

Marck Biosciences in talks with US cos for site transfer

Process Would Help American Pharma Cos To Outsource Production To India

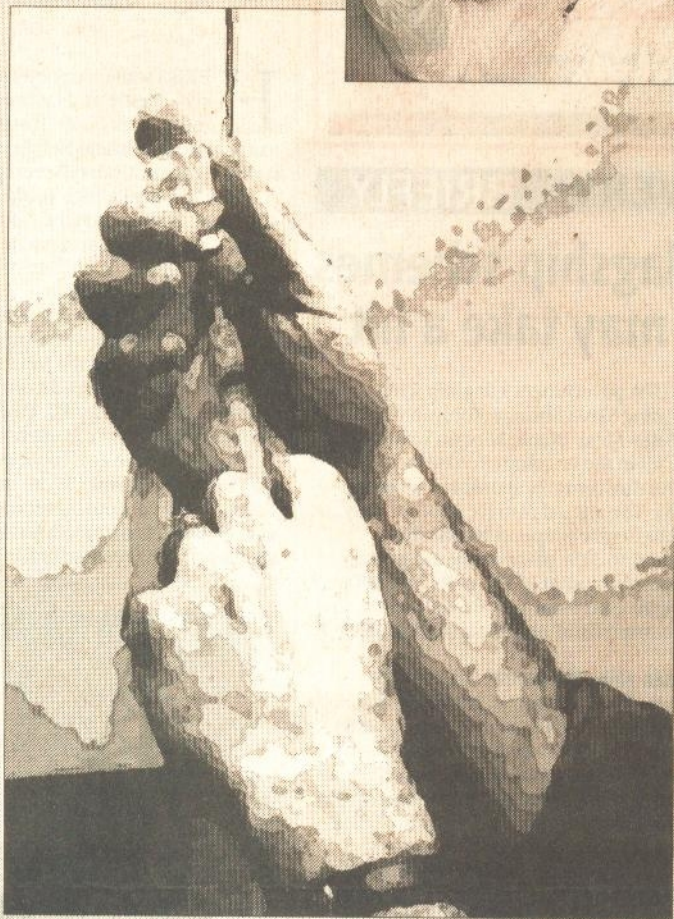
Narayan Bhatt
AHMEDABAD

MARCK Biosciences is talking to several US-based pharma companies for a site-transfer deal, through which it can undertake contract manufacturing of small volume parenterals and injectibles at its facility in Gujarat. Through this process, an US-based pharma company can move its production of a particular molecule to India by getting US FDA approval for Marck's production facility.

Bhavesh Patel, managing director, Marck Bio, told ET that getting US FDA approval for specific product lines would take around six months. "Pharma companies in the US and

next year from Rs 40 crore in 2006-07. With the completion of the expansion project, Marck will figure amongst the top five producers of parenterals in India. The market leaders are Nirma (Core Healthcare) and Baxter.

The company is currently doing contract manufacturing for most of the major pharma companies in India like Dr Reddy's, Ranbaxy, Zydus



western Europe are looking at outsourcing from India not only due to lower costs but also because of superior product quality available here," said Mr Patel.

So far Marck's export focus has been on the semi-regulated markets of CIS, Africa and Asia. "We were constrained due to insufficient capacities. But, with our Rs 72-crore expansion getting completed by July this year, we can tap the global markets in a big way," he said.

The company's sales is expected to more than double to over Rs 80 crore

Cadila and Cadila Pharma. The large volume parenterals (LVP) market in India is estimated to be worth Rs 900 crore, while the small volume parenterals (SVP) dilutants market is about Rs 120 crore.

The company is exporting to nearly 40 countries currently. It is now in the process of getting FDA approval from the regulators in Australia, South Africa and Brazil. "We are targeting to increase our exports from Rs 6 crore this year to about Rs 30 crore in two years time," Mr Patel said.

narayan.bhatt@timesgroup.com