



# Dr. Reddy's Laboratories

BSE SENSEX 18,502  
S&P CNX 5,567

CMP: INR1,567

Under Review

Bloomberg DRRD IN  
Equity Shares (m) 168.4  
52-Week Range (INR) 1,855/1,305  
1,6,12 Rel. Perf. (%) -2/-3/6  
M.Cap. (INR b) 263.9  
M.Cap. (USD b) 5.9

YEAR	NET SALES	PAT	EPS	EPS	P/E	Adj P/E	P/BV	ROE	ROCE	EY/	EY/
END	(RS M)	(RS M)	(RS)	GR. (%)	(X)	(X)	(X)	(%)	(%)	SALES	EBITDA
03/10A	68,179	334	2.0		790.8	777.2	6.2	2.5	2.6	3.8	18.9
03/11A	74,693	11,099	65.6		23.9	23.5	5.8	24.1	16.7	3.8	18.0
03/12E	81,754	11,615	68.6	7.8	22.8	22.4	5.1	22.5	15.4	3.5	18.4
03/12E*	84,828	14,406	85.5	30.4	18.3	18.0					
03/13E	90,323	13,725	81.1	18.2	19.3	19.0	4.5	23.5	17.0	3.1	15.6

\* Includes one-off upsides. Adj P/E for core est is adjusted for DCF value of bonus debentures

- Dr Reddy's Laboratories (DRRD) reported in-line results for 1QFY12. Revenue (including one-off upsides) grew 17.5% YoY to INR19.78b and reported PAT (including one-offs) was up 25.3% YoY to INR2.63b. We estimate one-off/low-competition opportunities to have contributed ~INR942m to revenue and INR357m to PAT. Excluding these, we estimate core sales at INR18.8b, up 17.4% (we had forecast INR19b) and core PAT at INR2.27b (we had forecast INR2.1b).
- Topline growth was driven by the generics segment, which reported 33.1% YoY growth to INR6.7b. Revenue from US geography was the key growth driver, growing 54.3% YoY to INR4.8b. The branded formulations business reported muted growth of 11% YoY to INR6.75b, largely due to subdued 5.7% YoY growth in India formulations business. PSAI business also reported muted growth of 7.4% YoY to INR4.8b.
- Reported EBITDA grew 12.3% YoY to INR3.83b while EBITDA excluding one-offs grew 11.5% YoY to INR3.33b (v/s our estimate of INR3.52b); core EBITDA margins was 17.7% (v/s our estimate of 18.5%).
- Reported PAT grew 25.3% YoY to INR2.63b. Adjusted PAT (excluding one-offs in US) grew 48% YoY to INR2.27b (v/s our estimate of INR2.1b), primarily boosted by higher other income and lower effective tax rate at 4.4%.

Traction in the branded formulations and US businesses will be the key growth drivers for DRRD over the next two years. We estimate core EPS of INR68.6 for FY12 and INR81.1 for FY13, adjusting for the interest cost of the bonus debentures and factoring in the impact of DEPB withdrawal. Our core estimates exclude upsides from patent challenges / low-competition opportunities in the US (we estimate one-time PAT contribution of INR5.4b from such opportunities for FY12). The stock trades at 22.4x FY12E and 19x FY13E core earnings. We believe that while current valuations are supported by large potential one-time opportunities in the US, they do not fully discount the slowdown in DRRD's core business. Our recommendation is currently "Under Review".

