



BioNEST
Bioincubators
Nurturing Entrepreneurship for
Scaling Technologies

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BioNEST

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Nurturing Entrepreneurship for Scaling Technologies

Scaling Bio-incubators in India through BIRAC BioNEST

1. Introduction

Bio-incubation allows harnessing of the entrepreneurial potential of start-ups by providing access to infrastructure as well as mentoring and networking platforms that the start-ups could use during their fledgling days.

The Startup India Action Plan announced by Hon. PM on 16th Jan 2016 targets scaling up of biotech startup ecosystem to have at least 2000 startups by 2020 which would necessitate creation of new bio-incubation space that are world class and that can provide cutting edge access to the best bio-incubation environs for propelling innovative ideas towards productization.

2. BIRAC' s BioNEST Programme

BIRAC' s focus has been creation of a biotechnology startup environment in the country. It has taken a couple of strategic implementation programmes that span from provide funding to early stage ideas through grants, creation of bioincubators at strategic locations (through **BioNEST**) and extend mentorship and networking opportunities to startups.

Through **BioNEST**, BIRAC has supported 20 bioincubators that are at various stages of operationalization with the cumulative area of 200000 sq.ft. Out of this approximately 100,000 sft space is currently active for incubation. The 20 bioincubators are placed either within academic/research clusters or stand-alone incubators either privately funded or funded by State Governments.

The new growth in biotech startups would require either scaling of existing bio-incubation space in current biotech hubs or creation of new bio-incubation space at nascent hubs that have the potential to become bigger biotech hubs in the next decade. Further, the creation of new bio-incubation space should be cognizant about the differential needs of varied nature of biotech startups- especially those that are medtech (including medical electronics hardware), biopharma, agri-biotech and biomaterials.

3. BIRAC’ s Strategy for Developing and Strengthening/rejuvenating Bio-incubators through BioNEST:

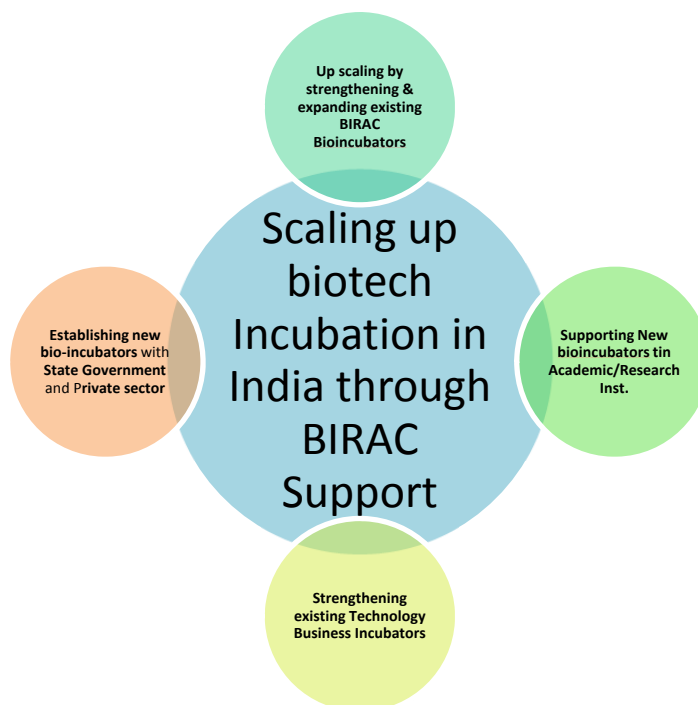


Table 1 The strategy for scaling Bio-incubation in India:

BIRAC proposes a multipronged strategy to scale up the number of bioincubators to 50 in the next 3-5 years. The strategy includes, up-scaling existing BIRAC supported incubators, create new bioincubators through its existing BioNEST program, partner with State Governments for creation of new bioincubators and finally strengthening of existing Technology Business Incubators.

Interested Applicants which have a potential and surrounding ecosystem to support entrepreneurship through startups creation can apply in any of the below mentioned categories that suits their eligibility. Detailed guidelines and eligibility criteria are mentioned under each category.

S.No	Category
1.	Supporting New BioNEST at Academic/Research Institutes/ Research Hospitals/ organizations fostering Innovation and entrepreneurship
2.	Establishing new BioNEST with various State Government Biotech Council or S & T Council
3.	Strengthening existing incubators attached to Academic institutes/ research institutes, Stand alone incubators/ Research Hospitals to establish BioNEST
4.	Support for Scaling-up of already funded BioNEST

Note:

- a. Already funded BIRAC BioNEST can only apply under category 4, subject to condition that they have completed or about to complete Phase 1. Also the facility should have been made operational during the project duration or after completion of phase 1. Final decision lies with the BioNEST Committee.
- b. Private Academic/ Research Institutes/ Hospitals/incubators have to contribute 20% towards the total capex.
- c. Funding will be commensurate with the need and scope of the project as perceived by the BioNEST committee.
- d. BIRAC may take a small equity in the start-ups incubated in the facility. The modalities and the quantum of equity may be worked out with the applicant.

