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Swiss pharma co eyes tie-ups

Feb. 2: Even as global slowdown has kept companies and governments on toes, global pharma and biotech majors are set to cash in on the liquidity crunch faced by the majority of companies.

One such global MNC exploring attractive buyout targets in India is Basel, Switzerland-based pharma and healthcare company Lonza.

Speaking to this correspondent on the sidelines of BioAsia 2009 here on Monday, Lonza chief executive Stefan Borgas said the company is looking at tying up with Indian pharma companies for drug development. He said: "Recession for us is more of an opportunity than a threat. So we are keen to acquire technology companies, whose valuation may have come down, or who may be in need of money and partners is attractive for us."

Asked if there is any buyout target in Hyderabad, Mr Borgas said: "Some of the partnership discussion could go as far as acquisitions."

The company, he said, is actively planning to expand its developmental operations in India and it has identified three cities, including Hyderabad, to set up their 20-acre facility.

On the prospect of the Indian pharma and biotech industry, Mr Borgas said if there was any country, which could go up the ladder in pharma research and development, it was India.

For Indian players, he said the more careful usage of cash by global pharma companies may result into more outsourcing opportunities for Indian players.

According to sources, Lonza is in partnership talks with Bengaluru-based Avesthagen and Mr Borgas has met Dr Viloo Magawala Patell, Avesthagen CEO on the sidelines of the bio summit.

Ms Patell, whose company is scouting for private equity investors to fund its new product launches, said Avesthagen could think of divesting its stake in some of its special purpose vehicles, but as a company it could never be a buyout target.