## Quarterly Performance - IFRS

Y/E March	(INR Million)									
	FY11				FY12				FY11	FY12E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
<b>Gross Sales</b>	<b>16,831</b>	<b>18,704</b>	<b>18,985</b>	<b>20,173</b>	<b>19,783</b>	<b>19,734</b>	<b>20,678</b>	<b>21,559</b>	<b>74,693</b>	<b>81,754</b>
YoY Change (%)	-7.5	1.8	9.8	22.8	17.5	5.5	8.9	6.9	6.3	9.5
Total Expenditure	13,416	14,692	15,184	15,781	15,948	16,182	16,852	17,402	59,073	66,384
<b>EBITDA</b>	<b>3,415</b>	<b>4,012</b>	<b>3,801</b>	<b>4,392</b>	<b>3,835</b>	<b>3,552</b>	<b>3,825</b>	<b>4,157</b>	<b>15,620</b>	<b>15,370</b>
Margins (%)	20.3	21.4	20.0	21.8	19.4	18.0	18.5	19.3	20.9	18.8
Amortization	976	1,005	1,065	1,061	1,233	1,116	1,139	1,067	4,107	4,555
Other Income	14	186	149	580	144	-100	-94	-105	929	-154
<b>Profit before Tax</b>	<b>2,453</b>	<b>3,193</b>	<b>2,885</b>	<b>3,911</b>	<b>2,746</b>	<b>2,337</b>	<b>2,593</b>	<b>2,985</b>	<b>12,442</b>	<b>10,660</b>
Tax	357	327	152	567	120	421	493	672	1,403	1,706
Rate (%)	14.6	10.2	5.3	14.5	4.4	18.0	19.0	22.5	11.3	16.0
<b>Reported PAT</b>	<b>2,096</b>	<b>2,866</b>	<b>2,733</b>	<b>3,344</b>	<b>2,626</b>	<b>1,916</b>	<b>2,100</b>	<b>2,312</b>	<b>11,039</b>	<b>8,954</b>
<b>Net Profit</b>	<b>2,096</b>	<b>2,866</b>	<b>2,733</b>	<b>3,344</b>	<b>2,626</b>	<b>2,376</b>	<b>4,312</b>	<b>4,704</b>	<b>11,039</b>	<b>14,018</b>
One-off/low-competition PAT in US	563	410	348	937	357	460	2,212	2,392	2,258	5,421
<b>Adjusted PAT</b>	<b>1,533</b>	<b>2,456</b>	<b>2,385</b>	<b>2,130</b>	<b>2,269</b>	<b>1,916</b>	<b>2,100</b>	<b>2,312</b>	<b>8,504</b>	<b>8,597</b>
YoY Change (%)	-10.4	13.0		27.8	48.0	-22.0	-11.9	8.6	2,448.5	1.1
Margins (%)	9.1	13.1	12.6	10.6	11.5	9.7	10.2	10.7	11.4	10.5

Note-Estimates do not include one-off upsides.

## Overall revenue impacted by PSAI, and Germany/India formulations business

- Revenue (including one-off upsides) grew 17.5% YoY to INR19.78b and reported PAT (including one-offs) was up 25.3% YoY to INR2.63b. We estimate one-off/low-competition opportunities to have contributed ~INR942m to revenue and INR357m to PAT. Excluding these, we estimate core sales at INR18.8b, up 17.4% (we had forecast INR19b) and core PAT at INR2.27b (we had forecast INR2.1b).
- Topline growth was driven by the generics segment, which reported 33.1% YoY growth to INR6.7b. Revenue from US geography was the key growth driver, growing 54.3% YoY to INR4.8b on the back of new launches, acquisition of GSK's penicillin facility and market share gains in some existing products. Revenue from Europe declined 1% YoY to INR1.9b, primarily due to 9% YoY decline in revenue from Germany.
- The branded formulations business reported muted growth of 11% YoY to INR6.75b, largely due to subdued 5.7% YoY growth in India formulations business. Revenue from Russia and CIS grew 18% YoY to INR3b, driven mainly by volume growth in key brands. PSAI business also reported muted growth of 7.4% YoY to INR4.8b, impacted by decline in pharmaceutical services business.

