908	775	914	879	10.0	(3.8)
Animal Health & Others	403	362	358	392	453	12.4	15.6
<b>Export Revenue</b>	<b>5279</b>	<b>5883</b>	<b>6717</b>	<b>5943</b>	<b>6206</b>	<b>17.6</b>	<b>4.4</b>
<b>Formulation</b>	<b>4002</b>	<b>4608</b>	<b>4642</b>	<b>4136</b>	<b>4893</b>	<b>22.3</b>	<b>18.3</b>
USA	2258	2367	2803	2393	3070	36.0	28.3
Europe	588	880	656	769	619	5.3	(19.5)
Brazil	584	755	525	470	655	12.2	39.4
Japan	98	107	130	112	120	22.4	7.1
Others (EM's)	474	499	528	392	429	(9.5)	9.4
Nycomed JV	164	146	93	90	90	(45.1)	-
Hospira	312	366	1332	1037	660	111.5	(36.4)
APIs	801	763	650	680	563	(29.7)	(17.2)
Animal Health	0	0	0	0	84	-	-
<b>Gross Sales</b>	<b>11213</b>	<b>11471</b>	<b>11844</b>	<b>11889</b>	<b>12390</b>	<b>10.5</b>	<b>4.2</b>

**Decline in EBITDA margins by 88bps YoY and 177bps QoQ to 22% was led by**

- Increase in Employee cost by 32% (~300bps expansion)
- 23% increase in R&D expenses

**Reported PAT at Rs1bn was down 40% YoY on account of**

- Subdued operating performance
- Higher interest expenses because of increase in debt by ~Rs10bn to Rs20bn over the last 6 months. Company is looking for strategic investment in US.

During the quarter, Cadila incurred unrealized forex loss of Rs830mn. Out of this, Rs510mn was due to foreign currency loans and rest was included in other expenses. Post adjusting for forex impact, APAT declined by 2% to Rs1.77bn.

**Valuation**

We expect Cadila to report 12% revenue growth in FY12 and 18% growth in FY13. We expect EBITDA margins to move from 21.5% in FY11 to 22.4% in FY13. Earnings will grow by 17% CAGR over FY11-13E. We value the company at 17x FY13 EPS with a revised target price of Rs760 and Hold rating. At current price, the stock trades at 21x FY12E EPS of Rs36.4 and 17X FY13E EPS of 44.7.

## Cadila's – Domestic Metrics

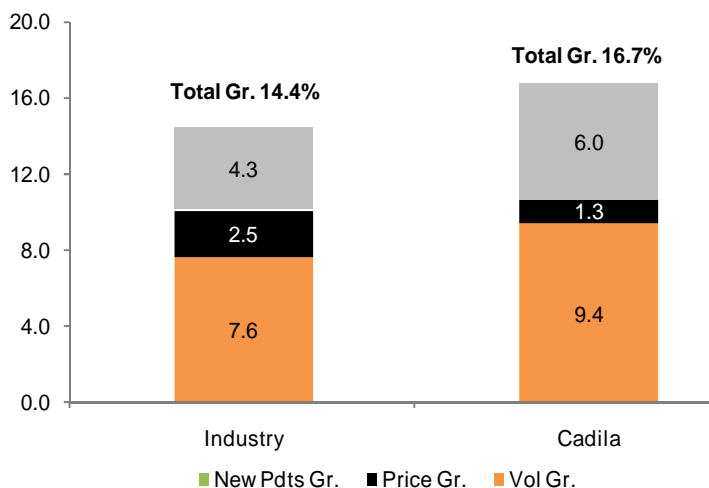
## Cadila's therapeutic growth

Therapies	FY11 % Contribution	MAT Sep'11	MAT Sep'10	YoY Gr. %
CVS	18.2%	415	345	20.3%
Gastro	18.4%	419	358	17.0%
Respiratory	9.9%	226	189	19.3%
Gynaec	14.4%	327	259	26.5%
Anti-Infectives	5.9%	134	140	-4.2%
Pain Mgmt	8.5%	193	177	8.7%
CNS	2.8%	64	59	8.2%
Dermatology	2.5%	57	39	45.8%
Anti diabetic	1.0%	23	22	3.4%
Others	18.5%	420	363	15.7%
<b>Acute</b>	<b>67.9%</b>	<b>1547</b>	<b>1330</b>	<b>16.3%</b>
<b>Chronic</b>	<b>32.1%</b>	<b>732</b>	<b>622</b>	<b>17.5%</b>
<b>Total</b>	<b>100.0%</b>	<b>2278</b>	<b>1953</b>	<b>16.7%</b>

## Sep'11 MAT growth for Cadila is 17%

- Acute segment which contributes 68% grew by 16%
- Chronic segment which contributes 32% grew by 18%

