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Piramal Pharma acquires Hemmo Pharmaceuticals for Rs 775 Cr

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This acquisition marks PPSâ?? foray into the development and manufacturing of peptide APIs, a capability that complements PPSâ?? existing service offering



Piramal Pharma Limited's (PPL) Contract Development and Manufacturing Organisation (CDMO), Piramal Pharma Solutions (PPS), announced that PPL has entered into an agreement to acquire a 100 per cent stake in Hemmo Pharmaceuticals Pvt Ltd (Hemmo) for an upfront consideration of Rs 775 crore and earn-outs linked to achievement of milestones.

This acquisition marks PPS' foray into the development and manufacturing of peptide APIs, a capability that complements PPS' existing service offering. Hemmo is one of the few pure-play synthetic peptide API manufacturers in the global marketplace. With the addition of Hemmo's capabilities, PPS will gain access to the growing peptide API market and enhance its ability to offer integrated services to its customers globally.

Nandini Piramal, Chairperson, Piramal Pharma Limited said, "This is the third pharma acquisition this fiscal year, and yet another example of the implementation of our profitable growth strategy."

Peter DeYoung, CEO, Pharma Solutions, Piramal Pharma Limited said, "This acquisition enhances our ability to provide integrated solutions that our customers need and further expands ways in which we can help reduce the burden of disease on patients."

Madhu Utamsingh, Promoter and Managing Director, Hemmo said, "We are very excited about this transaction and believe PPS is an ideal partner to take the business through its next phase of growth."

The acquisition is expected to add more than two-hundred and fifty employees to PPS, including several PhD scientists and a quality team of more than sixty. The acquisition agreement is subject to customary regulatory closing conditions.

Kotak Mahindra Capital Company Ltd served as financial advisor and Economic Laws Practice (ELP) served as legal advisors to PPL on this transaction. Torreya Partners India LLP served as financial advisor and Desai & Diwanji, Mumbai Office served as legal advisors to Hemmo Pharmaceuticals and selling shareholders on this transaction.