

US drugs firm Mylan completes \$1.75 bln India buyout

December 5 2013

US generic drug specialist Mylan said Thursday it had completed its \$1.75 billion acquisition of a unit of India's Strides Arcolab, boosting its presence in the high-growth injectable drugs market.

The Pennsylvania-based Mylan confirmed the buyout of Agila Specialities, which makes injectables, with some restructuring of the [deal](#) since it was first announced in February.

"The acquisition of Agila will create a global injectables leader, expanding and strengthening Mylan's existing injectables platform and portfolio, and providing it entry into exciting, new geographic markets," said Mylan chief executive Heather Bresch in a statement.

The deal will make Mylan one of the top three global players in injectables, the US firm has said, bringing the number of manufacturing sites to 13 across six countries.

The size of the buyout had earlier been estimated at \$1.6 billion, but Bangalore-based Strides said an extra \$150 million was required due to acquisition costs and regulatory commitments, after it received a warning letter from the US Food and Drug Administration concerning another unit in Bangalore.

The deal now includes a "hold back" provision of \$250 million of the total price, to be paid to Strides only if it fulfils some regulatory conditions.

Strides' shares fell as much as 14.25 percent to a day's low of 845.5 rupees in Thursday's trade on the Bombay Stock Exchange owing to changes in the terms of the deal, dealers said.

The global generic injectable drugs market is expected to grow at an annual rate of 13 percent between 2011 and 2017, driven by patent expiries and outpacing most other dosage forms, the US firm said.

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