



WARBURG PINCUS



Press Release

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Laurus Labs Private Limited Announces INR 550 Crore Investment by Warburg Pincus

Mumbai, 29th Oct 2014: Laurus Labs Private Limited (“Laurus” or “the company”), a leading Visakhapatnam-based developer and manufacturer of Active Pharmaceutical Ingredients (“APIs”), today announced that an affiliate of Warburg Pincus, a leading global private equity firm focused on growth investing, has acquired a minority stake in the company by investing approximately INR 550 crores. Warburg Pincus 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. Terms of the transaction were not disclosed.

Laurus is a leading manufacturer of APIs for anti-retroviral (ARV), oncology, cardio-vascular, anti-diabetic therapeutic segments. The company 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. Laurus is led by its Founder and Chief Executive Officer (CEO), Dr. Satyanarayana Chava, a renowned scientist, with a very successful track record in the pharmaceutical industry. He is joined by Executive Directors Dr. Raju S Kalidindi, who has more than 26 years of experience in pharmaceutical research and operations, and Mr. V V Ravi Kumar, who has more than 23 years of experience in Finance, IT and Supply Chain Management. The company has grown rapidly since its first full year of commercial operations in 2008, recording revenues of around INR 1,200 crores in FY2013-14.

Dr. Satyanarayana, Founder and CEO of Laurus said, “Laurus is at an important juncture in its evolution, having built a strong reputation in product development and manufacturing, delivering high-quality products to its customers and establishing a track-record of strong financial performance. 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.”

Commenting on the transaction, Mr. Niten Malhan, Managing Director and co-head of Warburg Pincus India Pvt Ltd said, “This investment reflects Warburg Pincus’ core philosophy of partnering with distinctive management teams to create durable businesses of scale with sustainable value. We are excited about the Laurus platform and its exceptional management team led by Dr.Satya, Dr.Raju and Ravi. Dr.Satya’s focus on innovation and developing a strong organisation has enabled Laurus to emerge as a global leader in the generic ARV API segment and well positioned the company to benefit from its initiatives to enter other attractive segments of the global pharmaceutical industry. Warburg Pincus is excited to be a partner in Laurus’ next phase of growth and in its goal to become a leading global pharmaceutical company.”

Commenting on the transaction, Mr. Raj Dugar, Senior Managing Director at FIL Capital Advisors (India) Private Limited, 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.

About Laurus Labs Private Limited

Based in Visakhapatnam, Laurus Labs Private Limited (Laurus) develops and manufactures active pharmaceutical ingredients (API), with a focus on anti-retroviral (ARV) and oncology products. The company supplies its APIs to several Indian and global pharmaceutical companies. In addition to the API business, Laurus offers contract research (analytical and formulation development) and manufacturing services to generic and innovative pharmaceutical companies. Laurus has world-class infrastructure, consisting of a state-of-the-art R&D and scale-up laboratory in Hyderabad and large-scale manufacturing facilities at Visakhapatnam. These facilities have been accredited by several international regulatory agencies including the US-FDA, UK-MHRA, Australian TGA and Korean FDA. The company currently employs 1,800+ people. For more information, please visit www.lauruslabs.com

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About Warburg Pincus

Warburg Pincus is a leading global private equity firm focused on growth investing. The firm has more than US\$39 billion in assets under management. Its active portfolio of more than 120 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 13 private equity funds which have invested more than US\$50 billion in over 720 companies in more than 35 countries. Over the past decade, affiliates of private equity funds raised by Warburg Pincus have invested about US\$3 billion in Indian companies. The firm's past and current investments in India include Ambuja Cements, Au Financiers, Avtec, Bharti Airtel, BIBA Apparels, DB Corp, Diligent Power, Capital First, Continental Warehousing, Gangavaram Port, Havells, HDFC, IMC, Kotak Mahindra Bank, Lemontree Hotels, Max India, Metropolis Healthcare, Piramal Healthcare, Quikr and Sintex. The firm is headquartered in New York with offices in Amsterdam, Beijing, Frankfurt, Hong Kong, London, Luxembourg, Mumbai, Port Louis, San Francisco, São Paulo and Shanghai

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About Fidelity Growth Partners India

Fidelity Growth Partners India (FGPI) is the India-focused private equity arm of Fidelity Worldwide Investment, focused on cross-sector growth capital investing. FGPI seeks to invest in high-quality, high-growth companies in India across a broad range of sectors. FGPI is committed to making the companies it invests in leaders in their industries through access to patient capital with a long term investment mind-set, a powerful network of resources and a team of investment professionals with a proven track record of success. Fidelity, Fidelity Worldwide Investment and Fidelity Growth Partners India are trademarks of FIL Limited.

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