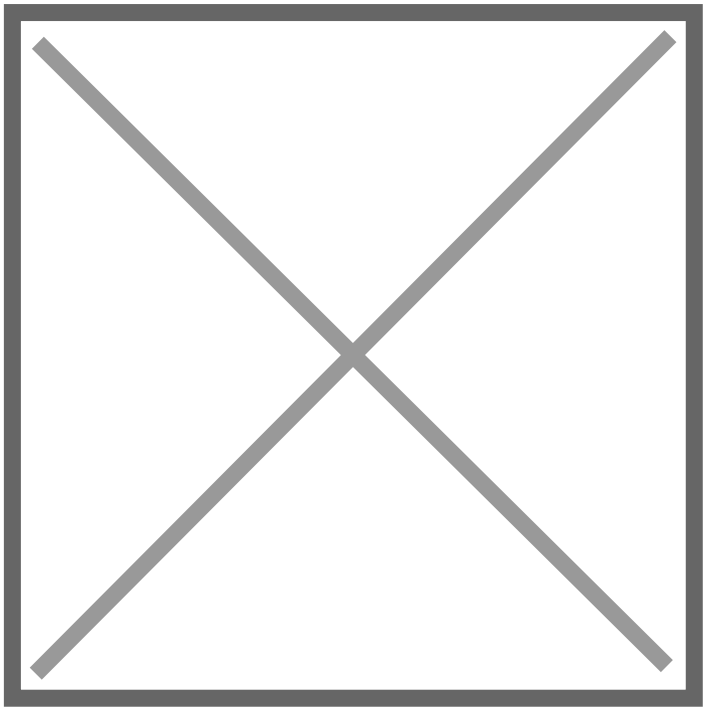
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RFCL marches ahead

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RFCL marches ahead

In a short span of four years, RFCL has seen an upward growth curve, and has overachieved revenue targets.



The 100 percent ICICI Venture owned, RFCL covers the expanse of life sciences industries through its strategic business units like Diagnova for diagnostics and biomedical Sciences; Vetnex for veterinary healthcare and Rankem for scientific laboratory solutions. The fourth strategic business unit, Neosynth is dedicated to partner research and development initiatives. It has registered a revenue of Rs 92.21 crore in fiscal 2008–09 as against Rs 34.04 crore in 2007-08.

Recently, ICICI Venture Funds Management sold the animal healthcare division of RFCL to Pfizer Animal Health for an undisclosed amount. “VHL saw a lot of capability enhancement over the last year with 100 percent year over year (YoY) growth in exports. With our product portfolio we could have made inroads into regulated and semi-regulated markets, but entry into regulated markets in different. That along with strengthening the product pipeline in next 5-7 years thus shifting the focus from treatment to preventives was what prompted us to partner with a strategic investor such as Pfizer,” said Sushil Mehta, managing director, RFCL.

Talking about the growth drivers Sushil Mehta said, “Genomics and proteomics and the reagents and chemicals business have been showing consistently good growth. It’s encouraging to know that we have closed yet another year with a 40 percent growth over last year. Increase in the R&D spend and product development in other allied industries, India’s dominance in the CRO sector and the increased spending on healthcare by people are also factors that are boosting our growth.” All the three verticals in the company have shown double the market growth rate, with Rankem showing three times the market growth. The company ranks amongst the top three companies in its animal health and lab solutions business and makes it to top 10 in the diagnostics business.

In July 2007, RFCL acquired Wipro Biomed, a biomedical, health and life sciences company that strengthened its Diagnova business. January 2008 saw the acquisition of Godrej Medical Diagnostics (infectious diseases portfolio) and Alved Pharma and Foods that complemented Vetnex. RFCL announced its first global acquisition in the space of veterinary healthcare through a share purchase agreement with Marsing for its Germany-based subsidiary company Bremer Pharma in March 2008. RFCL has a manufacturing plant in Sidcul, near Haridwar, which spreads across 91,000 sq.ft built-up area with a capacity to manufacture 10 million tablets, three million dosages of liquids and 12 lakh dosages of powder injectables. The company also set up a laboratory chemicals manufacturing facility in Panoli, Gujarat, to cater to the demand from western India, for which it is looking at alternate investment strategies.