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TCG Fund to invest Rs 225 Cr in Biocon Biologics

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For an Equity Stake of 0.85%



As per the terms of the proposed agreement, Tata Capital Growth (TCG) Fund will invest Rs 225 Crore for a 0.85% minority stake in the biosimilar business, valuing Biocon Biologics at an equity valuation of Rs 26,250 Crore, or ~USD 3.5 billion, and an enterprise valuation of Rs 30,400 Crore, or ~USD 4.0 billion.

The transaction is subject to standard condition precedents and approvals. Post the completion of this transaction, Biocon will hold 95.25% stake in Biocon Biologics.

Dr. Christiane Hamacher, CEO, Biocon Biologics, said: “We are pleased with Tata Capital’s investment in Biocon Biologics, which is an endorsement of the value we have created through our demonstrated success and credibility as a global biosimilars player, with two products commercialized in the U.S. and the launch of the third biosimilar on the anvil. We appreciate the conviction of our institutional investors in the ‘value creation’ story of Biocon Biologics as a fully integrated ‘pure-play’ global biosimilars company. This equity infusion is the next step in our journey of unlocking value. Through prudent investments in R&D and high-quality manufacturing infrastructure we are confident of achieving our aspiration of serving 5 million patients through our biosimilars portfolio and achieving a target revenue of USD 1 billion in FY22.”

Akhil Awasthi, Managing Partner, Tata Growth PE, said: “The fund is delighted to partner with Biocon Biologics, a pre-eminent player in Biopharmaceuticals on a global scale, as part of our focus on export-oriented manufacturing in world beating companies. The investment brings together 150+ years of brand equity of Tata’s and a very strong R&D based entrepreneur in Dr Kiran Mazumdar-Shaw with a golden track record of conceptualizing, investing and creating billion-dollar businesses by a meticulous combination of R&D strengths and an exceptional management team”.

The equity infusion by Tata Capital will enable Biocon Biologics’ future growth through prudent capital allocation, while it continues investments in R&D and manufacturing to meet the growing demands of patients worldwide.

Having reputed investors as partners, in the journey of establishing Biocon Biologics, as a leading global player in biosimilars, is reflective of the confidence they have in the company’s current and future prospects, aimed at benefiting patients, partners and healthcare systems across the world.