



Press Release

SMT (Sahajanand Medical Technologies) raises INR 230 crores of Equity Capital in a round led by a Fund managed by Morgan Stanley Private Equity Asia

Mumbai, January - 2018:

SMT, the leading manufacturer of cardiac stents in India, is pleased to announce that it has successfully raised equity to the tune of Rs. 230 crore in a funding round led by Morgan Stanley Private Equity Asia. Existing Investor Samara Capital also participated in the round.

Founded by Mr. Dhirajlal Kotadia in 2001, SMT became an early champion of the 'Make in India' initiative by being one of the first companies in Asia to indigenously develop & manufacture coronary stents. Today, SMT is the largest developer, manufacturer and market leader of minimally invasive coronary stents (drug-eluting & bare metal), renal stents, PTCA balloon catheters and other cardio vascular accessories in India. Beyond India, SMT also exports its portfolio of life saving devices to UK, Spain, Italy, Netherlands & over 60 other countries.

SMT operates a WHO-GMP certified manufacturing plant in Gujarat and two world-class R&D centers, including one in Ireland. The Company has a strong focus on R&D and has a number of pioneering achievements to its credit including being the first company in the world to receive the CE certification for a drug eluting stent with biodegradable polymer. Further, SMT has published several clinical studies in leading cardiac journals and has multiple process/product patents. The company keeps a highly customer-centric approach while distributing its innovative products & technologies through a well-entrenched direct sales network.

As part of the current transaction, a fund managed by Morgan Stanley Private Equity Asia has invested INR 160cr in primary capital into the Company for a minority stake. SMT's existing institutional investor, Samara Capital also participated in the round. KPMG India Private Limited served as an exclusive financial advisor to SMT for the transaction.

The proceeds from the transaction will be used to finance SMT's strong organic growth, achieve synergistic acquisitions and build an aggressive R&D program for a further expansion of its portfolio of innovative lifesaving medical devices.

Speaking on the transaction, Bhargav Kotadia, Managing Director of SMT, remarked, *"We are proud to partner with a pedigree investor like Morgan Stanley Private Equity Asia in our journey of becoming a global leader of cardiovascular devices. The proceeds from this investment round will bolster further expansion in overseas markets and assist in building our pipeline of next generation cardiovascular products. As proud early champions of 'Make in India', we look forward to making India a global powerhouse for critical medical devices in the near future."*

Arjun Saigal, Co-head of Morgan Stanley Private Equity Asia in India, said, *"Lifesciences & Healthcare is one of our core focus sectors in India. The increasing burden of lifestyle diseases combined with the push towards local manufacturing backed by the best in class R&D has led to a significant rise in the use of domestic medical implants. SMT's high end technology and focus on R&D will make it a key beneficiary of the rapid expansion in treatment volumes and medical infrastructure. We are excited to be partnering with SMT in its journey forward."*

"SMT is a professionally run, technology driven company with products far superior to its peers and is all set to make a mark at the global level as a leading cardiovascular focused medical devices company from India. Samara's investment in late 2016 was a result of the high potential we saw in the sector and capabilities within SMT to emerge as the market leader. The new up-round and fund raise validates our thesis and further strengthens the balance sheet of the company." adds Abhishek Kabra, Director at Samara Capital.

About SMT:

Headquartered in Gujarat, SMT is the largest developer and manufacturer of precision engineered cardiac products in India. The Company has a wide product portfolio, including coronary stents (drug-eluting and bare-metal), renal stents, PTCA balloon catheters and other cardiac accessories in India and abroad. SMT has a manufacturing facility in the special economic zone in Surat in Gujarat and a R&D center in Dublin, Ireland. SMT is ISO 9001, ISO 13485, ANVISA and WHO-GMP certified. The Company's products are CE certified. SMT is part of the Sahajanand Group of Companies (for more information, please visit <http://smtpl.com/>).

About Morgan Stanley Private Equity Asia:

Morgan Stanley Private Equity Asia ("MSPEA") is one of the leading private equity investors in Asia-Pacific, having invested in the region for over 20 years. MSPEA invests primarily in highly structured minority investments and control buyouts in growth-oriented companies. The experienced investment team is led by senior professionals with extensive industry relationships, in-depth market knowledge and the ability to apply international investment principles within each local context.

MSPEA has offices in Hong Kong, Beijing, Shanghai, Seoul, Tokyo, Mumbai and New York, and leverages the brand and unparalleled global network of Morgan Stanley.

About Samara Capital:

Samara Capital is an entrepreneurially run India focused private equity firm. Samara invests in Emerging Indian Companies (EICs) – which it defines as those businesses that are poised for rapid transformation, have strong entrepreneurial minded management team and a favorable industry context. Samara has been investing in India since 2007 as a sector agnostic firm and has so far made over 20 investments with a high focus on consumer, healthcare and business services sectors.

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