Zydus Cadila Q1 Net profit up by 60%

Ahmedabad, 27th July 2010

For the first quarter ended June 30, 2010, Zydus Cadila reported a total income of Rs. 1137 crore, up by 25% from Rs. 908 crore in the corresponding quarter of the previous year on a consolidated basis. The net profit is up by 60% to Rs. 199 crore from Rs. 125 crore in the first quarter of 2009-10.

Continuing its robust performance in the U.S., the group posted sales of Rs. 223 crores, up by 51% y-y. The group also announced the first day launch of Anasterazole Tablets, Tamsulosin Caps and Famotidine Suspension in the US market. API exports registered a growth of 75%.

India formulations business posted healthy growth of 17% with the launch of 30 new products, including line extensions, of which 8 were for the first time in India.

During the quarter, Zydus Cadila launched India's first H1N1 vaccine – VaxiFlu-S. The launch marked the group's strategic intent to emerge as a leading player in the vaccine market. The group is setting up a new Vaccine Technology Centre to develop a broad spectrum of vaccines against viral, bacterial and protozoal infections. The vaccine is being marketed by Zydus Vaxxicare. During the quarter, the group also launched new speciality divisions – Zydus Heptiza and Gynova to focus on hepatitis related therapies and gynaecology related therapies.

Zydus Wellness Ltd (ZWL), the subsidiary of Zydus Cadila, posted 36% growth in sales and 52% growth in Net Profit y-y. During the quarter, ZWL launched 'Sugar Free TeaLite', a unique concept which offers the goodness of tea minus the calories. ZWL also launched flavoured sachets of Sugar Free and a range of hand sanitisers.

In yet another significant development, Zydus Cadila entered into a strategic pact with Abbott to license 24 branded generics in 15 key emerging markets. The deal allows the group to leverage its considerable IP strengths and opens up a new avenue for revenue generation.

In a major breakthrough, the group has designed and developed ZYOG1, a novel, oral, anti-diabetic molecule, using a unique platform technology. During the quarter, the group received approvals from the DCGI to conduct Phase I clinical trials on this novel GLP-1 agonist.

Further strengthening its regulatory pipeline, the group filed 7 ANDAs, taking the cumulative number of US ANDA filings to 113. The total number of ANDA approvals now stands at 56. The group also filed 2 DMFs with USFDA, taking cumulative filings to 92 DMFs. During the quarter, the group also received 8 new product approvals for the European market, taking the cumulative approvals to 42 approvals.

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