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Serum Institute of India invests $150 M more into Biocon Biologics

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Serum & Biocon Biologics agree to restructure equity investment



Biocon Biologics Limited (BBL) and Serum Institute of Life Sciences (SILS), a subsidiary company of Serum Institute of India, have reached an agreement to withdraw from the original equity structure contemplated under their Strategic Alliance announced in Sep, 2021.

While BBL had received approval from the National Company Law Tribunal (NCLT) in Karnataka, SILS was awaiting approval from the NCLT in Maharashtra to complete the merger. This would have provided SILS an equity stake in BBL.

As per the new terms of the strategic alliance, SILS would make an additional equity investment of $150 million through the conversion of the $150 million loan provided to Biocon Pharma Limited, a Wholly Owned Subsidiary of Biocon Limited, into equity in BBL. This investment is in addition to the $150 million that SILS had invested in Biocon Biologics in November 2022, resulting in SILS's aggregate equity investment in BBL amounting to $300 million.

As per the new arrangement, BBL will have access to 100 million doses of vaccines annually together with the distribution rights to Serum's vaccine portfolio which will add to BBL's product portfolio for global markets.

The new terms will serve the objectives of both the companies, as it provides SILS an aggregated equity investment in BBL amounting to $300 million and provides BBL additional product offerings for global markets.