



BioNEST

Bioincubators Nurturing Entrepreneurship for Scaling Technologies

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Scaling Biotech Startup Ecosystem in India through BIRAC's BioNEST

1. Introduction

BIRAC, a Not-for-profit section 8, schedule B, Public sector Enterprise, was set up by Department of Biotechnology (DBT), Government of India in 2012 as an interface agency to strengthen and empower the emerging biotech enterprises to undertake research and innovation for translating innovations into commercial products and technologies. BIRAC has nurtured Biotech startups in the country through various initiatives such as funding schemes for startups and entrepreneurs, setting up of specialized Bioincubation facilities for biotech startups, establishing various strategic partnerships and contributing at the policy level.

BioNEST (Bioincubators Nurturing Entrepreneurship for Scaling Technologies) scheme is a dedicated scheme to create globally competent bioincubation facilities across the country. The BioNEST scheme championed the mandate of the Startup India Action Plan announced by Hon'ble Prime Minister on 16th Jan 2016 that targeted scaling up of biotech startup ecosystem. The initial aim to have at least 2000 Biotech startups by 2020 and creation of 50 Bioincubators with world class facilities and access to the best bioincubation environs for propelling innovative ideas towards product commercialization has been achieved. Going forward, in next 5 years the total number of Biotech Startups is expected to grow to from 4300+ startups in March 2021 to 10,000 by 2024-25.

2. BIRAC's BioNEST Programme

BioNEST bioincubators are mandated to provide incubation space to entrepreneurs and Startups along with shared access to high end infrastructure, specialized and advanced equipment, business mentorship, IP, legal and regulatory guidance, and networking opportunities.

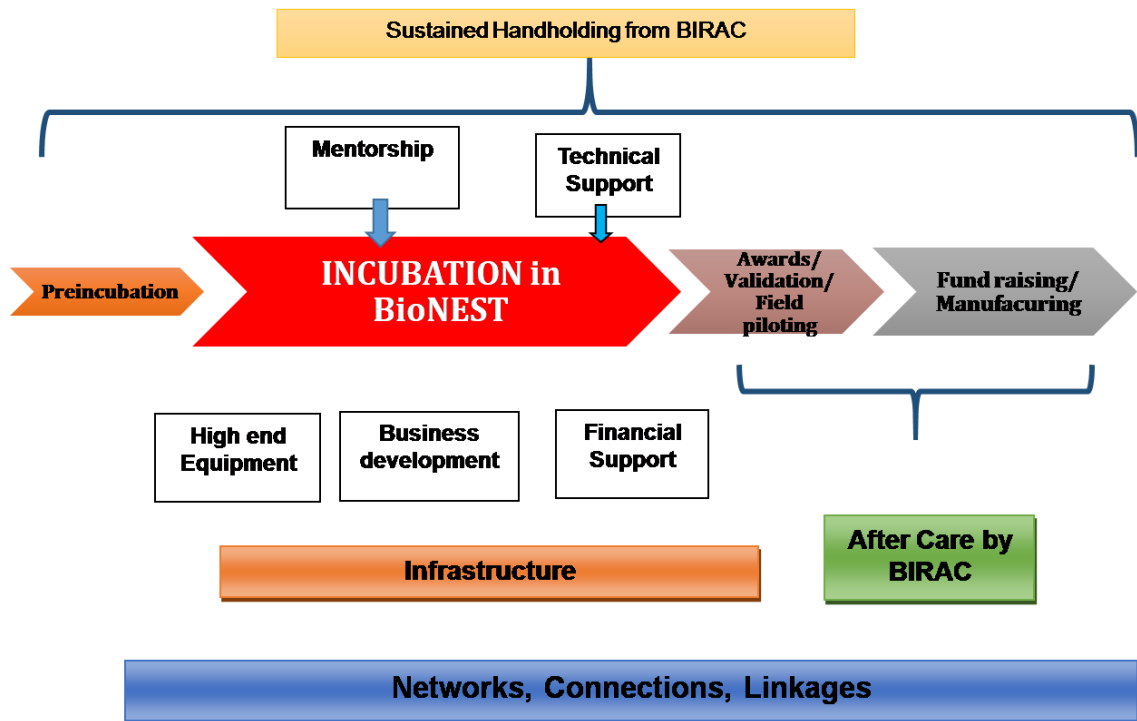


Fig 1: Typical Incubation process at BIRAC’s BioNESTs

Through the BioNEST scheme, BIRAC has supported 65 bioincubators with the cumulative area of 8,63,382 sq. ft. The 65 bio-incubators are placed either within academic/research Institutes, medical hospitals, Biotech clusters or as stand-alone incubators that are supported through private, Central or State Governments.