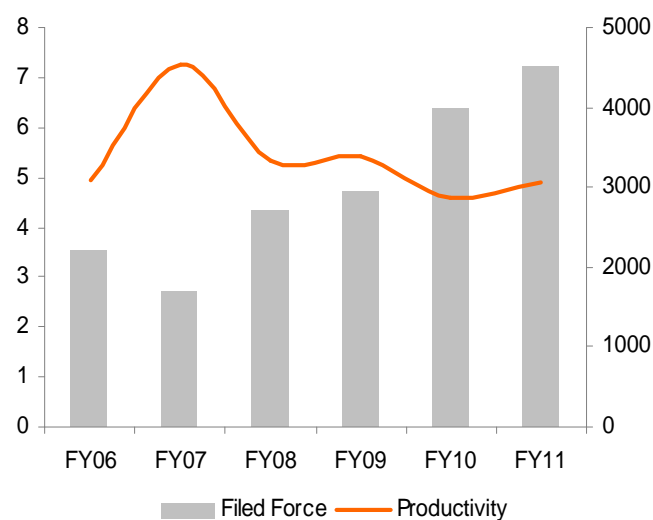
## Growth drivers - Volume/ Price/ New launches



- As per AIOCD, secondary sales for Cadila were above industry rate due to new product launches during MAT Sep'11
- Cadila launched 40 new products during H1FY12

Source: AIOCD, Emkay Research

## Field force productivity



- The company has hired ~500 people during FY11. During H1FY12, 500 MRs were added to the Bayer JV taking the total MR strength to 5000
- With increase in MR productivity, formulation sales will continue to grow above industry rates

## Top 10 brand performance

Rs Cr	Therapies	MAT Sep'11	MAT Sep'10	YoY Gr.
Aten	CNS	91.6	85.0	7.7%
Deriphyllin	Resp	75.0	68.8	9.1%
Atorva	CVS	74.8	59.6	25.5%
Pantodac	Gynaec	70.0	54.3	29.0%
Falcigo	AM	67.6	61.4	10.1%
Mifegest KIT	Gynaec	60.2	28.3	113.0%
Ocid	Gastro	55.0	58.1	-5.2%
Primolut N	Gynaec	48.7	41.2	18.3%
Amlodac	CVS	43.3	36.3	19.3%
Dulcolax	Gastro	42.5	35.8	19.0%
<b>Total</b>		<b>628.8</b>	<b>528.7</b>	<b>18.9%</b>

- Top 10 brands contribute 28% to the domestic formulation sales
- Growth in company's top brands Aten and Ocid was impacted due to increase in competitive intensity

**Financial Overview**

<b>Rs mn</b>	<b>FY11</b>	<b>Gr(%)</b>	<b>FY12E</b>	<b>Gr(%)</b>	<b>FY13E</b>	<b>Gr(%)</b>
Domestic Formulation	<b>17145</b>	<b>18.6%</b>	<b>19236</b>	<b>12.2%</b>	<b>22120</b>	<b>15.0%</b>
Consumer/OTC	<b>3355</b>	<b>25.4%</b>	<b>3758</b>	<b>12.0%</b>	<b>4434</b>	<b>18.0%</b>
Animal Health	<b>1472</b>	<b>23.6%</b>	<b>1678</b>	<b>14.0%</b>	<b>1777</b>	<b>5.9%</b>
<b>Export formulation</b>	<b>17062</b>	<b>29.5%</b>	<b>19977</b>	<b>17.1%</b>	<b>23894</b>	<b>19.6%</b>
US generics	9655	43.8%	11586	20.0%	14483	25.0%
Europe	2755	0.5%	3086	12.0%	3086	0.0%
Japan	422	33.5%	633	50.0%	886.2	40.0%
Brazil	2250	23.8%	2475	10.0%	2846	15.0%
Other emerging markets	1980	24.5%	2198	11.0%	2593	18.0%
<b>JVs</b>	<b>2708</b>	<b>69.6%</b>	<b>2628</b>	<b>-2.9%</b>	<b>3633</b>	<b>38.2%</b>
Nycomed	556	-26.6%	584	5.0%	730	25.0%
Hospira	2152	156.5%	2044	-5.0%	2453	20.0%
Abbott Alliance			0		450	
<b>API</b>	<b>3468</b>	<b>17.2%</b>	<b>3824</b>	<b>10.3%</b>	<b>4506</b>	<b>17.8%</b>
Domestic	352	9.5%	334	-5.0%	318	-5.0%
Others	3116	18.1%	3490	12.0%	4188	20.0%
<b>Total Gross Sales</b>	<b>45210</b>	<b>25.4%</b>	<b>51101</b>	<b>13.0%</b>	<b>60364</b>	<b>18.1%</b>
R&D expenses	2502	50.7%	2503	0.1%	2784	11.2%
R&D (NCE)	876	50.7%	876	0.1%	974	11.2%
Base EBITDA	<b>8680</b>	<b>24.7%</b>	<b>10483</b>	<b>20.8%</b>	<b>12522</b>	<b>19.5%</b>
<i>Base EBITDA margin</i>	19%		21%		21%	
<b>PAT</b>	<b>6830</b>	<b>42.0%</b>	<b>7452</b>	<b>9.1%</b>	<b>9159</b>	<b>22.9%</b>
<b>EPS</b>	<b>33.3</b>	<b>42.0%</b>	<b>36.4</b>	<b>9.1%</b>	<b>44.7</b>	<b>23.2%</b>
PE @ CMP	22.8		20.9		17.0	

