



# Merger & Acquisition Of Pharma Company For Vaccination In Post Covid World:

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**Abstract:** Merger & Acquisitions (M&A) is one of the best methods for expansion of business operations by a corporate to either leverage the full potential of a specific line of business to venture into any unexplored line of business.

Covid 19 is not only affect the health but the whole economy of the world.it brought the major challenges for the people of the world However, big business suffered a lot but at the small level start-up thrived, the world economy, Merger and acquisition has seen unprecedented economic challenges globally. It has a large socio-economic relevance to Indian economy. Indian pharmaceutical has competitive edge over other countries in term of price and cheap labour. Indian pharmaceuticals are competing with foreign players in preparing the vaccine.

Now our assessment is based on the post Covid evaluation, for vaccine discovery the major pharma companies collaborated with each other and gave new dimension to this issue. Vaccines normally require years of testing and additional time to produce at scale, but scientists are hoping to develop a coronavirus vaccine within months because of the pandemic.

**Keywords:** Probability, competitive edge, Covid, vaccine

**Introduction:** India has amended its foreign investment policy to require that all acquisitions by investors from any bordering countries obtain prior government approval. This effort serves to curb opportunistic takeovers of Indian companies that are struggling financially as a result of the COVID-19 crisis. The outbreak of the pandemic weakened the Merger and Acquisition issue around the world but also provides immense opportunity to thrive. Bharat Biotech, Serum Institute, Zydus Cadila, Panacea Biotec, Indian Immunological, Mynvax and Biological E are among the domestic pharma firms working on the coronavirus vaccines in India. Vaccines normally require years of testing and additional time to produce at scale, but scientists are hoping to develop a vaccine within months. Panacea Biotec in June said that it was setting up a joint venture firm in Ireland with US-based Refana Inc to develop a vaccine for COVID-19. Indian Immunologicals, a subsidiary of National Dairy Development Board (NDDB), has inked an agreement with Australia's Griffith University to develop a vaccine for coronavirus. According to Grant Thornton India's April 2020 deal tracker, aggregate M&A and PE deal volumes reported a 37% and 22% fall respectively compared to deal volumes in April 2019 and March 2020. However, its May 2020 deal tracker reported, (excluding of four PE transactions in Jio), a 16% and 25% growth compared with May 2019 and April 2020, respectively.

**Objective:** Billions of dollars are being spent on the merger and acquisition of the Pharmaceutical industries to develop a vaccine of novel corona virus and the result started to come in this sector.

Let us discuss some objectives in this context. An important lesson we are getting from corona pandemic.

1. To strengthens protections only against countries sharing a land border with India.
2. Provide vaccine to the people in the cheap price.
3. To provide opportunities to the investors through M&A policy.
4. Build strong connection with researchers and investors.
5. Rebound the concept of merger and acquisition
6. Stress on innovation and portfolio diversification in biopharma strategic meet

**Literature Review: Fu and Shen ( 2020)** The outbreak of the novel coronavirus (COVID-19) brought seriously affected health care, economy, transportation, and other fields in different industries and regions. Population mobility sharply dropped, as a result of the quarantine policy, which led to weakened spending power and a stagnant economy. At the macro level, the COVID-19 outbreak caused the worst global recession since 1930, when the economy got absolutely creamed. The gross domestic product of China fell by 6.8% in the first quarter compared with the same period last year and many countries suffered severe corporate bankruptcies and job losses

#### **Zubair, Kabir, and Huang (2020)**

Investigations suggest that internal factors of the financial system may be the main causes of the economic decline in the recent years. The Indian pharma sector is an important component of the global healthcare infrastructure and is instrumental in saving millions of lives every year. However, like all other sectors, it too has been affected by COVID-19 that has brought about various changes.

#### **Investor-driven consolidation**

Economic downturns offer investors exciting valuations making it a promising time for investors to conclude aggregation. It is certainly a good time to implement consolidation strategies that common investors across symbiotic businesses can explore. The regulatory framework has been enhanced with many recent announcements, facilitating increased economic activity

The demand to get as many vaccines out as possible quickly is driving M&A in the sector. **Novavax (NASDAQ: NVAX)** is buying Czech Republic-based **Praha Vaccines** for \$167 million. The two companies will work with vaccine producer **Serum Institute of India** to develop a coronavirus vaccine. The acquisition includes a biologics manufacturing facility and assets in Bohumil, Czech Republic. In July, Novavax received \$1.6 billion in Federal funding to go towards clinical trials for its vaccine candidate. Serum Institute and Bharat announced their combined intent to develop, manufacture and supply the Covid-19 vaccines in coming days. Others like Mynvax and Biological E are also working to develop vaccines for COVID-19.

**SCOPE:** The Indian pharma sector is the third-largest in the world. It manufactures almost 60 per cent of the vaccines used globally, including important ones, such as those against diphtheria, tetanus, and pertussis required by the World Health Organisation (WHO). Furthermore, the country meets 90 per cent of the global demand for the vaccine against measles, Business Moves for Startups and Existing Insurers

Business moves for start-ups and strategic moves by existing start-ups are next on the list of noteworthy topics for 2020. These range from the start-ups that have raised capital to take advantage of drug discovery, to existing companies that have restructured their management teams and operations for business and sometimes cultural (and personnel) reasons. The occurrence of multiple record-breaking mega deals in the pharmaceutical industry in recent years highlights this trend, with large cap

Bio/Pharma spending billions on acquisitions. India has huge potential in the pharmaceutical sectors regarding drug discovery, vaccines with merger and acquisition policy.

**Conclusion:** M&A deals are a core driver of growth in the Bio/Pharma industry, and it seems that the impact of Covid-19 has not hindered deal-making as much as may have been expected in 2020. In fact, it may have boosted M&A activity as Big Pharma market caps have raised while R&D and sales activities are hindered. The last five years have seen M&A deal values sky-rocket, but deal volume decrease, and it is likely that this trend, as well as the presence of mega-deals between large corporations, will continue in the next few years. Analysts expect M&A activity to increase across the healthcare sector. One new focus area is expected to be smaller health systems and independent hospitals that look for new partnerships to achieve future scale and viability. A Biden administration could also mean increased government investment in healthcare and proposals for increased coverage, Medicaid/Medicare funding, and expanded benefits.

In the past, innovation from the ACA incentivized digitization of medical records; an example of how policy changes can influence innovation. Growth and innovation drive M&A activity.

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