

Warburg Pincus invests Rs 550 crore in Laurus Labs

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The terms of the transaction were not disclosed.

Warburg Pincus is a global private equity firm focused on growth investing. It will join Fidelity Growth Partners India (FGPI) and Boston-based Fidelity Biosciences, who led an earlier round of investment in 2012, as an investor in the company.

Dr Satyanarayana, founder and CEO, Laurus, said, "Laurus is at an important juncture in its evolution... We are glad to partner with Warburg Pincus in this phase of our growth where we will seek to continue the thrust on innovation and manufacturing excellence in offering cost-effective products and services and foraying into new business segments. In addition to securing growth capital, we look forward to leveraging Warburg Pincus' deep domain expertise and global network of relationships to help enter new markets and add to our customer base."

Laurus also has a presence in nutraceuticals and several other products, with a customer base that spans top-tier generic pharmaceutical companies in India and abroad.

In addition to the API business, the company has a fast-growing contract manufacturing business that caters to several generic and innovation-driven, global pharmaceutical companies.

Commenting on the transaction, Mr Niten Malhan, managing director and co-head, Warburg Pincus, said, "This investment reflects Warburg Pincus' core philosophy of partnering with distinctive management teams to create durable businesses of scale with sustainable value."

The company has grown rapidly since its first full year of commercial operations in 2008, recording revenues of around Rs 1,200 crore in FY2013-14.

Mr Raj Dugar, senior MD, FIL Capital Advisors (India), the private equity advisory arm for FGPI, said "Through a positive combination of technical depth, relentless execution and highest level of corporate governance, the team at Laurus Labs has

built a market-leading pharmaceutical company in a short span of time. We are excited to continue our partnership with the company, and welcome Warburg Pincus to join this exciting growth story."

Jefferies acted as the sole financial advisor in this transaction.