Criteria for assessment

- Under this Category BioNEST will be funded at strategic locations which have the potential to be future biotech hubs and proposed facility can accelerate the process by catalyzing the entrepreneurial ecosystem.
- The existing capabilities of HI for promoting startups and innovations including the teams within the HI
- Preparedness of HI in supporting Bio-technology based entrepreneurship. This will include support extended from host institutes in terms of infrastructural facilities, dedicated space for bio-incubation, support for instruments from existing facilities, support for technical and business mentoring from within the Institute or from dedicated external sources.
- Approach and Methodology to be adopted, innovative content and pipeline of potential incubatees. This will include Assessment of the project reaching projected milestones, Governance Model, sustainability/ revenue model, Focus area of the proposed bioincubation center if any. Other aspects that adds value to the incubation through specialized services and support programs.
- The strength of the 'Mentoring support' at the HI: ability to provide training and information needed to facilitate enterprise development and help startups develop sound, viable projects that can attain both social impact and commercial performance.
- The strengths of Business development support at the Incubator: technical assistance that is designed to help prospective entrepreneurs or enterprises achieves their specific goals. This can include a variety of forms of operational support, such as investment readiness support and technical assistance like Business validation, Peer learning, on ground support and alliances to help the entrepreneur address the challenges of commercializing a business model.
- Other assessment criteria's relevant to specific category mentioned above.

1.	Supporting New BioNEST at Academic/Research Institutes/ Research Hospitals/ organizations fostering Innovation and entrepreneurship
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Through its current **BioNEST** programme, BIRAC receives continuous interest from Universities/ Research Institutes/ Hospitals for starting Incubation activities to support Startups.

The concerned interest in this category will be from entities which do not have a formal Incubation center but support Entrepreneurial activities and have some form of loosely woven or informal incubation activity. Such proposals will be assessed and screened based on existing guidelines for BIONEST that takes into account their merit and overall role in supporting innovation and techno entrepreneurship.

Eligibility

- BioNest could be hosted by an existing academic/ research organization, Research Hospital which do not have a formal Incubation center but support Entrepreneurial activities
- The host institutes (HI) should have adequate expertise and infrastructure to support incubation activity.
- Incubators supported directly under BioNEST may be managed by host institutes or may be in PPP Mode.

Specific conditions for support.

- The funding will be in the form of grant-in-aid/ Capital Investment. The percentage and manner of funding under the BioNEST can vary according to location; technology thrust area, infrastructure creation and the proposed operational model and depending on the reasoned recommendation of the Technical/ Expert Committee
- Duration of support for bio-incubation will be for 3 years, upto a maximum duration of 5 years depending up the need and recommendation of the expert panel.
- It is expected that a minimum of 5000-sft space have to be dedicated for bio-incubation, to facilitate incubation of startups.
- In lieu of support, BIRAC may take a small equity in the start-ups incubated in the facility. The modalities and the quantum of equity may be worked out with the applicant.

2	Establishing new BioNEST with various State Government Biotech Council or Science & Technology Council
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Respective States are now having their own Biotech councils OR S&T Councils spearheading Biotechnology in their respective states, through funding and other measures. States Biotech Council that can support in creating BioNEST facility can apply under this category. Under this category State Councils from the States having strong academic and industrial clusters will be given preference. The place suggested by the Biotech councils OR S&T Councils under the program should have a strong entrepreneurial culture or should have a strong potential to be a Biotech hub.

BioNEST under this category could be in existing institutions which may be Central/State Universities, Research & research Medical Institutes, stand alone Bioincubator/Parks, management institutes (if any), and other organizations focused on bio-incubation.

- A. Funding support of 50% shall be provided by BIRAC for establishment of new incubators and 50% funding in cash will be provided by the respective State Government Council. The incubator may be managed and operated by the private sector.
- B. In this category, the State Government will provide the requisite land and building to host the BioNEST. Under this Category, the State will provide the land and space in any of the existing institute that will be identified from the feasibility study. State will also contribute to funds for construction related activities of bioincubator.
- C. BIRAC funding will cater to refurbishing/ renovation, Capex and operational cost.
- D. Feasibility report will have to be prepared by the applicant that will focus on the following points:
 - Objectives and mission of the bio-incubator
 - Legal Status of the Bio-incubator
 - Governance model/operational model
 - Involvement of Stakeholder from surrounding academic and Industrial ecosystem.

