

News Details

Bharat Biotech in Johannesburg JV

Oct 18, 2003

Hyderabad, Oct. 17: Bharat Biotech International (BBIL), a city-based biotech major, today signed a memorandum of understanding (MoU) with Mvelaphanda, a South African company, to set up a biotechnology facility in Johannesburg to manufacture vaccines, bio-therapeutics and bio-pharmaceuticals.

The MoU for the joint venture was signed here today by the visiting South African president Thabo Mbeki himself. This makes BBIL the first Indian company in the area of pharmaceuticals and biotechnology to enter South Africa as manufacturing collaborator Mvelaphanda, and the Industrial Development Cooperation of South Africa would have equity participation in the proposed Indo-south African venture with a holding for BBIL.

"The details of the funding pattern and the exact size of the investments required would be worked out shortly and the groundbreaking works for the facility would commence early next year," the Mvelaphanda chairman Tokyo Sexwale, told newsmen.

According to estimates, the project would require investments to the tune of Rs 120 to Rs 150 crore. Stating that the investments were to be worked out, Sexwale said, "Money is not a problem at all. The South African government is serious on the project and the State owned financial institutions will extend full support for the cause."

Bharat Biotech specialises in product-oriented research, development and manufacturing vaccines, bio-therapeutics and bio-pharmaceuticals. "The proposed South African facility would confine its scope initially to the African continent and expand its reach to Latin American region also," he said.

According to BBIL chairman Krishna Ella, his company had set up world-class facility in the outskirts of Hyderabad for over Rs 126 crore and similar size project would come up in South Africa as part of the collaboration. BBIL has earlier developed a recombinant DNA vaccine for Hepatitis-B.