

Kemwell acquires Pfizer manufacturing facility in Sweden

ANIL URS

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Kemwell, Bangalore-based formulations contract manufacturer, has acquired a manufacturing facility of Pfizer in Uppsala, Sweden.

Confirming the development, Subhash Bagaria, chairman and managing director of Kemwell, told *Business Standard*, "we have signed an agreement to sell with Pfizer and the valuation is being worked out."

"With this, we will now be capable of providing the market with additional capacity quickly. This acquisition provides Kemwell with a global site to serve its customer base, in addition to its four sites in Bangalore, thus significantly reducing customers' sourcing risks," he added.

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formulations contract manufacturers for multinational and Indian pharma companies for over 20 years. The company formulates liquid orals,

tablets, ointments, creams, and external drops from its four manufacturing plants in Bangalore.

Currently, Kemwell's customers include six of the top 10



Subhash Bagaria
CMD, Kemwell

pharma companies in the world and it manufactures five of the top 10 pharma brands in India.

According to Bagaria, the acquisition is expected to be completed by April 2006 and will lead to a significant growth in Kemwell's contract business. The facility will provide access to technology and quality standards on a continuing basis.

"Kemwell plans to introduce other value-added services such as formulation development and analytical method development and validation to the site," he added.

Zeibrant Lindqvist, chief executive officer of Pfizer Health AB, said, "by selling the production facility, we believe that the plant and jobs will remain in the region."

Several companies were interested in buying the manufacturing facility. Kemwell was

chosen partly because it has a long-term aim of establishing itself in Europe and developing its relations with Pfizer, he added.

The addition of USFDA-approved manufacturing capabilities will allow it to transfer some of the learning and experience from Europe to India and help it to expand its contract manufacturing business.

Committed to the contract manufacturing sector, the company has no branded products of its own in the market thereby avoiding any conflict of interests with its customers, said Bagaria.

Along with the formulations unit, the company's Rs 40 crore expansions is nearing completion. When completed, the manufacturing facility will be able to pack five billion tablets for exports to the US and Europe, he added.