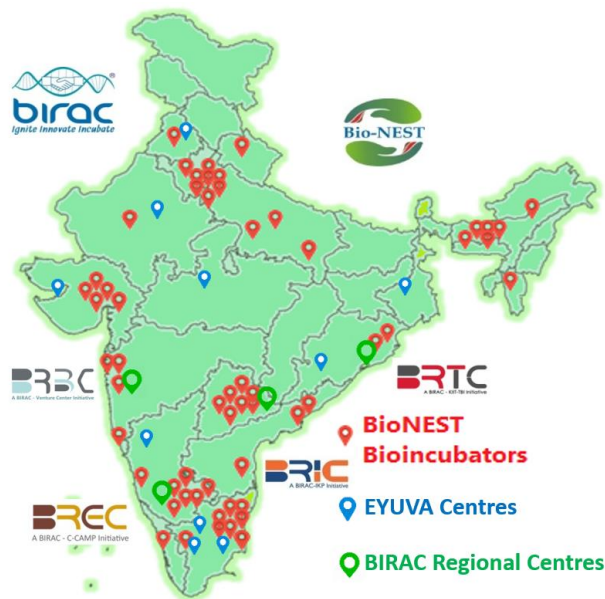


Fig 2: BioNEST Bioincubators

3. BIRAC’s Strategy for Scaling up of Incubator network for Biotech Startups in the country:

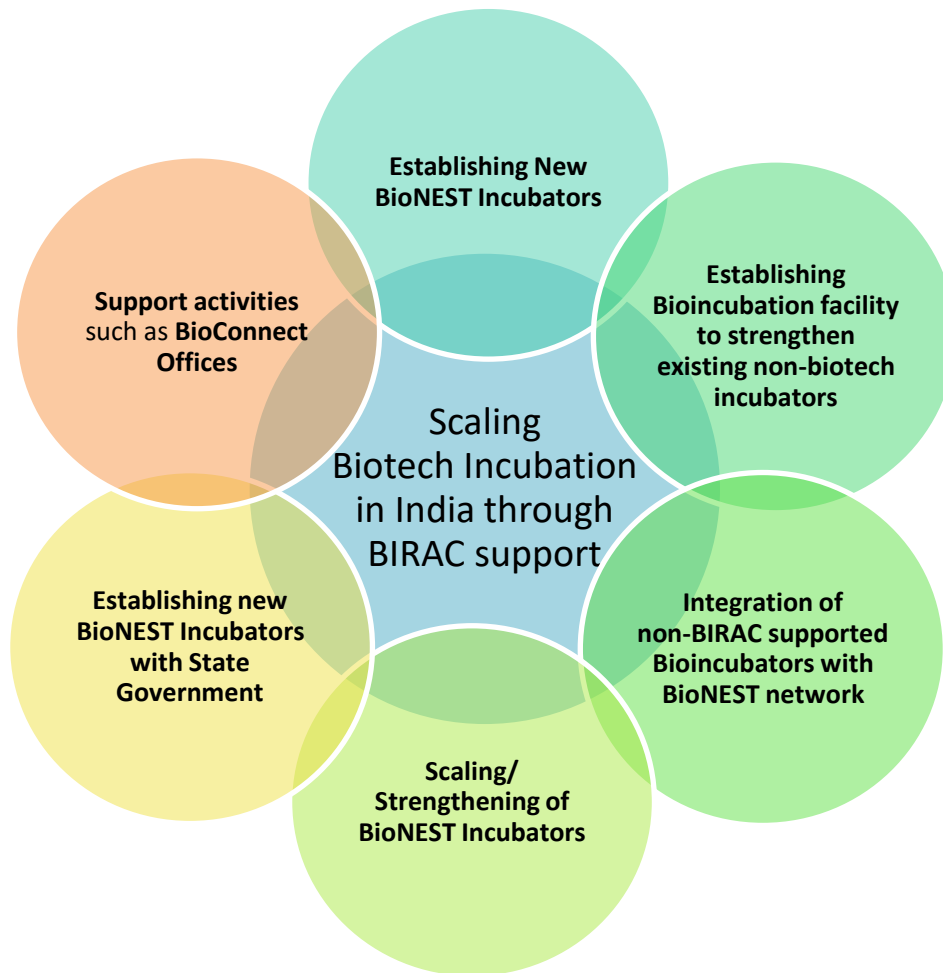


Fig 3: Scaling Bio-incubation network in India

To cater to the growing number of Biotech Startups, Bioincubators network would also need to be scaled up. Therefore, additional Bioincubators shall be set up in the country. An applicant interested in setting up of a Bioincubator may apply Online to BIRAC under the different categories as applicable.