### Sales mix & EBITDA trend (INR m)

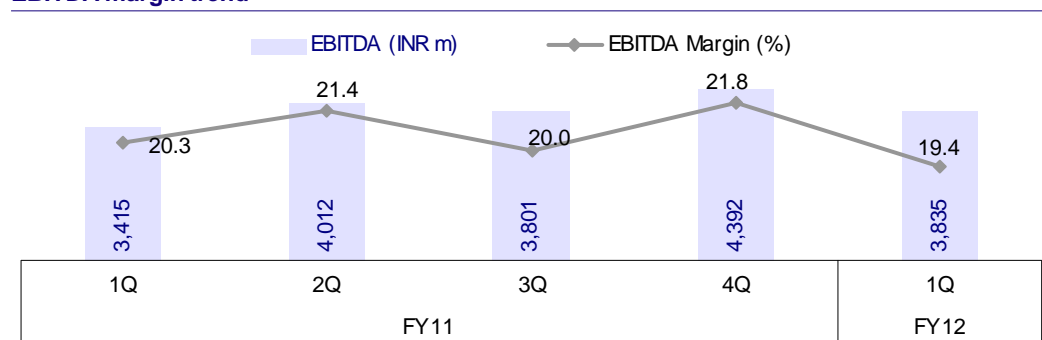
	1QFY12	1QFY11	% Chg	4QFY11	% Chg
<b>PSAI</b>	<b>4,832</b>	<b>4,499</b>	<b>7.4</b>	<b>5,553</b>	<b>-13.0</b>
India	662	633	4.7	711	-7.0
International	4,170	3,866	7.8	4,841	-13.9
<b>Branded Formulations</b>	<b>6,751</b>	<b>6,084</b>	<b>11.0</b>	<b>6,243</b>	<b>8.1</b>
India	2,936	2,778	5.7	2,745	7.0
International	3,815	3,306	15.4	3,498	9.1
<b>Generics</b>	<b>7,673</b>	<b>5,834</b>	<b>31.5</b>	<b>7,923</b>	<b>-3.2</b>
North America	5,756	3,897	47.7	5,918	-2.7
Europe	1,917	1,937	-1.0	2,005	-4.4
Others	528	415	27.4	453	16.4
<b>Total Revenues</b>	<b>19,784</b>	<b>16,831</b>	<b>17.5</b>	<b>20,173</b>	<b>-1.9</b>

Source: Company/MOSL

### Core EBITDA at INR3.33b, in line with our estimate

Reported EBITDA grew 12.3% YoY to INR3.83b while EBITDA excluding one-offs grew 11.5% YoY to INR3.33b (v/s our estimate of INR3.52b); core EBITDA margins was 17.7% (v/s our estimate of 18.5%). Reported PAT grew 25.3% YoY to INR2.63b. Adjusted PAT (excluding one-offs in US) grew 48% YoY to INR2.27b (v/s our estimate of INR2.1b), primarily boosted by higher other income and lower effective tax rate at 4.4%.

### EBITDA margin trend



Source: Company/MOSL

**Key concall highlights**

- The management has not given any guidance for FY12 but has indicated that 2HFY12 performance will be better than 1HFY12, led by the launch of generic Zyprexa, ramp-up in Fondaparinux supplies and expected improvement in the India formulations portfolio.
- FY12 growth will be driven mainly by US generics - management has an aggressive target of launching 15-20 products in the US in FY12 (9 products launched in 1QFY12), including some patent challenge / low-competition products. We estimate that such opportunities will contribute one-time PAT of INR5.4b for FY12.
- Fondaparinux: We expect a phased ramp-up in Fondaparinux supplies to the US given the complex nature of the product.
- The management has guided that while the emerging market formulations business should sustain its growth momentum, the India formulations business should show improved performance from 2HFY12 (1QFY12 growth was just 6%).
- Pricing pressure will continue in the tender-based German market.
- Capex plan for FY12 is INR8.8b. The management has guided tax rate of 16% for FY12.

**Status of low competition / patent challenge opportunities in the US**

The management has been guiding launch of at least one patent challenge / low-competition product in the US every year for the next few years. Overall, DRRD has a pipeline of 11 FTFs, targeting innovator market size of USD8b-9b. A combination of scale-up in existing patent challenge / low-competition products coupled with newer opportunities will help the company to achieve its revenue guidance of USD1b by FY13 in the US market.

