

Another US firm eyes India buy

SUSHMI DEY

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US-based drug maker Amneal Pharmaceuticals LLC, headed by Chintu Patel and Chirag Patel, may be the latest among multinationals eyeing India for expanding its manufacturing footprint. The company, it is learnt, is in advanced talks to buy Hyderabad-based oncology products manufacturer Epsilon Pharmaceuticals.

According to an industry source, the deal is also likely to include sale of a manufacturing facility that received approvals of the US Food and Drug Administration (US FDA). The transaction could be valued at ₹80-100 crore, he said.

A detailed questionnaire e-mailed to Amneal Pharmaceuticals did not elicit any response. Phone calls made to Epsilon's Hyderabad office remained unanswered. According to Epsilon's website, the company is mainly engaged in manufacturing sterile injectibles for treatment of cancer. Incorporated in November 1998, Epsilon

Pharmaceuticals has a facility spanning over 20,000 square metres in Jedcherla special economic zone near Hyderabad. Exclusive for multi-product sterile dosage form manufacturing, the facility has a capacity to make up to 5 million lyophilised vials and up to 10 million liquid filled sterile vials, it said. For Amneal, the buyout may make sense as it already has presence in the generic drug manufacturing space. Moreover, oncology injectibles is seen as a high-growth segment, which also allows higher margins compared with conventional generic products. Global injectible market is pegged at over \$15 billion.

Recently, Mylan, another American

generic drug maker, acquired Strides Arco-lab's injectible manufacturing subsidiary, Agila Specialities in a \$1.8-billion deal. Others such as Hospira have also expanded their presence in the injectible manufacturing space in India. However, Amneal Pharma already had presence in India through its R&D (research and development) facility in Bavla near Ahmedabad. Amneal develops over a dozen generic products from this centre annually across all dosage forms, all of which are to be filed from its US facilities. Industry officials say if the two companies seal the deal, they may also need clearance from the Foreign Investment and Promotion Board.

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