

Lupin enters Canadian market for gastrointestinal drugs

Ties up with US-based Salix to sell two remedies

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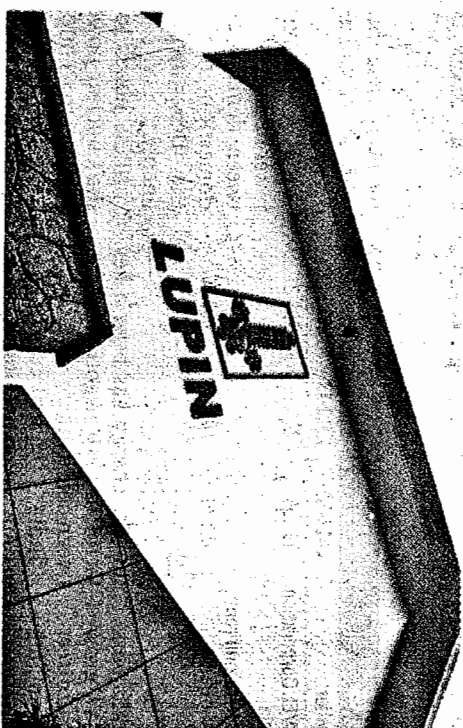
Chennai, September 14

Mumbai-based drug-maker Lupin Ltd has entered into an agreement with US-based Salix Pharmaceuticals to market gastrointestinal drugs in Canada.

The company announced recently that it has won exclusive rights from Salix to sell Zaxine tablets, meant for a liver disorder that affects brain functions, and Relistor, an injection to treat constipation in patients under palliative care.

Market size

A company spokesperson told *Businessline* Canada is the eighth largest market in the world, with a size of \$22.2 billion.



Lupin has forayed into the branded drugs segment, which constitutes about 76 per cent of the total market. The gastrointestinal disorder market is close to \$1.5 billion.

Drug sales in the US and Europe — its only advanced mar-

kets as of now — made up 47 per cent of its consolidated revenues during FY-14. While exports to emerging countries held their ground, those to advanced economies increased over the last four fiscals. Lupin is the fifth largest generic drug company in

the US and garnered sales of \$73 million during FY-14, according to the company's annual report. Lupin had also tied up with South Korean pharmaceuticals company IG Life Sciences to enter the Indian market for anti-diabetic drug Glargine, estimated at ₹218.5 crore and growing at a three-year compounded annual growth rate of 23 per cent.

Long-term effects

Sarabjit Kaur Nangra, Vice-President-Research, Angel Broking, says the defensive sectors such as information technology and pharmaceuticals have done well in recent times. The BSE Healthcare Index has increased 13 per cent over the last month, against the Sensex's five per cent. "Lupin entry into Canada is also a good move, but its positive effects will kick in only in the long term," she said.

Company