**DRL US portfolio - one-time PAT contribution (INR m)**

Product	Launch Status	FY12E	FY13E
Generic Arixtra	Launched in Jul-2011	310	1,122
Generic Accolate	Launched	366	358
Generic Zyprexa	Likely launch on 23-Oct-2011	3,503	-
Generic Prevacid	Launched on 15-Oct-2010	1,063	-
Generic Exelon	Expected in August 2012	-	60
Generic Clarinex	Expected in January 2012	101	124
Generic Geodon	Expected in Mar 2012	79	385
Generic Lipitor	Expected in May 2012	-	229
<b>Total</b>		<b>5,421</b>	<b>2,277</b>

Source: Company/MOSL

**Fondaparinux - phased scale-up and launch to delay upsides into FY13**

- DRRD recently received the final US FDA approval for Fondaparinux (GSK's USD340m Arixtra brand). It has sourced the technology for this product from Alchemia and the two partners have a profit sharing agreement in the ratio 60:40, favoring Alchemia. However, DRRD will be allowed to recoup its cost of developing/filing for the product before the profit sharing.
- Fondaparinux is a highly complex product and production scale-up will be a bit challenging for DRRD in the initial months. Hence, it is planning to supply its generic version to select wholesalers and retailers to begin with and subsequently ramp-up its market share.

- We believe that the initial scale-up challenges will lead to lower market share for DRRD in FY12, delaying the major upside from this product into FY13. Based on our estimates and assuming an AzG launch by GSK, we expect DRRD to earn a PAT of INR310m in FY12 and INR1.1b in FY13 from this opportunity, translating into one-time EPS of INR1.8 for FY12 and INR6.7 for FY13.

#### DRRD - Fondaparinux Upsides

Year	With AzG		Without AzG	
	FY12E	FY13E	FY12E	FY13E
Innovator Sales (USDm)	340	340	340	340
Sales period (mths)	9	12	9	12
Price discount (%)	40	40	25	25
Potential Mkt for DRL	153	204	191	255
No. of players in mkt	2	2	1	1
DRRD Mkt Share (%)	25	50	35	65
DRRD Sales (USDm)	38	102	67	166
Assumed exchange rate (INR/USD)	45.0	44.0	45.0	44.0
DRRD Sales (INR m)	1,721	4,488	3,012	7,293
PAT Margin (%)	18	25	22	30
PAT (INR m)	310	1,122	663	2,188
EPS (INR/sh)	1.8	6.7	3.9	13.0

Source: Company/MOSL

#### India formulations business yet to ramp-up

DRRD's India formulations business continues to face growth challenges mainly due to:

- Increasing competitive intensity in some of its key therapeutic segments
- Delay in improving the sales force productivity - DRRD added ~500 MRs in FY11 which are yet to contribute to revenues in a meaningful manner

We expect DRRD's India formulations business to record 14-15% CAGR for FY11-13, in line with the average market growth.

#### Branded formulations exports to sustain double-digit growth; potential change in regulations is a key risk

We expect DRRD to sustain 16-17% revenue CAGR for this business led by:

- Expanding presence in the Russian OTC market coupled with additional growth drivers like in-licensed products
- Gradual ramp-up in biogenerics portfolio in emerging markets

However, the Russian market (a key contributor for DRRD's emerging markets business) is gradually transitioning from an out-of-pocket market to the model of centralized reimbursement, with the Russian government expected to play a key role in regulating both access and prices of essential medicines. This, we believe, is a key long-term risk for DRRD, given that this is one of the most profitable markets for the company.

### Import alert for Mexico facility to temper core performance

- DRRD's Mexico facility recently received a warning letter and subsequently an import alert from the US FDA. This is the fallout of the US FDA inspection done in November 2010 wherein it issued 12 observations. Of these, DRRD was able to resolve 8. However, the US FDA has issued a warning letter for the remaining four deviations.
- The warning letter has identified the following cGMP lapses at this facility: non-validation of analytical methods to test APIs, incomplete cleaning validation for some manufacturing equipment, out-of-specification investigations data did not include analysis of all available data, and lack of responsibility of the quality unit to ensure API manufactured were in compliance with GMP.
- This facility generates annual revenue of ~USD65m, of which ~USD30m is from Naproxen, which is not included in the import alert. DRRD can continue to supply this product to its customers. Supply of remaining products (contributing ~USD35m in revenue) will have to be suspended till the import alert is resolved. These are low-margin products for DRRD, with gross margins of 25-30%, implying EBITDA hit of USD8m-10m on annual basis. Our estimates factor in the impact of this development for DRRD.

