

Manipal floats new firm for molecule cellular research

Manipal Acunova IPO in next five years likely

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Manipal group, which is a major player in the higher education and healthcare segment, has entered the molecule cellular research space by setting up a separate company — Manipal Acunova — in Bangalore. The new company has started its operation with an initial capital of Rs 18 crore and is expected to raise Rs 27 crore from a private equity fund, taking the total equity to Rs 45 crore by the end of the first year of operations.

"Manipal group will hold less than 50% stake in the venture and we are looking at going for an IPO in next five years," said DA Prasanna, vice-chairman and CEO of Manipal Acunova.

Explaining the idea behind the venture, Mr Prasanna said Manipal Hospitals is already into various clinical research in areas of Cancer, Diabetes, Geriatrics, Hypertension, etc.

"The new company will focus on drug discovery and approvals," he said. There is a change of attitude towards the East from

Western countries.

Today, Indians and Chinese work in most of US-based biotech companies and research organisations. "Some of the US-based companies are looking at outsourcing clinical trials, drug discoveries, and research activities to Indian companies. We want to address this market segment," said Mr Prasanna.

He said Manipal Hospitals treat over 1.2 million patients a year. "This gives us a great strength to study various kinds of diseases and genetic profile of various individuals, which is essential for clinical trials and drug discovery," he said.

Initially, the company will focus on stem cell research, drug development for cancer and diabetes pre-clinical studies, clinical trials, clinical reference, clinical data management, volumetric imaging analysis for trials and contract research.

"USFDA has brought in new legislation wherein all drugs should be tested on global population before releasing it to the market. US companies are looking at India and China for this," said Mr Prasanna. ♦