

Strides Shasun subsidiary Arrow Pharma acquires Australia's Amneal Pharma

01 September 2017 | News

As per the deal, Arrow Pharmaceutical will acquire 100 percent of the issued capital of Amneal Pharmaceutical, Australia



Arrow Pharmaceuticals, a subsidiary of Strides Shasun recently announced that it has acquired Australian operations of US-based Amneal Pharmaceuticals for AUD 17 million (Rs 86.2 crore). Definitive agreements signed on 31 August 2017. As per the deal, Arrow Pharmaceutical will acquire 100 percent of the issued capital of Amneal Pharmaceutical, Australia. Arrow will incur an amount of AUD 1.7 million towards consideration, working capital and other estimated acquisition and integration related costs.

Strides Shasun said in a statement : The deal, will help Arrow Pharmaceuticals expand its presence in the Australian generics market. Amneal, which was founded in 2002 by brothers Chintu and Chirag Patel, started operations in Australia in 2014. It sells generic medicines and branded over-the-counter (OTC) products.

Mr Dennis Bastas, chairman, Arrow Pharmaceuticals said in a statement that bringing Amneal's customer base into its network of pharmacies will accelerate the company's growth and strengthen its product offerings. "The acquisition of Amneal's Australian operations further expands our customer footprint."

Strides also said in the statement that, the acquisition is likely to add AUD 25 million to Arrow's annual revenue and improve its generics market share to 22%. It will also help add 200 new first-line stores to take its first-line pharmacies to more than 1,200 stores.

Strides said that the acquisition offers synergy opportunities with over 100 molecules being common with the Arrow portfolio. After the two entities are integrated over the next 12 months, all the molecules will be unified under the Arrow brand. Arrow has expanded its product portfolio over the last two years from 150 molecules to 170. This acquisition adds 13 molecules to the Arrow range.

Strides also announced that its formulation facility (KRSG garden) in Bangalore has received the Establishment Inspection Report (EIR) by USFDA. The said inspection was done by the USFDA in May 2017.

The KRS Gardens facility in Bangalore manufactures tablets, capsules, liquids, sachets, creams and ointments. The facility supports important current and future products for the US markets.