### Valuation and view

Traction in the branded formulations and US businesses will be the key growth drivers for DRRD over the next two years. We estimate core EPS of INR68.6 for FY12 and INR81.1 for FY13, adjusting for the interest cost of the bonus debentures and factoring in the impact of DEPB withdrawal. Our core estimates exclude upsides from patent challenges / low-competition opportunities in the US (we estimate one-time PAT contribution of INR5.4b from such opportunities for FY12). The stock trades at 22.4x FY12E and 19x FY13E core earnings. We believe that while current valuations are supported by large potential one-time opportunities in the US, they do not fully discount the slowdown in DRRD's core business. Our recommendation is currently "**Under Review**".

## Dr. Reddy's Laboratories: an investment profile

### Company description

Dr Reddy's Laboratories (DRRD) is a vertically integrated company with presence across the pharmaceutical value chain through its core businesses of Global Generics, Pharmaceutical Services & Active Ingredients (PSAI), and Proprietary Products. The company is currently developing bio-generics and NCEs. Key focus markets include India, US, Europe and Russia.

### Key investment arguments

- The company is targeting to improve profitability over the next two years, led by strategic prioritization in generic markets, contribution from low-competition opportunities in the US, restructuring of German operations, ramp-up in the biologics business and double-digit growth in emerging markets.
- DRRD targets revenue of USD3b by FY13 (implied CAGR of 35% for FY11-13) and RoCE of 25%.
- We expect core revenue and earnings CAGR of 15% and 11.2%, respectively over FY11-13.

### Key investment risks

- The US FDA has, of late, become very stringent in evaluating cGMP compliance and has issued warning letters to many leading Indian players. DRRD has also received 'Import Alert' for its Mexico API facility. Any further slippages could impact its US supplies.
- Higher than expected currency appreciation could adversely impact future earnings.

### Recent developments

- Launch of generic Lansoprazole and Zafirlukast, which are low competition opportunities, for the US market

### Valuation and view

- We expect core EPS CAGR of 11.2% over FY11-13.
- The stock trades at 22.4x FY12E and 19x FY13E core earnings adjusted for DCF value of FTFs and the proposed bonus debentures.

### Sector view

- Emerging markets coupled with Para-IV upsides would remain the key sales and profit drivers in the medium term.
- We are Overweight on companies that have a differentiated business model for the US market.

### Comparative valuations

		DRL	Cipla	Ranbaxy
P/E (x)	FY12E	22.8	21.4	33.2
	FY13E	19.3	18.4	26.8
P/BV (x)	FY12E	5.1	3.4	3.2
	FY13E	4.5	2.9	2.9
EV/Sales (x)	FY12E	3.5	3.7	2.8
	FY13E	3.1	3.1	2.5
EV/EBITDA (x)	FY12E	18.4	15.8	21.1
	FY13E	15.6	13.5	18.8

### Shareholding pattern (%)

	Jun-11	Mar-11	Jun-10
Promoter	25.6	25.7	25.7
Domestic Inst	14.7	14.0	16.2
Foreign	45.4	46.3	46.0
Others	14.3	14.1	12.1

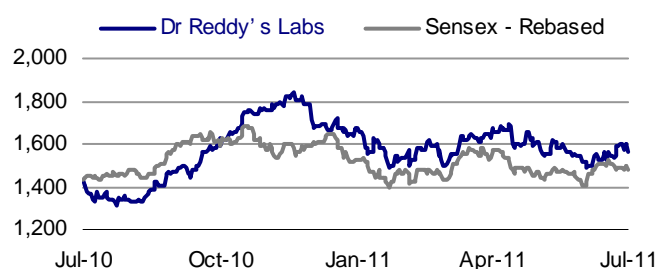
### EPS: MOSL forecast v/s consensus (INR)

	MOSL Forecast	Consensus Forecast	Variation (%)
FY12	68.6	80.9	-15.2
FY13	81.1	92.7	-12.5

