

Jubilant Life Sciences earmarks Rs. 550 Cr capex

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Pharma company Jubilant Life Sciences has earmarked Rs 550 crore for capital expenditure in the current financial year.

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"To meet the increased demand in our businesses, we plan to invest about Rs 550 crore in capital expenditure and Rs 300 crore in R&D during the year," Jubilant Life Sciences Chairman Shyam S Bhartia has said at a recent conference call.

He said the company will continue its efforts to strengthen its balance sheet by reducing debt and improving financial ratios.

The drug-maker is also looking to grow its revenue and operating profits in FY19 and is banking on growth drivers such as speciality pharmaceuticals, active pharmaceutical ingredient (API) and generics and life science ingredients, according to Bhartia.

In speciality pharmaceuticals, new products and current contracts execution in radio-pharmaceuticals are expected to drive growth, while in API and generics, growth will be driven by higher volumes from new product launches and market expansions and also from initiatives to optimise costs from higher efficiencies, he said.

"In the life science ingredients segment, will see growth in revenues from new product launches, new orders, new capacities coming on stream and de-bottlenecking of existing plants," he said.

Bhartia informed that the company is increasing capacity in solid dosage formulations at Roorkee, which is expected to be completed in December quarter to meet the increasing requirements.

It is also taking various initiatives to reduce cost from higher efficiencies and also input material cost optimisation.

Commenting on filings and registrations, Bhartia said the company has filed 107 ANDAs (abbreviated new drug applications)

in the US market, including a mix of solid dosage filings, injectable filings and NDA and 505 (b) (2) filings, of which 37 are pending approval.

"We have filed two ANDAs during the (June) quarter and expect to file around 10 ANDAs during the year. We have a pipeline of at least five products in our radio-pharmaceuticals business which we expect to file and launch in the next few years," he said.

Jubilant Life Sciences reported a 39.42 per cent rise in consolidated net profit to Rs 200.37 crore for the June quarter.

Its revenue from operations also grew to Rs 2,079 crore for the quarter, from Rs 1,596.05 crore in the same year-ago period.