- Focus on “cluster-based” technology incubation in support with surrounding industrial ecosystem. This will bring synergies between Academia- industry interactions.
 - Selection and exit policy for tenants/ startups
 - Building on local and international linkages.
 - Creating special infrastructure and equipment facility as per the needs and requirement of startups and MSMEs
- E. Under this Category, the State will provide the land and space in any of the existing institute that will be identified from the feasibility study. State will also contribute to funds for construction related activities of bioincubator.
- F. A technical and business Advisory core committee will govern the implementation of the project. This Core committee will have people from surrounding academic institutes, industry and people with expertise in running a Bioincubator.

Specific conditions for support.

- The funding will be in the form of grant-in-aid/ Capital Investment. The percentage and manner of funding under the BioNEST can vary according to location; technology thrust area, infrastructure creation and the proposed operational model and depending on the reasoned recommendation of the Technical/ Expert Committee
- Duration of support for bio-incubation will be for 3 years, upto a maximum duration of 5 years depending up the need and recommendation of the expert panel.
- It is expected that a minimum of 8000-sft space have to be dedicated for bio-incubation, to facilitate incubation of startups.
- In lieu of support, BIRAC may take a small equity in the start-ups incubated in the facility. The modalities and the quantum of equity may be worked out with the applicant.

3	Strengthening existing incubators attached to Academic institutes/ research institutes, Stand alone incubators/ Hospitals to establish BioNEST
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Under this category existing incubators attached to Academic institutes/ research institutes/Stand alone incubators/ research Hospitals can apply.

BioNEST program will support the bio-incubation in already existing incubators

- A. Incubators attached to Academic institutes/ research institutes. Stand alone incubators/ research Hospitals are eligible to apply under BioNEST.
- B. Applicant seeking BIRAC support should be operational at the time of application
- C. The incubator, seeking BIRAC support, hosted in Academic/Technical/R&D Institution/ standalone incubator/ research Hospitals [called Host Institute (HI)] and other institutions should have proven track record in promotion of technology based entrepreneurship.
- D. The incubator should have adequate expertise and infrastructure to support Bio-incubation activity.
- E. Incubator, seeking BIRAC support, which have existing support structures for biotech startups will be assessed based on the existing strength of the incubation activities.
- F. Incubator, seeking BIRAC support, which do not support biotech based startups but have the capacity to nurture them because of the host institute's strengths in life science research and that have the potential to create spin off in biotech sector, will also be considered.

Specific conditions for support.

- The funding will be in the form of grant-in-aid/ Capital investment. The percentage and manner of funding under the BIONEST can vary according to location; technology thrust area, infrastructure creation and the proposed operational model and depending on the reasoned recommendation of the Technical/ Expert Committee

- Duration of support for bio-incubation will be for 3 years, upto a maximum duration of 5 years depending up the need and recommendation of the expert panel.
- It is expected that a minimum of 5000-sft space have to be dedicated for bio-incubation, to facilitate incubation of startups.
- In lieu of support, BIRAC may take a small equity in the start-ups incubated in the facility. The modalities and the quantum of equity may be worked out with the applicant.

4.	Support for Scaling-up of already funded Bio-incubators
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- A. Only BIRAC funded BioNEST will be considered for the upscaling
- B. The bioincubator should be fully functional in order to be considered for scale up by BIRAC. Upscaling of the facility is assessed based on the overall impact created by the bioincubator in creating an ecosystem for innovation and entrepreneurship in Phase 1. This will include the following points:
 - Number of startups incubating in the incubator;
 - No of startups exited from the BioNEST Facility in Phase-1;
 - Potential pipeline of startups seeking bio-incubation facilities.
 - Stages of startups supported by incubator
 - Total number of startups supported through its various services- technical, business, legal, IPR, commercialization, mentoring etc. Exact role performed by incubator.
 - Number of Jobs supported by BIONEST facility. This will include the number of jobs support by startups after incubating in the BIONEST facility and jobs supported to manage BIONEST facility
 - Number of other sources of funding managed by incubator for startups. This will include funding from government, international organization, VC and also by the incubator investment made in the startup.

- Number and kind of workshops, seminar, training and mentoring sessions conducted.
 - Technologies / product/POC developed by startups while incubating in BioNEST facility during phase 1.
- C. The proposed phase 2 proposals are based on the deficit funding model showing revenue projections for next five years based on current operational expenses incurred in running the BIRAC supported space in Phase2. Shortfall in the deficit budget will be considered for support by BIRAC as operational cost.
- D. Support for Up scaling of the project will be considered for 3 years, to a maximum of 5 years, subject to the condition that the facility will try to attain complete sustainability in the 3rd/ 5th year.
- E. Phase2 proposal should focus on the next level of development that is required to be a part of incubator and that will serve startups in higher level of research and development in product. This may include creating specialized units required for technology development.
- F. Next level of services and specific Unit required for helping startups to take a leap in their technology/ research. Nature and extent of services needs to be expanded. In each phase2 incubator a small TTO office could be supported.
- G. BIRAC may take equity stake in phase 2 support. This will vary from 1-3 % of the equity stake of the incubator in the incubating companies occupying or using BIONEST Supported facilities.
- H. Incubator should have at least 5 resident ‘starts up in the operational period.
- I. Demand–supply justification to be provided showcasing actual request from the incubatees interested in incubating.