## Financials

## Income Statement

Y/E, Mar (Rs. mn)	FY10	FY11	FY12E	FY13E
<b>Net Sales</b>	<b>36,580</b>	<b>45,925</b>	<b>51,563</b>	<b>60,618</b>
<i>Growth (%)</i>	25.0	25.5	12.3	17.6
<b>Expenditure</b>	<b>28,782</b>	<b>36,040</b>	<b>40,068</b>	<b>47,037</b>
Raw Materials	11,784	14,754	16,191	19,335
SGA	11,889	13,982	16,239	19,024
Employee Cost	3,930	6,089	6,083	6,891
Other Exp	1,179	1,215	1,554	1,787
<b>EBITDA</b>	<b>7,798</b>	<b>9,885</b>	<b>11,495</b>	<b>13,581</b>
<i>Growth (%)</i>	28.7	26.8	16.3	18.1
<b>EBITDA margin (%)</b>	<b>21.3</b>	<b>21.5</b>	<b>22.3</b>	<b>22.4</b>
Depreciation	1,339	1,269	1,478	1,620
<b>EBIT</b>	<b>6,459</b>	<b>8,616</b>	<b>10,017</b>	<b>11,961</b>
<b>EBIT margin (%)</b>	<b>17.7</b>	<b>18.8</b>	<b>19.4</b>	<b>19.7</b>
Other Income	158	131	356	569
Interest expenses	821	699	968	970
<b>PBT</b>	<b>6,039</b>	<b>8,498</b>	<b>9,405</b>	<b>11,560</b>
Tax	741	1,064	1,693	2,081
<i>Effective tax rate (%)</i>	12.3	12.5	18.0	18.0
<b>Adjusted PAT</b>	<b>4,552</b>	<b>6,482</b>	<b>7,192</b>	<b>8,839</b>
(Profit)/loss from JV's/Ass/MI	-247	-251	-260	-320
<b>Adjusted PAT after MI</b>	<b>4,799</b>	<b>6,733</b>	<b>7,452</b>	<b>9,159</b>
<i>Growth (%)</i>	50.7	40.3	10.7	22.9
<b>Net Margin (%)</b>	<b>13.1</b>	<b>14.7</b>	<b>14.5</b>	<b>15.1</b>
E/O items	243	450	0	0
<b>Reported PAT</b>	<b>5,051</b>	<b>7,183</b>	<b>7,452</b>	<b>9,159</b>
<i>Growth (%)</i>	71.7	42.2	3.7	22.9

## Cash Flow

Y/E, Mar (Rs. mn)	FY10	FY11	FY12E	FY13E
<b>PBT (Ex-Other income)</b>	5,881	8,367	9,049	10,991
Depreciation	1,339	1,269	1,478	1,620
Interest Provided	821	699	968	970
Other Non-Cash items	0	0	0	0
Chg in working cap	-403	12	-1,976	-1,503
Tax paid	-741	-1,064	-1,693	-2,081
<b>Operating Cashflow</b>	<b>6,897</b>	<b>9,283</b>	<b>7,826</b>	<b>9,997</b>
Capital expenditure	-3,478	-4,578	-4,504	-2,956
<b>Free Cash Flow</b>	<b>3,419</b>	<b>4,705</b>	<b>3,323</b>	<b>7,041</b>
Other income	158	131	356	569
Investments	42	0	0	0
<b>Investing Cashflow</b>	<b>-3,278</b>	<b>-4,447</b>	<b>-4,147</b>	<b>-2,387</b>
Equity Capital Raised	57	174	0	0
Loans Taken / (Repaid)	-1,768	68	-3,000	-3,000
Interest Paid	-821	-699	-968	-970
Dividend paid (incl tax)	-1,237	-1,539	-1,557	-1,916
Income from investments	0	0	0	0
Others	140	-202	0	0
<b>Financing Cashflow</b>	<b>-3,629</b>	<b>-2,198</b>	<b>-5,525</b>	<b>-5,887</b>
<b>Net chg in cash</b>	<b>-10</b>	<b>2,638</b>	<b>-1,846</b>	<b>1,723</b>
Opening cash position	2,517	2,507	5,145	3,299
<b>Closing cash position</b>	<b>2,507</b>	<b>5,145</b>	<b>3,299</b>	<b>5,022</b>

