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Glenmark Pharma divests majority stake in Life Sciences biz for Rs 5651 Cr

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Glenmark Pharma agrees to divest 75% stake in its subsidiary Glenmark Life Sciences to Nirma Limited



Mumbai-based Glenmark Pharmaceuticals has entered into a definitive agreement with Nirma Limited to divest 75% stake in its subsidiary, Glenmark Life Sciences Limited (GLS), at a price of Rs 615 per share for an aggregate consideration of Rs 5651 crore, subject to closing adjustments.

Glenmark Pharma own 7.84% in GLS after the divestment. The transaction is subject to customary closing conditions precedent, including receipt of regulatory and shareholder approvals. Pursuant to the transaction, Nirma Limited will make a mandatory open offer to all public shareholders of GLS.

Commenting on the divestment, Glenn Saldanha, Chairman and Managing Director, Glenmark Pharmaceuticals Limited said, "This deal aligns with our strategic intent of moving up the value chain to become an innovative/brand led organisation, with continuous focus on our core therapeutic areas of dermatology, respiratory and oncology. It also presents an opportunity for us to strengthen shareholder value through deleveraging and enhancing our overall return profile."

Speaking on the announcement Dr Yasir Rawjee, Managing Director and CEO, Glenmark Life Sciences Limited said, “We will continue to operate as an independent API company under the new ownership of Nirma Limited. I see this as an opportunity to further strengthen our position in the API industry and continue the growth trajectory.”