### Target Price and Recommendation

Current Price (INR)	Target Price (INR)	Upside (%)	Reco.
1,567	-	-	Under Review

### Stock performance (1 year)



## Financials and Valuation

Income Statement		(INR Million)				
Y/E March	2009	2010	2011	2012E	2013E	
<b>Net Sales</b>	<b>69,441</b>	<b>70,277</b>	<b>74,693</b>	<b>81,754</b>	<b>90,323</b>	
Change (%)	38.9	1.2	6.3	9.5	10.5	
Other Income	-94	617	1,115	493	549	
Total Expenditure	54,327	56,075	59,073	66,384	72,259	
<b>EBITDA</b>	<b>15,114</b>	<b>14,202</b>	<b>15,620</b>	<b>15,370</b>	<b>18,065</b>	
Margin (%)	21.8	20.2	20.9	18.8	20.0	
Depreciation & Amortization	17,694	12,763	4,107	4,555	4,845	
<b>EBIT</b>	<b>-2,580</b>	<b>1,439</b>	<b>11,513</b>	<b>10,814</b>	<b>13,220</b>	
Net Interest Exp	688	75	132	806	712	
Forex (Gains)/Losses	634	-72	57	-158	0	
<b>PBT &amp; EO Expense</b>	<b>-3,996</b>	<b>2,053</b>	<b>12,439</b>	<b>10,659</b>	<b>13,057</b>	
Change (%)	-216.2	-151.4	505.9	-14.3	22.5	
<b>PBT after EO Expense</b>	<b>-3,996</b>	<b>2,053</b>	<b>12,439</b>	<b>10,659</b>	<b>13,057</b>	
Tax	1,173	985	1,403	1,706	2,089	
Tax Rate (%)	-29.4	48.0	11.3	16.0	16.0	
<b>Reported PAT</b>	<b>-5,169</b>	<b>1,068</b>	<b>11,036</b>	<b>8,953</b>	<b>10,968</b>	
<b>PAT adj for EO Items</b>	<b>-5,169</b>	<b>1,068</b>	<b>11,036</b>	<b>8,953</b>	<b>10,968</b>	
<b>Adjusted Net Profit</b>	<b>-5,169</b>	<b>1,068</b>	<b>11,099</b>	<b>11,615</b>	<b>13,725</b>	
Change (%)	-210.7	-120.7	939.2	4.6	18.2	
Margin (%)	-7.4	1.5	14.9	14.2	15.2	

Balance Sheet		(INR Million)				
Y/E March	2009	2010	2011	2012E	2013E	
Equity Share Capital *	842	844	846	846	846	
Reserves	41,203	42,071	45,144	50,712	57,679	
<b>Net Worth</b>	<b>42,045</b>	<b>42,915</b>	<b>45,990</b>	<b>51,558</b>	<b>58,525</b>	
Loans	19,701	14,695	23,572	23,572	23,572	
Deferred Liabilities/Tax	3,411	1,438	87	87	87	
<b>Capital Employed</b>	<b>65,157</b>	<b>59,048</b>	<b>69,649</b>	<b>75,217</b>	<b>82,184</b>	
<b>Net Fixed Assets</b>	<b>21,144</b>	<b>22,769</b>	<b>29,955</b>	<b>38,755</b>	<b>43,155</b>	
Investments	730	3,843	309	-1,191	-1,191	
Goodwill/Intangible Assets	22,179	13,973	15,246	15,246	15,246	
<b>Curr. Assets</b>	<b>38,480</b>	<b>38,463</b>	<b>47,560</b>	<b>42,028</b>	<b>45,748</b>	
Inventory	13,226	13,371	16,059	15,533	16,258	
Account Receivables	14,592	11,960	17,615	14,716	15,355	
Cash and Bank Balance	5,596	6,584	5,729	5,647	7,361	
Others	5,066	6,548	8,157	6,132	6,774	
<b>Curr. Liability &amp; Prov.</b>	<b>17,376</b>	<b>20,000</b>	<b>23,421</b>	<b>19,621</b>	<b>20,774</b>	
Account Payables	5,987	9,322	8,480	8,993	9,936	
Other Current Liabilities	11,389	10,678	14,941	10,628	10,839	
<b>Net Current Assets</b>	<b>21,104</b>	<b>18,463</b>	<b>24,139</b>	<b>22,407</b>	<b>24,974</b>	
<b>Appl. of Funds</b>	<b>65,157</b>	<b>59,048</b>	<b>69,649</b>	<b>75,217</b>	<b>82,184</b>	

