

## Strides Arcolab buys majority stake in Bafna Pharma

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Bangalore-based Strides Arcolab, announced that it has entered into an agreement with Chennai-based Bafna Pharmaceuticals to acquire majority stake in its branded generic business.

Strides will pick up global rights of Bafna's flagship brand Raricap through this acquisition. The India-branded generics business of Bafna is valued at Rs 65 crore and the business, in its entirety will be transferred to a special purpose vehicle (SPV), in which Strides will hold 74 percent stake, the company said in a statement.

Strides will pay a consideration of Rs 48 crore in cash to Bafna and balance as 26 percent equity participation in the SPV. Intellectual properties (IPs) and manpower will be transferred to the SPV as part of the business transfer and Bafna will continue to manufacture these products for the SPV over a period of five years, and will have global rights for the Raricap brand.

Mr Arun Kumar, founder and group CEO of Strides Arcolab, said, "This acquisition provides necessary impetus to our domestic branded generics business and the transaction is in line with our strategy to grow the company's branded business. The transaction will strengthen our reach in newer markets with a wider portfolio of products."

This acquisition is also expected to strengthen its women and child care portfolio and Bafna's pan India reach will aid Strides' biggest brand Renerve's entry into new market segments.

Bafna's India branded generics business is engaged in sales and marketing of branded pharmaceuticals products in niche therapeutic segments i.e. haematinic, women healthcare, pediatric care.

