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Domestic pharma sector ripe for a wave of M&As



Sun Pharma's acquisition of Ranbaxy could open the gates to more such deals, with a yawning valuation gap in the drug

industry. The top 10 drug manufacturers (by market value) account for 80 per cent of the industry's market capitalisation, much higher than their revenue share of 58 per cent in 2013.

Similarly skewed are the profitability and revenue share of big drug companies, raising the odds of their using market value as currency to snap up smaller rivals. KRISHNA KANT writes

M&A