

VCCIRCLE

Exclusive: India Alternatives invests in dermatology company

By

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Private equity firm India Alternatives has picked up a significant minority stake in a dermatology-focused healthcare company for about \$8 million (Rs 55.6 crore).

The PE firm has bought the stake in Brinton Pharmaceuticals Ltd, which is focused on dermatology but has recently expanded into the paediatric dermatology and respiratory segments.

“The investment in Brinton fits very well with two of our themes of women-oriented consumption and health and wellness,” Shivani Bhasin Sachdeva, founder and CEO of India Alternatives, told VCCircle.

Another investment rationale for the PE firm was Brinton’s focus on differentiated brands and niche therapeutic segments, Sachdeva said.

Brinton chairman and managing director Rahulkumar Darda said the investment will help the company improve capabilities in formulations and research and development for niche areas of dermatology and cosmetology. Brinton will also use the funds to expand its footprint within India and globally, Darda said.

India Alternatives is the second investor to fund Brinton's plans after Tata Capital Healthcare Fund's initial investment in 2017.

This is also India Alternative's second investment from its latest fund. Last year, it had invested in National Securities Depository Ltd (NSDL), an associate of the National Stock Exchange (NSE). The PE firm is currently investing out of its second fund. The fund had a target corpus of Rs 500 crore and had raised about Rs 250 crore, mostly from domestic institutional investors, by August last year.

Brinton Pharmaceuticals was founded in 2013. It offers clinical and cosmetic dermatology formulations in therapy areas such as anti-fungal, topical corticosteroids, anti-acne, skincare emollients and hair care.

The company says it has a sales force of about 500 personnel and its products are marketed in India and in 12 countries across emerging markets.

Equirus Capital Pvt. Ltd was the exclusive financial adviser to Brinton Pharmaceuticals while PDS Legal and Transaction Square acted as legal and tax advisers, respectively, to the company.

DSK Legal acted as the legal adviser to India Alternatives.