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Gujarat to Bolster Bio-manufacturing & Innovation

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The development of the State-specific biotechnology industry occurs largely in regions which have skilled workforce to aid in the development of the outputs. The biotechnology industry is highly knowledge intensive and tends to agglomerate in regions where academic institutes, knowledge workers and employees are available. Additionally, the presence of academic institutes caters not only to the development of the skilled workforce but also partnerships with biotechnology companies. Gujarat stands out with a strong performance in all the above three indicators as per the Biotechnology Industry Research Assistance Council (BIRAC) Report on the subject.





Gujarat Biotechnology policy 2016-21 helped the State in realisation of its massive biotech exports potential that it held and envisioned to increase that turnover resulting in enhanced productivity and growth of Gross State Domestic Product (GSDP).

During this policy period, State had enabled transformative changes in the industry by establishing Research Infrastructures such as Gujarat Genomics, Virtual Institute of Bioinformatics, Marine Bioresource Centers, Savli Bioincubator, Network of Biotech Capacity Cells, Biotechnopreneur Programme, etc. Clinical initiatives such as Stem Cell Training Programme and Genetic Diagnostic Centre, etc. that eventually led to restructuring of Gujarat State Bio Technology Mission (GSBTM) and formation of three newer organizations viz. Gujarat Biotechnology Research Center (GBRC), which provides strong research infrastructure including shared lab facilities and instrumentation, Savli Technology & Business Incubator (STBI), which focuses on a strong Start-Up Culture, and Gujarat Biotechnology University (GBU), a dedicated University for Biotechnology. It has also augmented the equity-based venture financing of Biotech Start-Ups & MSMEs by formation of Gujarat Biotech Start-Up Venture Fund (GBSVF).

Further, the State produces above 10,000 Graduates each year from above 60 educational institutions offering more than 55 PG & 45 UG courses, providing a necessary work force for industry's overall growth.

Leveraging on the strengths of these initiatives and to further strengthen the Biotechnology Ecosystem, Government of Gujarat has announced 'Biotechnology Policy 2022-27' to help the State take a leadership role in National flagship programmes such as 'Make in India', 'AatmaNirbhar Bharat', 'Atal Jai Anusandhan Biotech Mission (UNaTI)' and other National & International Programmes.

The policy targets creation of more than 1.2 lakh employment in the sector, support at least 500 Business Units and attract investment of at least Rs 20,000 crore.

Policy covers wide range of beneficiaries including Business units developing infrastructure projects such as Pre-clinical Trial Facilities, Brownfield spaces, Greenfield projects, etc., Industrial Units venturing into challenging sectors such as vaccine production, 3D Bioprinting, Bioplastics, etc. and Industrial Units relocating from outside State.

Policy by recognizing special projects, which covers Projects of strategic importance, in challenging areas, related to emerging technologies, relocating from other countries/ states and Ecosystem Strengthening Projects such as PPP based projects, Pre-clinical trial facilities, Animal testing facilities, Shared instrumentation, Lab facilities, Brownfield & Greenfield developments, clearly defined its focus areas and trust sectors. Policy with this approach, has paved the way for development of regional bio-clusters and industry infrastructure in collaboration with other State & Central Agencies and private sector funded infrastructure projects on Public Private Partnership basis.

Policy ensures that diverse requirements of different Biotech subsectors are addressed through Incentives bundling approach, which does not impose individual ceiling for various CapEx & OpEx components.

Policy provides Capital Expenditure assistance up to Rs 200 crore for 'Mega, Special and Ecosystem Strengthening Projects' and up to Rs 40 crore for other BT Units/ projects. Components covered under Capital Expenditure assistance are Plant & Machinery, Building & Utilities, Technology Acquisition, Registration & Stamp Duty and Green Energy.

Policy provides Operational Expenditure assistance up to Rs 25 crore per year for 'Mega, Special and Ecosystem Strengthening Projects' and up to Rs 5 crore per year for BT Units/ projects. Components covered under Operational Expenditure assistance for 5 years are Lease Rental, Power Tariff, Quality Certification, Bandwidth, Market Development and Patent Support.

Interest subsidy for Term Loan shall be at rate of 7 per cent for borrowings up to Rs 100 crore within a ceiling of Rs 7 crore per annum and at rate of 3 per cent for amount exceeding Rs 100 crore within an overall ceiling of Rs 20 crore per annum. In addition to these, Employment Generation Incentive (EGI) upto Rs 60,000, for every local employee, Upto 100 per cent reimbursement of employers' contribution to EPF and 100 per cent reimbursement of Electricity Duty shall be provided under this policy.

The Government of Gujarat, with this Policy, reaffirms its commitment to creating a globally competitive ecosystem for Biotechnology in the State by leveraging existing infrastructure as well as building a robust alliance between Government, Scientific establishments and Industries in the sector.

The way ahead for the Gujarat biotech industry is to take advantage of the new policy to develop indigenous research processes, new and innovative biotech products in tandem with international development programmes with international allies, since technology transfer and knowledge flow becomes a crucial component of overall sector growth.

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