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Avesthagen gears up to raise Euros 100-125 mn for next phase of growth

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Avesthagen Limited is looking at a requirement of Euro 100-125 million (Rs 670-837 crore) for its next phase of growth. The company which has received a license for production of its bio-actives at its facility Dhanvantri Botanicals in Bangalore will take up manufacture of dietary supplements for all age groups. It will also be available as cereal bars and cracker categories.

Avesthagen has commenced the scaling up of scientifically validated bioactives: Bonaphyte and Pomplex. The products are expected to enter the market during September-October. The company is also currently manufacturing clinically validated 'Teestar' at the Dhanvantri Botanicals facility of Avesthagen in Bangalore.

"The kinds of funds needed now are becoming project/product focused. The total requirement for the next two to three years for us is around Euros 100 -125 million," Dr Viloo Morawala-Patell, founder and CMD Avesthagen Limited told Pharmabiz.

"Our products are close to the market now and we have many products coming out of innovative research efforts. Our banks, investors have stood with us and the Government has supported us. And now we must get the company ready for the public as the funding needed to make sure all the hard work that has been done comes to the fore. Under the current market scene which is showing positive signs, we intend to close our audit, announce a couple of deals and start the preparations for a listing," she added.

Dhanvantri Botanicals has received the license to manufacture the bioactives. There has been a small infusion of funds in Dhanvantri. However the company has big plans and there will be significant infusion of funds into the company, said Dr Patell.

The company's key areas of focus are Nutrition and personalized healthcare. Under Nutrition, it will address Metabolic Syndrome through its functional foods and over-the-counter pipeline where it is developing eight products. On the personalized healthcare front, the company is developing biomarkers and biologicals for cancers, and auto-immune disorders.

The current economic crisis did slow down by six months. However the period was viewed as time for reflection, clean up and focus the model towards products in Healthcare and Agriculture and drive towards cash flows, said Dr Patell.

On the development of biomarkers under the Avesthagenome project initiative, the company has commenced collections of blood samples in Mumbai in July 2008. On the research front, it has done a study of population stratification with Harvard Medical School. "From the 3200 samples so far collected we have identified 120 Diabetic people and we have started the work of whole genome scanning and transcriptome analysis. The database design has been completed and implemented," she said.

The company was engaged in the assessment of the Parsee population for the development of the cancer biomarker. It has identified a few interesting markers. But they need to be validated on a larger number of people samples.