Table 1: Applicant Category for BioNEST bioincubation centre support

| Category | Remarks |
|----------|--|
| 1 | Establishing New BioNEST Incubators at Academic/Research Institutes/Research Hospitals/ Organizations fostering Innovation and entrepreneurship |
| 2a | Establishing BioNEST Bioincubation facility to strengthen existing non-biotech incubators attached to Academic institutes/ Research institutes/ Research Hospitals/ Standalone incubators |
| 2b | Integration of non-BIRAC supported Bioincubators with BioNEST network for promoting Biotech startups |
| 3 | Scaling/Strengthening of existing BioNEST Incubators |
| 4 | Establishing new BioNEST Incubators with State Government |
| 5 | Support to BioNEST incubators for activities such as BioConnect offices |

ELIGIBILITY CRITERIA

- Indian institutions including Universities/ Research Institutes/ Colleges/ Management Institutes/ Business Schools/ Business Incubators/Biotech-Parks/State government S & T bodies/ Biotech State Councils/Research Hospitals
- Incorporation of an Indian legal entity* is recommended for Bioincubators, however it is not a must for the new applicants especially from Indian Institutions including Universities/ Research Institutes/Colleges/ Management Institutes/ Business Schools etc.

*Private Company/ Not for profit Section 8 company/Trust/Society - The legal entities under the relevant Law of India having at least 51% Indian (Citizen) stakeholders (owners/partners/trustees/ members/associates/directors etc. as applicable)

GENERAL REQUIREMENTS

Funding:

1. The funding support will be in the form of grant in aid for both Capital and Operational expenses and will be based on the need and scope of the project as adjudged by the BioNEST committee.

2. BIRAC funding will cater to refurbishment/ renovation of space, equipment, furniture and operational cost.
3. Private Institution/Entities applicants including *Private-Academic/Research Institutes/ Research Hospitals/Incubators* have to contribute a minimum 20% towards the total capex of the project cost.

Space:

1. It is recommended to allocate about 10,000 sq ft or more for the bioincubation facility under BioNEST. This is an ideal capacity that can cater to a minimum of 25 startup teams with an average dedicated space of upto 200 sq. ft./ startup when cabin layout is followed. If required, the operationalization of the entire space can also be done in a phased manner by the host Institute/organization and expand as per the requirement.
2. The entire 10,000 sq ft area may be distributed in meaningfully utilizable vicinity if not available at a single stretch.
3. A joint application from more than one institution committing to the total space of about 10,000 sq. ft. or more may be considered.
4. As adjudged by the Expert Panel, special cases based on merit may be given relaxation on space requirements depending on the location, regional capacities, etc.

Duration:

1. Duration of support for bioincubation will be for a period of upto a maximum duration of five years. After successful execution of Bioincubation for the initial approved period, applicant may apply for the scaling up of activities under Category 3 support.

Others:

1. BIRAC may exercise the provision of getting equity in the startups incubated in the facility in the manner the competent authority accords approval and as per its norms.
2. Already funded BIRAC BioNEST can apply under Category 3, subject to condition that they have completed or about to complete the existing Phase. The facility should have been made operational during the project duration/completion of Phase 1.

General Criteria for Assessment

- ◆ Institutes/organizations with the focus on translational activities where innovations can be converted to product or technology should only apply.

- ◆ Under the various categories BioNEST will be funded at strategic locations which have the potential to transform into future biotech hubs and proposed facility can accelerate the process by catalyzing the entrepreneurial ecosystem.
- ◆ The existing capabilities of Host Institute (HI) for promoting startups and innovations including the teams within the HI shall be assessed.
- ◆ Preparedness of HI in supporting Biotechnology based entrepreneurship: This will include support extended from HIs in terms of infrastructural facilities, dedicated space for bioincubation, support for instruments from existing facilities, support for technical and business mentoring from within the Institute or from dedicated external sources made available by the HI will be assessed.
- ◆ 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, etc. Other aspects that add value to the incubation through specialized services and support programs will be considered.
- ◆ The strength of the ‘Mentoring support’ at the HI, i.e., the 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 is crucial.
- ◆ The strength of Business development support at the Incubator i.e., technical assistance that is required to help prospective entrepreneurs or an enterprise to achieve their specific goals. This can include a variety of forms of operational support, such as regulatory understanding, compliance readiness, investment readiness support, go-to-market business model validation, Peer to Peer learning, on ground support and alliances to help the entrepreneur address the challenges of commercializing a business model.

