

Everstone Capital invests Rs 220 crore in Rubicon Research

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NEW DELHI: Everstone Capital has invested Rs 220 crore in contract research and drug delivery company Rubicon Research, the latest investment by the mid-market private equity firm, as it steps up its deal making pace, and continues to diversify its [portfolio](#).

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The \$33 million investment, which has both, primary and secondary components, will also provide Kotak Private Equity, an early investor in Mumbai-based Rubicon Research, a full exit from the company, having invested Rs 60 crore till date. Post this transaction, Everstone will own a 70% stake in Rubicon.

“Rubicon has an excellent record of providing cutting-edge solutions to the healthcare and pharmaceutical industry. We are excited about enhancing its capabilities,” said Sameer Sain, managing partner of the Everstone Group.

As part of the transaction, Everstone will inject about \$20 million (about Rs 133 crore) directly into the [business](#), with Deep Mishra, managing director, Everstone joining the company’s board. Earlier this month, [ET](#) reported that veteran value investor Shivanand Mankekar was also believed to be part of the investor consortium in the new round.

“We welcome this partnership with Everstone and believe, with their deep managerial and operational expertise, capital infusion, and global connectivity, we will be able to significantly accelerate our growth,” said Pratibha Pilgaonkar, chief executive, Rubicon Research.

The company, which has a US [Food](#) and Drug Administration-approved manufacturing plant in Ambarnath, provides solutions for bioavailability enhancement, gastric retention, taste masking, and customising the release profiles of drugs. It also offers lifecycle management services for pharmaceutical products.

Rubicon Research, which counts pharmaceutical majors, such as Pfizer, Novartis and Solvay, amongst its clientele, will use the proceeds to add [product](#) lines and strengthen manufacturing capabilities.

Founded by former Goldman Sachs executives, Sameer Sain and Atul Kapoor in 2006, the private equity firm has stepped up its deal making pace this calendar year.

The Rubicon investment is the fourth transaction made from Everstone's third fund - the \$730 million Everstone Capital Partners III - and is the second one entered into by the fund, which manages assets of about \$3.3 billion, in the country's broader healthcare segment.

In January, it was reported that the Singapore and India-based firm had invested in Mumbai-based pharmacy delivery services firm Dial [Health](#), for a controlling stake.

Apart from Rubicon Research and Dial Health, the private equity firm, along with Sunrise BPO, acquired US-based CRM solutions provider C3 for about \$150 million, making it Everstone Group's first acquisition in the US.

Prior to that, in April, the PE investor completed its acquisition of domestic conglomerate Hindustan Unilever Limited's bread and bakery business, Modern Foods, for an undisclosed sum.

A number of its investments from its earlier funds are also believed to be gearing up for their initial public offerings, including, [beauty](#) and wellness chain VLCC Health Care and education-focused publishing company S Chand & Company.