

Granules India shutting down Singapore subsidiary

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Singapore: Granules India, the country's leading manufacturer of finished dosages, pharmaceutical formulation intermediates and active pharmaceutical ingredients has decided to shut down its Singapore subsidiary.

Announcing its plans to close its Singapore subsidiary, the company said in its BSE filing that the company's Board of Directors made the decision at its meeting held on October 30, 2013. The company's wholly owned subsidiary located in Singapore will close Granules Singapore Pte Ltd.

Granules India has reported 52 percent increase in its consolidated net revenue in the second quarter to Rs 266 crores ended September 30, 2013, compared with Rs 175.5 in crore in Q2FY13. Its net profit was up by 87 percent Rs 15.1 crore in Q2FY14 compared Rs 8.1 crore in Q2FY13.

Granules India stated that the growth was driven by strong performance across all three verticals. The formulation facility at Gagillapur continued to scale-up production which improved capacity utilization. The company expects a majority of customer approvals to be in place in the second half of the fiscal year.

"We are focusing on higher capacity utilization to achieve higher revenues and better margins which resulted in 36 percent growth in the top-line and 108 percent growth in the bottom-line. In addition to strong revenue growth, our profitability margins are increasing and we have nearly achieved our FY13 PAT in the first half of this year. We expect our margins to further improve as our sales shift more to formulations and capacity utilization increases. Granules will continue to focus on improving manufacturing efficiency so we can build on our competitive advantage in order to offer unparalleled value for our customers," said Mr Krishna Prasad, Managing Director, Granules India in a statement.