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Biocon net profit grows 72%

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Biocon has posted a 72 per cent increase in net profit to ₹206.3 crore during the quarter ended June 30, 2019, compared to ₹119.7 crore registered during the same period of last year. The total income on a consolidated basis grew 25 per cent to ₹1,490 crore during the quarter from ₹1,192.6 crore a year ago, backed by the performance in biologics and small molecules business.

Net profit, excluding exceptional item, stood at ₹223 crore reporting growth of 86 per cent and it was impacted due to an exceptional item on account of tax on group entities

restructuring, said the company.

The Small Molecules business reported a revenue growth of 20 per cent for the quarter at ₹480 crore, led by sales of its key Active Pharmaceutical Ingredients (API) and a multifold of its Generic Formulations business.

Revenue from the Research Services business this quarter stood at ₹421 crore driven by Discovery Services and Dedicated R&D Centre businesses. Syngene, the research services company, is setting up a new research centre in Hyderabad to support its long term growth strategy.

“Our long-term investments in biosimilars are delivering expected results as demonstrated by the 96 per

cent growth in our Biologics revenue at ₹490 crore this quarter, led by the expansion of our geographical footprint and increased penetration of our products in key developed and emerging market,” said Kiran Mazumdar-Shaw, chairperson and managing director, Biocon.

However, the Branded Formulations business, which includes sales in India and UAE, reported a decline of 9 per cent at ₹133 crore, as uncertainty in the UAE market continued to weigh down the overall performance of this segment. The company's business in UAE continued to be impacted due to re-pricing of branded generic products mandated by the Ministry of Health, it said.