Other requirements and criteria relevant to specific category are as follows:

Category 1

Establishing New BioNEST Incubators at Academic/Research Institutes/Research Hospitals/ Organizations fostering Innovation and entrepreneurship

Under its BioNEST programme, BIRAC receives continuous interest from Universities/ Research Institutes/ Research Hospitals for starting Incubation activities to support Startups.

The potential application 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 applications merit and overall role in supporting innovation and techno entrepreneurship.

Requirements

- BioNEST could be hosted by an existing academic/research organization/university, Research Hospital which does not have a formal Incubation center but support Entrepreneurial activities.

- The Host Institute (HI) should have adequate expertise and infrastructure to support incubation activity.
- Incubators supported directly under BioNEST may be managed by host institutes or in PPP Mode.

**For other requirements related to duration and space etc. kindly refer to the General requirements mentioned earlier.*

Category 2a

Establishing BioNEST Bioincubation facility to strengthen existing non-biotech incubators attached to Academic institutes/ Research institutes/ Research Hospitals / Standalone incubators

Under this category existing non-biotech incubators attached to Academic institutes/ Research institutes/ Research Hospitals/ Standalone incubators can apply.

BioNEST program will provide support to expand the capacities of existing incubators for facilitation of Biotech Startups

- The Incubator seeking BIRAC support for strengthening should be operational at the time of application
- The incubator, seeking BIRAC support, hosted in Academic/Technical/R&D Institution/ research Hospitals /standalone incubator/ and other partnering institutions should have proven track record in promotion of technology-based entrepreneurship.
- The incubator should have adequate expertise and infrastructure to support Bioincubation activity.
- Incubator, seeking BIRAC support, which have existing support structures for biotech startups will be assessed based on the existing strength of the incubation activities.
- 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 startups in biotech sector, will also be considered.

**For other requirements related to duration and space etc. kindly refer to the General requirements mentioned earlier.*

Category 2b

Integration of non BIRAC supported Bioincubators with BioNEST network for promoting Biotech startups

This category is for the Incubators with proven capacities to cater to the biotech startups which are not part of the BIRAC's BioNEST network. These Incubators may or may not be supported by other Govt. funding agencies.

The incubators may apply under this category for the following:

- Integrate with the BioNEST network for inclusion in the BIRAC supported biotech ecosystem.
- Funding support to complement existing facilities, enhance capacities for the benefit of biotech startups.
- Compete as per norms for the provisions which are available for BioNEST bioincubators e.g., BIG Partner, SEED Fund Partner, LEAP Fund Partner, BIRAC Regional Centre etc.
- Avail various opportunities extended to BioNEST incubators and affiliated entrepreneurs, startups as per norms

Under this category the Applicant Bioincubator is expected to:

- Have proven capabilities of supporting startups and entrepreneurs in the Biotech domain
- Extend the existing infrastructural facilities, bioincubation space, Instrumentation and Equipment, technical and business mentoring support, etc. to the Biotech startups as part of the overall BioNEST incubator network.
- Undertake roles and responsibilities; commit to deliverables and outcome akin to other Bioincubators which are part of the BIRAC's BioNEST incubator network.

**Eligibility Criteria will be similar to the other categories.*

The selection will be based on merit of the proposal and the value addition the incubator can potentially bring to the BioNEST Network

Category 3

Scaling/Strengthening of BioNEST Incubators

- Only BIRAC funded BioNEST incubators will be considered under this category
- Upscaling of operations can be in terms of space expansion or enhancement of capabilities and capacity, including team, infrastructure, equipment and services. It may also include adding of some high-end specialized facilities such as a pilot facility, niche area, fab lab etc.
- 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 the previously supported Phase. This will include the following points:
 - i. Number of startups incubating in the incubator
 - ii. Number of startups exited from the BioNEST Facility
 - iii. Potential pipeline of startups seeking bioincubation facilities
 - iv. Stages of startups supported by incubator
 - v. Total number of startups supported through its various services technical, business, legal, IPR, commercialization, mentoring etc. Exact role performed by incubator.
 - vi. 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

- vii. Number of other sources of funding managed by incubator for startups. This will include funding from government, international organization, Angels & Venture Capitalists and also by the incubator investment made in the startup
 - viii. Number and kind of workshops, seminar, training and mentoring sessions conducted
 - ix. Technologies/products/PoCs developed by startups while incubating in BioNEST facility
 - x. Justification of the expansion needed
- The proposed next Phase proposals should be based on the deficit funding model. Application to include revenue projections for next five years based on current operational expenses. Shortfall in the budget will be considered for support by BIRAC as operational cost.
 - 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 sustainability in the projected period.
 - Next Phase proposals should focus on the next level of development that is required to be a part of incubator to serve startups undertaking higher level of research and product development. This may include creating specialized units required for technology development. In the next Phase for incubator, a TTO facility could be supported.
 - Next level of services and specific unit required for helping startups to take a technology leap, Nature and extent of services that need to be expanded must be captured clearly in the proposal.
 - Demand supply justification to be provided showcasing actual request from the incubatees interested in incubating.

