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PE giants eyeing stake at Mankind worth crores

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The company has started a process to divest a 25% stake, valuing itself at over Rs 19,000 crore (more than $3 billion).



Big private equity firms and sovereign wealth funds are exploring a purchase deal share worth at least Rs 5,000-crore ($750-million) in India's fifth largest drug maker Mankind Pharma.

The privately-held, two-decade-old company has started a process to divest a 25% stake, valuing itself at over Rs 19,000 crore (more than $3 billion).

Mankind Pharma has appointed investment bank Moelis & Co to find suitors for the stake on offer. Global investors such as GIC of Singapore, Warburg Pincus, KKR & Co, Advent and a Canadian pension fund are among those who have looked at the transaction, which is still in its early days. The company has a heavy focus on selling affordable drugs in the semi-urban and rural markets.

Mankind has over 14,000 employees and a portfolio spread across prescribed drugs, over-the-counter and FMCG products. The company has more than 1,000 prescription products in 14 therapies and 21 dosage forms. Mankind's domestic sales are valued at Rs 4,248 crore, with a market share of 3.7%, making it the fifth-largest company in organised retail.

The owner family controls 89% stake in Mankind with Capital International holding the rest 11%. The New Delhi-based company has a turnover approaching Rs 5,000 crore and about Rs 950-crore operating profit.