## Balance Sheet

Y/E, Mar (Rs. mn)	FY10	FY11	FY12E	FY13E
Equity share capital	682	1,024	1,024	1,024
Reserves & surplus	15,501	20,691	26,586	33,828
<b>Net worth</b>	<b>16,183</b>	<b>21,715</b>	<b>27,610</b>	<b>34,852</b>
<b>Minority Interest</b>	<b>392</b>	<b>669</b>	<b>929</b>	<b>1,249</b>
Secured Loans	8,066	8,052	6,052	3,552
Unsecured Loans	2,839	2,921	1,921	1,421
<b>Loan Funds</b>	<b>10,905</b>	<b>10,973</b>	<b>7,973</b>	<b>4,973</b>
Net deferred tax liability	1,142	1,128	1,128	1,128
<b>Total Liabilities</b>	<b>28,622</b>	<b>34,485</b>	<b>37,640</b>	<b>42,203</b>
Gross Block	25,578	28,320	32,828	35,784
Less: Depreciation	8,733	9,994	11,477	13,097
<b>Net block</b>	<b>16,845</b>	<b>18,326</b>	<b>21,351</b>	<b>22,688</b>
Capital work in progress	2,482	4,310	4,310	4,310
<b>Investment</b>	<b>207</b>	<b>207</b>	<b>207</b>	<b>207</b>
<b>Current Assets</b>	<b>17,749</b>	<b>22,902</b>	<b>23,607</b>	<b>28,990</b>
Inventories	7,504	7,028	8,742	10,317
Sundry debtors	4,668	6,624	7,733	9,127
Cash & bank balance	2,507	5,145	3,299	5,022
Loans & advances	3,070	4,106	3,833	4,524
Other current assets	0	0	0	0
<b>Current lia &amp; Prov</b>	<b>8,661</b>	<b>11,260</b>	<b>11,836</b>	<b>13,992</b>
Current liabilities	6,710	8,955	9,386	11,059
Provisions	1,951	2,305	2,450	2,933
<b>Net current assets</b>	<b>9,088</b>	<b>11,642</b>	<b>11,772</b>	<b>14,998</b>
Misc. exp & Def. Assets	0	0	0	0
<b>Total Assets</b>	<b>28,622</b>	<b>34,485</b>	<b>37,640</b>	<b>42,203</b>

## Key Ratios

Y/E, Mar	FY10	FY11	FY12E	FY13E
<b>Profitability (%)</b>				
EBITDA Margin	21.3	21.5	22.3	22.4
Net Margin	13.1	14.7	14.5	15.1
ROCE	25.0	28.7	29.7	32.3
ROE	37.0	39.1	31.3	30.4
RoIC	30.1	37.4	38.2	39.7
<b>Per Share Data (Rs)</b>				
EPS	23.4	32.9	36.4	44.7
CEPS	30.0	39.1	43.6	52.6
BVPS	79.6	106.1	134.9	170.2
DPS	5.0	6.5	6.5	8.0
<b>Valuations (x)</b>				
PER	32.4	23.1	20.9	17.0
P/CEPS	25.3	19.4	17.4	14.4
P/BV	6.5	7.2	5.7	4.5
EV / Sales	5.1	4.1	3.6	2.9
EV / EBITDA	21.8	16.9	14.5	11.9
Dividend Yield (%)	1.0	0.8	0.8	1.0
<b>Gearing Ratio (x)</b>				
Net Debt/ Equity	0.5	0.3	0.2	0.0
Net Debt/EBIDTA	1.1	0.6	0.4	0.0
Working Cap Cycle (days)	85	70	77	78

**Recommendation History: Cadila Healthcare – CDH IN**

Date	Reports	Reco	CMP	Target
19/07/2011	<a href="#">Cadila Healthcare Q1FY12 Result Update</a>	Accumulate	952	1,021
06/05/2011	<a href="#">Cadila Healthcare Q4FY11 Result Update</a>	Accumulate	850	929
19/01/2011	<a href="#">Cadila Healthcare Q3FY11 Result Update</a>	Accumulate	766	847
20/10/2010	<a href="#">Cadila Healthcare Q2FY11 Result Update</a>	Accumulate	680	720

**Recent Research Reports**

Date	Reports	Reco	CMP	Target
09/11/2011	<a href="#">Lupin Q2FY12 Result Update</a>	Accumulate	475	501
09/11/2011	<a href="#">Ranbaxy Labs Q3CY11 Result Update</a>	Hold	475	513
09/11/2011	<a href="#">Glenmark Pharma Q2FY12 Result Update</a>	Buy	319	401
08/11/2011	<a href="#">Aurobindo Pharma Q2FY12 Result Update</a>	Accumulate	123	136

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