

Sun Pharma open to selective acquisitions

New Delhi, May 31

FRESH from its \$4 billion takeover of Ranbaxy, Sun Pharma says it is open to further acquisitions but will consider only targets "which will not require significant amount of management involvement".

"We continue to remain opportunistic for acquisition... We are not looking at buying businesses where we have to spend a lot of time in managing," Sun Pharma MD Dilip Shanghvi said in an analyst call.

Elaborating further, he said: "We continue to look for opportunities which are well managed and which can either operate as a standalone business or businesses which will not require significant amount of management involvement."

He said integration of Ranbaxy continues to occupy significant time of the company's senior management.

When asked about the sum that the company is willing to shell out on possible acquisitions, Shanghvi did not specify a figure.



"I think we are a conservative company. If we understand the business and the market we would potentially look at larger acquisition. And if we don't fully understand the market, then it has to be a reasonably sized acquisition. We would not make a very large acquisition of business which we don't understand," he said.

Sun Pharma, which is the country's largest drugmaker by sales, at present has a cash reserve of more than ₹15,000 crore.

Almost a year after announcing a \$4 billion deal, Sun Pharma in March this year completed the merger of

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MD, Sun Pharma

Ranbaxy with itself.

In April 2014, Sun Pharma had announced the acquisition of troubled rival Ranbaxy in an all-stock transaction worth \$4 billion that includes \$800 million debt.

Commenting on the merger with Ranbaxy, Shanghvi said: "We have commenced the integration of the two companies which is to ensure business momentum and drive value creation, specific milestones identified include cultural integration, ensuring CGMP compliance for all the facilities, targeting more product filings globally through expanded R&D teams."

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