

IFCI Fund picks up stake in Marck Bio

Will part fund the company's Rs80 cr expansion plans

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IFCI Venture Capital Fund, a subsidiary of IFCI Ltd, has picked up equity stake in Marck Biosciences Ltd with an investment of Rs20 crore. "Marck is investing around Rs80 crore to set up a new facility at the existing unit in Kheda and IFCI Fund will part finance the project. The remaining Rs60 crore will be managed through a mix of debt and internal accruals," Bhavesh Patel, MD, Marck Biosciences, said.

The firm's new facility will manufacture a range of formulations and injectables in glass vials, sterile ointments, mono-dose ophthalmics and an array of lens cleaning solutions.

"The company is in talks with the state government to acquire plot of around 8 acres to set up the unit, which is expected to be completed over the next three years. Marck will invest



close to Rs22 crore in the current fiscal for the expansion," Patel added.

Marck manufactures and markets sterile dosage pharma products in ophthalmology, respiratory aids, irrigation solutions and anti-infectives. The company's installed capacity is 230 million units of small volume parenterals and 65 million units of large volume parenterals.

The Ahmedabad-based firm has received approvals for more than 400 dossiers filed till date, and another 200 are in the pipeline.

The Kheda facility is designed to meet current good manufacturing practices

(cGMP) and is certified by authorities including Brazil's ANVISA and NPCB of Malaysia.

Marck Biosciences' sales turnover for fiscal 2008 was Rs56 crore. The firm expects this figure to grow to Rs100 crore in the current fiscal, Patel said.

Exports accounted for 25% of the company's sales in FY 2008, which the company expects will remain steady this fiscal. The company is also involved in contract manufacturing for domestic as well as overseas firms, and this contributed close to 18% of its sales turnover.

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