

ChrysCap exits Mankind Pharma with 10-fold gain, offloads stake to Capital

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NEW DELHI: ChrysCapital has sold its 11% stake in Mankind Pharma to Capital International for little over \$200 million, or Rs 1,300 crore, as Indian private equity poster boy continues to churn out multi-bagger exits on its investments bets.

ChrysCapital raked in 10-fold gain after investing \$21 million in Mankind almost seven years ago. The deal, which has gone to FIPB for approval earlier this week, valued Mankind at \$2.2 billion, including cash on books.

Global investor Capital International pipped Warburg Pincus to clinch one of its few investments in the country, and its first in India's pharma sector. Warburg offer was slightly ahead but ChrysCapital settled with Capital after Juneja family, which controls Mankind, chose the latter as new financial partner.

Capital Group is among the world's top investment managers with assets totaling about \$1.2 trillion. Capital International's latest deal comes at a time when world's top private equity funds are writing bigger investment cheques after reaping significant profits in recent months.

ChrysCapital MD Sanjiv Kaul declined to comment, while Capital International could not be reached immediately for comment.

New Delhi-based Mankind is the country's seventh largest drug maker with prescription products in gastrointestinal,

cardiovascular and dermatology medications. It also has a portfolio of OTC brands, including Manforce condoms. The company's revenues topped \$600 million in the last fiscal.

For ChrysCapital, this is the fourth big exit in the past one year when it harvested over \$1.1 billion on \$260 million investments on Intas Pharma, HCL Technologies, Parkson Logistics and Mankind Pharma. Its sale of 10% stake in Intas Pharma to Temasek Holding for \$160 million — netting 15-fold gain on an \$11 investment also made seven years ago — is said to be the most profitable Indian private equity exit in the past 10 years.

The private equity house, which manages assets worth about \$3 billion across six funds, completed its exit from HCL Technologies last month taking home \$700 million (in tranches) on \$220 million invested in the public stock.

ChrysCapital, run by lead partner Kunal Shroff and three other partners — Sanjay Kukreja, Ashley Menezes and Sanjiv Kaul — is expected to hit the market to raise between \$500-600 million for its seventh fund during second half this year. Among its other big exits are 8 to 9 fold gains from investments made in Shriram Transport and Suzlon Energy in the past.