Support Details: Up scaling of the projects will also consider the following points:

- Increased incubation space. Refurbishing and renovation cost will be considered for creating lab space, lab module and benches, common equipment facility and specialized units
- Capex Support for generic equipment based on the incubator’ s need and Committee’ s recommendations.
- Will include the operational cost for running the incubators to reach sustainability:

Proforma for filling application under different Categories.

A. Basic Information:

- 1. Category:**
- 2. Title Of Proposal:**
- 3. Name of Applicant/ Implementation Agency**
- 4. Location/ Address**
- 5. Applicant Type:**
 - Not for profit Section 8 company
 - Society
 - Trust
- 6. Subcategory:**
 - TBI
 - Biotech Park
 - Bio-incubator
 - Academic Institute (University)
 - Research institute
 - S & T/ Biotech State Council
- 7. Is it a new initiative in your university /institution/Incubator/Hospital**
- 8. Name of Project Leader: Nodal person who will be handling the project and his /her competence**
- 9. Demonstrated experience in incubation in general. Any experience in bio-business startup incubation.**
- 10. What is the demand for such facility at your centre**
- 11. What difference the proposed bio-incubator would make in nurturing and mentoring the Biotech start-ups originating in and around proposed facility.**

B. General Information.

- 1. What are the existing facility and programs to support Biotech entrepreneurship?**
- 2. What is the existing area dedicated for bioincubation and how much are can be dedicated under BioNEST.**
- 3. What common instrumentation facility exists in the university /institution/incubation centre. Will the university /institution/Incubator facility be available to the start-ups in the proposed facility?**
- 4. How many existing incubatees/start-ups which are legal residents**
- 5. How many additional new start-ups can be accommodated apart from the existing ones.**
- 6. What are the other soft services in terms of IPR, business plan, legal, mentoring, industry interaction platforms provided to start-ups companies from the exiting facility?**

7. Provide the dedicated list of mentors that would be help the mentoring of start-ups companies.

C. Project information

1. Summary of the proposed project:
2. Focus of the Bioincubator:
3. Operational Model for the proposed facility:
 - Operational strategy/ Business strategy to be followed
 - Details of the governance model to be adopted,
 - Sustainability model of the proposed project
 - The revenue projections from various streams

4. Proposed duration of project:

5. Total project cost:

- i. Applicant Contribution:

- Financial:
- Space:
- Any Other Services:

- ii. BIRAC's Contribution:

6. Details of proposal: Key goals , Timelines and Budget Details are as follows:

- i. Objectives:

- ii. Timeline Of Activities For Bio-Incubator

Year	Activities	Deliverables- tangible and intangible
1 st Year	•	•
2 nd Year	•	•
3 rd Year	•	•
	•	•

iii. Refurbishing/renovation and Recurring Cost: Certified cost of the refurbishing and renovation has to be provided

- Total area dedicated for the facility:
- Distribution of the space for various activities and area under each
- Cost per sq/ft.

Budget break – up under refurbishment and renovation

Year	Yr. 1	II	III	Total in lakhs
Area of refurbishment				
Renovation and refurbishing of space				
Lab furniture				
Total				

iv. Equipments: Details supported by invoices of each

Sr.no.	Instrument	Approximate price per unit (Rs.)	Required units	Total Approximate price (Rs.)
	Analytical Equipment			
1.1				
1.2				
1.3				
1.4				

v. Maintenance/Repair of Equipments/Chemicals

Year	Yr. 1	II	III	Total in lakhs
Maintenance/Repair of Equipments				
Consumables & Chemicals				
Total				

vi. **Administrative-Operational Exp -Electricity, , Furniture, Travel, Consumables & Contingency**

Year	Yr. 1 (Rs Lakhs)	II (Rs Lakhs)	III (Rs Lakhs)	Total (in Rs Lakhs)
Electricity, Water, Internet, Telephone, consumables, etc				
Travel				
Workshop				
Contingency				
Total				

vii. **Manpower; provide the rational**

Manpower						
		Monthly				
Manpower	No.	Pay (Rs)/Employee	Yr. 1	II	III	Total (Rs Lakhs)
Total (Annually)						

NOTE: This is an extensive budget format. Based on your requirements you may plan the budget accordingly based on given format. You may include any other activity not mentioned in the format.

Please mention Not applicable, where ever required.

For any information Contact
Dr. Chhaya Chauhan
 Manager, Incubation
 Email: sped4.birac@nic.in