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IndiaRF invests $144 M in Panacea Biotec

09 April 2019 | News

Investment to be used for one-time settlement with existing lenders, working capital and growth requirements



India Resurgence Fund (“IndiaRF”), promoted by Piramal Enterprises Limited and Bain Capital Credit, along with its affiliates today announced an investment of up to INR 992 crores/ USD 144 million in New Delhi based Panacea Biotec Limited (“Company”). The investment proceeds will be used for a one-time settlement with existing lenders, general working capital

and growth requirements of the Company.

This investment is structured by way of Non-Convertible Debentures (NCDs) of up to INR 864 crores and subscription amount of INR 32 crores towards share warrants to be allotted on a preferential basis. The subscription amount represents 25% of total amount of INR 128 crores proposed to be raised upon issuance of equity shares against warrants as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Subject to exercise of warrants, IndiaRF (along with its affiliates) will collectively end up owning 10.4% stake in the company on a fully diluted basis.

Commenting on the investment, **Shantanu Nalavadi, Managing Director, IndiaRF** said, “We are pleased to partner with Panacea Biotec, as it embarks on an exciting journey to enhance its market position as a strong, research-focused pharmaceutical and biotechnology company. The purpose of this investment is to not only restructure the Company’s balance sheet, but more importantly, work closely with the promoters and management team, to drive rapid revenue growth and sustainable profitability improvement. IndiaRF continues to remain focused on providing long term strategic solutions that enable an effective turnaround for high quality companies that have the potential for accelerated growth and profitability.”

Dr. Rajesh Jain, Managing Director, Panacea Biotec said, “We are delighted to partner with IndiaRF at this critical juncture in Panacea Biotec’s journey. We look forward to leveraging their proven global expertise in restructuring and turnarounds, and are certain that our combined efforts will now help accelerate our ambitious growth and profitability targets.”

Panacea Biotec is a progressive, innovative, research & development-focused biotechnology company focused on manufacturing and marketing of pharmaceutical formulations, biopharmaceuticals and vaccines.

Brescon & Allied Partners LLP were the exclusive advisors to the Company on this transaction, advising on the one time settlement with the banks and raising funding to back the revival plan.