Following points will be considered for the up-scaling support:

- Increased incubation space. Refurbishing and renovation cost for creating lab space, lab module and benches, common equipment facility and specialized units
- Capex Support for the equipment based on the incubator's needs and BioNEST Committee's recommendations.
- Operational cost for running the incubators to reach sustainability.

Category 4

Establishing new BioNEST Incubators with State Government

State Govts. can apply under this category through their affiliate departments/ bodies such as Biotech Councils, S&T councils etc. that are spearheading Biotechnology in their respective states through funding and other measures, if interested in creating BioNEST facility in their states. The place suggested by the applicant under the program should have a strong entrepreneurial culture or potential for becoming a Biotech hub.

BioNEST under this category could be in existing institutions which may be Central/State Universities, Research & Development Medical Institutes, Standalone Bioincubator/ Research Parks, Management Institutes, and other organizations focused on bioincubation.

Specific conditions for support under this category:

- Category 4 applicants shall provide the built-up space for BioNEST Incubator from the State Government. The incubator may be managed and operated by the private sector.
- BIRAC funding will cater to refurbishing/ renovation, Capex and operational cost.
- Feasibility report will have to be prepared by the applicant that will focus on the following points:
 - Objectives and mission of the bioincubator
 - Legal Status of the bioincubator
 - Governance model/operational model
 - Involvement of Stakeholders 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 incubatees/startups
 - Building on local and international linkages.
 - Creating special infrastructure and equipment facility as per the needs and requirement of startups and MSMEs
- The State Government will provide the requisite land and built-up space to host the BioNEST. State will also contribute to funds for construction required for the related activities of Bioincubator.
- 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.

**For other requirements related to duration and space kindly refer to the General requirements mentioned earlier.*

Category 5

Support to BioNEST incubators for activities such as Bioconnect offices

Activity centric support to the existing BioNEST incubators shall be considered under this Category. This provision has been created to provide strategic support for the value-added activities that were not part of the original proposal at the time of sanction but may get introduced/ identified during the implementation of existing incubation facility.

BioConnect offices: Virtual corridors for Incubator-to-Incubator connect facilitating engagement of Startups and Incubators at the Global level. BIRAC (through Make in India Facilitation Cell at BIRAC) is committed to scale India’s biotech ecosystem at global level. BioConnect offices would leverage international partnerships and provide global platform to the Startups from BioNEST bioincubator network. The BioNEST global access would empower entrepreneurs, startups, incubators and the ecosystem to explore synergies, create/ avail opportunities and scale.

- Under this category support shall be provided to the BioNEST Incubators to establish BIRAC's BioConnect offices engaging an International Incubator partner.
- The Lead Incubator interfacing with BIRAC will be the BioNEST Incubator and BIRAC's funding shall be disbursed to the Indian participant who shall be primarily responsible for the joint/outsourcing activities
- The International Incubator proposed for partnership by the BioNEST bioincubator should be well recognized registered entity as per the local laws of the host country. It shall have proven expertise and physical infrastructure required to support Biotech startups and entrepreneurs.
- The applicant BioNEST incubator shall be responsible to BIRAC for ensuring the quality and competitiveness of the proposed association and/or activities.
- Opportunities through individual BioConnect office would also cover incubatee startups, entrepreneurs based on merit from other BioNEST incubators. Appropriate provisions can be included so that it may not be limited to the host incubator beneficiaries only.

BIRAC will support such connects and must be kept informed about the associated activities by the beneficiary incubators.

Interested BioNEST Incubators can submit a proposal for support with information not limited to the following:

- Relevant details of international partnership
- Details of the international incubator
- How will it help the biotech startups
- Activities envisaged with timelines-based deliverables, and milestones
- Funding required with justification

HOW TO APPLY?

Proposals are required to be submitted online only. Call for application shall be advertised on the website.

For further BioNEST related queries/feedbacks/grievances, please contact:

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