

## Laurus Labs to enter formulation business in US

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To be sure, Laurus is also looking at partnerships with other big generic companies for its US formulation business.

The company has entered into development and marketing tie-ups with companies such as Dr. Reddy's Laboratories Ltd, US-based Citron Pharma LLC, Natco Pharma Ltd on a profit and cost sharing basis.

Chava said revenue from formulation business will start flowing from financial year 2018 onwards.

Laurus will also be investing Rs200 crore to set up a dedicated contract manufacturing plant in Vizag for Johannesburg-based drugmaker Aspen Pharmacare Holdings Ltd to produce hormonal and steroids APIs.

Aspen, the world's sixth largest generic drug maker, will lend Rs200 crore as interest free trade loan to Laurus for setting up and running the plant—that will be meant for Aspen's Europe business. Laurus will pay the loan in 10 years.

Laurus with revenues of Rs17,91.3 crore in the year ended 31 March—filed the draft prospectus for its initial public offering (IPO) in August, and got a green signal from stock market regulator Securities and Exchange Board of India (Sebi) this month.

The public issue comprises fresh issue of shares worth Rs300 crore and an offer for sale of 24,844,240 equity scrips by the existing shareholders, including Warburg Pincus group and Eight Roads Ventures. Proceed of the issue would be utilised towards payment of loans worth Rs225 crore and for general corporate purposes.

Laurus said it plans to complete IPO by end of November.

**Hyderabad:** Laurus Labs Ltd, the Hyderabad-based active pharmaceutical ingredient (API) maker, will be the latest Indian drug maker to set its sights on the US, the world's largest market for generic drugs, as it plans to move up the value chain.

A major supplier of APIs for anti-retroviral and hepatitis-C drugs for nine out of 10 world's largest generic companies, Laurus said it has filed its first abbreviated new drug application (ANDA) in US in August, and is in the process of filing for the second ANDA.

The company said the newly built plant meant for formulations at Achutapuram in Vizag will be inspected by USFDA by the end of November.

"We have identified a portfolio 30 products in cardiovascular and diabetes for our formulation business," said Satyanarayana Chava, founder and chief executive officer of Laurus.

Chava said his company will be very selective on drugs it wants to pursue in US to avoid any direct competition with its existing clients but said all the drugs will be backward integrated hinting that the APIs