

## **Torrent to Acquire Indian Branded Formulations Business of Elder**

*December 13th, 2013*

Mumbai, 13th December 2013: Torrent Pharmaceuticals Limited ("Torrent") and Elder Pharmaceuticals Limited ("Elder") today announced that Torrent has entered into a definitive binding agreement with Elder to acquire its branded domestic formulations business in India and Nepal ("India Business") for a consideration of about Rs. 2000 crores.

Elder's India Business comprises a portfolio of 30 brands including market leading brands in the Women's Healthcare, Pain Management, Wound Care and Nutraceuticals therapeutic segments.

The identified India Business is being sold as a going concern on a slump sale basis and the transaction will also involve the transfer of employees engaged in sales, marketing and operations of the India Business. Under the proposed transaction, Elder will continue to manufacture & supply the products at its existing manufacturing facilities for Torrent for a period of three years.

Torrent would fund the acquisition through a mix of internal accruals and bank borrowings.

Elder's existing brand equity in the areas of women healthcare and pain management will help Torrent strengthen its position in the Indian market expanding into these fast growing areas.

"The transaction is a strategic fit for Torrent and will strengthen its core prescription-based business. This acquisition strengthens our position in the Women Healthcare, Pain management & Vitamins/Nutrition segments by enhancing & accelerating market access. It is also expected to enable cost & revenue synergies in Torrent's domestic formulations business" said Sudhir Mehta, Chairman, Torrent Group.

"This path breaking domestic consolidation by Torrent addresses our recent challenges and will significantly help Elder de-leverage its balance sheet. We will now focus and grow our in-licensing, anti-infectives and exports business" said Alok Saxena, Managing Director and CEO, Elder.

The transaction has been approved by the Boards of Directors of both companies. The transaction is subject to conditions precedent including shareholder approval and applicable regulatory approvals and is expected to close in the first half of 2014.

### **About Torrent Pharmaceuticals Limited**

Torrent Pharma, with an annual turnover of over Rs.3200 crores is the flagship Company of the Torrent Group. With many of its products ranking among the top 200 brands, Torrent continues to be at the forefront of the Indian pharmaceutical industry. Torrent has a fully equipped Research Center, employing almost 600 scientists, to support the company's operations and product pipeline for both domestic and overseas markets. The company's manufacturing plants located at Indrad, Baddi & Sikkim have facilities to produce Formulations and Bulk drugs. The Plants are approved by authorities from various regulated and semi regulated markets like US, UK, Brazil, Germany, Australia and South Africa.

## **About Elder Pharmaceuticals Limited**

Elder Pharmaceuticals Limited is an integrated pharmaceutical player, headquartered in Mumbai, with a strong presence in the domestic formulation business and listed on Indian stock exchanges. The Company has a strong presence in therapeutic segments such as Women's Healthcare, Pain Management, Wound Care and Nutraceuticals with market leading brands such as Shelcal, Chymoral, Eldervit, Formic and Carnisure. The Company has six manufacturing facilities for manufacturing formulations and APIs and State-of-the-art R&D facility located in Nerul (Maharashtra) to provide analytical and development support.