\* IFRS reporting from FY09 onwards. Financials prior to FY09 are as per US GAAP  
E: MOSL Estimates

Ratios						
Y/E March	2009	2010	2011	2012E	2013E	
<b>Basic (Rs)</b>						
<b>EPS</b>	<b>-30.7</b>	<b>6.3</b>	<b>65.6</b>	<b>68.6</b>	<b>81.1</b>	
Cash EPS	74.4	81.9	89.9	95.6	109.7	
BV/Share	249.7	254.2	271.8	304.7	345.9	
DPS	3.1	0.8	8.2	8.6	10.1	
Payout (%)	0.0	28.2	29.2	29.2	29.2	
<b>Valuation (x)</b>						
P/E	-51.1	247.7	23.9	22.8	19.3	
Cash P/E	21.1	19.1	17.4	16.4	14.3	
P/BV	6.3	6.2	5.8	5.1	4.5	
EV/Sales	4.0	3.8	3.8	3.5	3.1	
EV/EBITDA	18.3	18.9	18.0	18.4	15.6	
Dividend Yield (%)	0.2	0.0	0.5	0.5	0.6	
<b>Return Ratios (%)</b>						
RoE	-12.3	2.5	24.1	22.5	23.5	
RoCE	-2.9	2.6	16.7	15.4	17.0	
<b>Working Capital Ratios</b>						
Fixed Asset Turnover (x)	3.6	3.2	2.8	2.4	2.2	
Debtor (Days)	77	62	86	66	62	
Inventory (Days)	70	69	78	69	66	
Working Capital (Days)	82	62	90	75	71	
<b>Leverage Ratio</b>						
Current Ratio (x)	2.2	1.9	2.0	2.1	2.2	
Debt/Equity (x)	0.5	0.3	0.5	0.5	0.4	

Cash Flow Statement		(INR Million)				
Y/E March	2009	2010	2011	2012E	2013E	
Op. Profit/(Loss) before Tax	15,114	14,202	15,620	15,370	18,065	
Interest/Dividends Recd.	-1,416	614	926	-155	-163	
Direct Taxes Paid	-1,173	-985	-1,403	-1,706	-2,089	
(Inc)/Dec in W/C	-6,817	3,629	-6,531	1,650	-853	
<b>CF from Operations</b>	<b>5,708</b>	<b>17,460</b>	<b>8,612</b>	<b>15,159</b>	<b>14,959</b>	
<b>CF from Operating inc</b>	<b>5,708</b>	<b>17,460</b>	<b>8,612</b>	<b>15,159</b>	<b>14,959</b>	
(Inc)/dec in FA	-10,436	-6,182	-12,566	-13,355	-9,245	
(Pur)/Sale of Investments	4,263	-3,113	3,534	1,500	0	
<b>CF from Investments</b>	<b>-6,173</b>	<b>-9,295</b>	<b>-9,032</b>	<b>-11,855</b>	<b>-9,245</b>	
Change in networth	0	103	-4,726	0	0	
(Inc)/Dec in Debt	159	-5,006	8,877	0	0	
Other Items	-265	-1,973	0	0	0	
Dividend Paid	-1,232	-301	-3,235	-3,386	-4,001	
<b>CF from Fin. Activity</b>	<b>-1,338</b>	<b>-7,177</b>	<b>916</b>	<b>-3,386</b>	<b>-4,001</b>	
<b>Inc/Dec of Cash</b>	<b>-1,802</b>	<b>988</b>	<b>496</b>	<b>-82</b>	<b>1,713</b>	
Add: Beginning Balance	7,398	5,596	6,584	5,729	5,647	
<b>Closing Balance</b>	<b>5,596</b>	<b>6,584</b>	<b>7,080</b>	<b>5,647</b>	<b>7,360</b>	

Note: Reported cashflow differs due to acquisitions & change to IFRS reporting from FY09 onwards

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## Motilal Oswal Securities Ltd

3rd Floor, Hoechst House, Nariman Point, Mumbai 400 021

Phone: (91-22) 39825500 Fax: (91-22) 22885038. E-mail: reports@motilaloswal.com