

A STUDY ON PROFITABILITY OF DR. REDDY'S LABORATORIES LTD. AND CIPLA LTD -YEAR 2010-11 TO 2014-15

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ABSTRACT

The main objective of establishing a business concern is to earn profits. Profit is the prime motivating force of an economic activity. Earning profits should be regular and continuous, it not a one time show. Profits are not mere compensation for capital but are also a source of expansion and growth. The ability to earn profit is known as profitability. Profitability is the ability to sustain in the market, grow with the market and also give returns to the investors.

This research paper is based on comparison of two companies namely, Dr. Reddy's Laboratories Ltd. and Cipla Ltd. With nail-biting competition in the pharmaceuticals industry, the two giants Cipla and Dr. Reddy's Laboratories has overcome various hurdles to reach what they are today.. Both these companies are Indian Multinational Corporations, having manufacturing units all across the globe. Even though Dr. Reddy's Laboratories is a new company as compared to 80 years old Cipla Ltd. the competition is intense between the two which led to curiosity in the researchers as to which of the two is better in terms of profitability.

KEY WORDS: Profit, Profitability, Dr. Reddy's Laboratories Ltd., Cipla Ltd.

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