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Biocon Q3 PBT up 9%

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Biotechnology major Biocon on Thursday posted a profit before tax (PBT) of ₹315 crore for the third quarter ended December 31, a muted rise of 9 per cent when compared with the corresponding period of the previous financial year.

The net profit for the period declined 7 per cent to ₹203 crore on YoY basis. Excluding the exceptional item, profit grew 6 per cent. Net R&D expenses at ₹131 crore, which were up by 71 per cent YoY, too, pulled down the profit.

“We witnessed a strong revenue growth of 14 per cent to ₹1,784 crore in Q3FY20, led by biologics, small molecules and research services businesses. We continued our journey of increasing access to high quality biosimilars and commercialised our biosimilar Trastuzumab in the US, Canada and many EU markets this quarter,” said Kiran Mazumdar-Shaw, chairperson and managing director, Biocon. The consolidated Ebitda margin stood at 27 per cent in Q3FY20.

The company’s biologics segment reported a strong revenue growth of 31 per cent at ₹588 crore for the period, led by higher traction in sales of key biosimilars in developed and emerging markets. Private equity fund True North, had earlier this month, acquired 2.44 per cent stake in the biologics arm for around \$75 million.

“We plan to raise more capital at an opportune time in the near future,” said Shaw.

Taking forward its commitment to provide insulin at ₹7, Biocon Biologics CEO Christiane Hamacher said the subsidiary had started engaging with diverse stakeholders in several low- and middle-income countries.

While the small molecules business reported a revenue growth of 16 per cent for the quarter at ₹544 crore, revenue from the branded formulations segment saw a decline of 26 per cent at ₹157 crore. The company’s state-of-the-art drug substance facility for monoclonal antibodies in Bengaluru will be commercialised in the next 12-18 months.