

BBC to fortify technological entrepreneurship

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BBC, the soon-to-be launched biotech incubator by the combined efforts of Karnataka Biotechnology and Information Technology Services (KBITS) and Institute of Bioinformatics and Applied Biotechnology (IBAB), will be a hot-bed for nurturing and blossoming biotech start-ups in the country.

Q: Tell us about the BBC's incubation model?

Dr Jitendra: At Bangalore Bioinnovation Centre (BBC), the prospective incubatees are selected through a rigorous process. It is ensured that incubatees who are selected score high on innovation, social impact, team strength, and have a clearly laid out robust business model.

These incubatees are provided with subsidized infrastructure/common equipment facility, focused mentorship, seed fund, access to venture fund, logistics for future growth plans/scale up, branding and networking support.

BBC also plans to engage in building robust pipeline of technology entrepreneurs through different institutional means such as live business plan competition, and forming teams around IP protected technologies which are lying bare on shelves in research institutions.

The centre is promoted by KBITS, which is a nodal centre of department of IT, BT and S&T, govt of Karnataka.

The Centre has received generous funding support from DBT, Govt of India. Structured as Section 8 not-for-profit company, it aims to spur innovation movement in Life Sciences in the State and beyond.

Q: What's unique about BBC?

Dr Jitendra: Uniqueness of BBC lies in its world class infrastructure, government support, governance structure (fully autonomous section 8 Co), linkages with academic institutions like IBAB and CHG, proximity to bio-cluster, and mentorship by Vision Group in Biotechnology chaired by none other than Dr Kiran Mazumdar-Shaw.

Q: How can this model be replicated to kick-start biotech start-up boom in India?

Dr Jitendra: Relevant department in every State should create such centres either through their own resources or through PPP mode. However, such centres should either be co-located with academic institutions or should be within an industrial cluster or both.

BBC has the advantage of being located within an upcoming Bangalore Helix Biotech Park. The park already has within its campus reputed academic institutions like IBAB and Centre for Human Genetics (CHG). Bio-Industry cluster building is under process.

The model followed by Department of IT, BT and S&T, govt of Karnataka through its nodal Centre, KBITS and through BBC, to support bio-innovation, is a result of recommendations of Karnataka Vision Group in biotechnology under the leadership of Dr Kiran Mazumdar-Shaw, and members who are leaders in their own field.

The Millennium Biotech Policy formulated by the govt of Karnataka does capture the vision and is being implemented through KBITS and BBC.

Such model or variants according to local needs and resources need to be built and implemented in other states too.

BIRAC like institutions and its schemes at State level is also an important requirement for scaling up the start-up movement in biotechnology in India.

Q: What are the key investments needed to achieve this?

Dr Jitendra: Biotech start-ups require high gestation periods and are highly capital intensive, coupled with huge risk element, and thus there are high entry barriers.

This entry barrier must be lowered through setting up of biotechnology incubators. BIRAC does have a scheme called Biotechnology Incubation Support Scheme (BISS), for supporting bio-incubators across the country but this is limited by participation by a host institution that already has an Incubation centre.

There are bio-incubators hosted by many academic institutions, but still there is a need to create BBC like model incubation centres in each State.

We need at least 50 such incubation centres, each having a capacity to incubate 40 high potential start-ups. Considering the cost of setting up one incubation centre as Rs 50 crore, we must have dedicated capital resource of Rs 2500 crore to achieve the target.

This number excludes the incubators that are already existing, but I think we must create an incubator support fund of this quantum.

We also need to have dedicated funds for seed funding the incubatees through grants/soft loans and equity funds.

Q: In the current situation, how many biotech start-ups can an incubation centre produce in a year, given the challenges in funding and infrastructure?

Dr Jitendra: Incubation centres such as BBC can support 40 incubatees in its centre at any given point of time. It depends on the rate of new incubatees joining and old incubatees graduating to figure out an annual turnover of incubatees.

Q: Briefly tell us about the success stories achieved at BBC?

Dr Jitendra: The centre has just become operationally ready so true success stories are yet to come by. However, its host Institution IBAB has a stupendous track record of incubating start-ups for the last 12 years.

It has Incubated companies such as Novozymes R&D, Microtest Innovations and Cellworks.

Currently, there are many high potential incubatees being incubated at IBAB such as MIR Life Sciences, String, Privils, Denovo Bio, and Shodhaka amongst others.

Since the new facility for bio-Incubation - BBC, is operationally ready, all these companies are expected to shift their operations to BBC.

Q: Do you see a rise in the erection of number of biotech start-ups in Indian incubation centres? Or is it dwindling?

Dr Jitendra: Number of incubation centres and number of start-ups are showing an increasing trend.

This is owing to key role played by BIRAC, increase in awareness by different States towards setting up of incubation centre and overall positive outlook towards entrepreneurship.

Q: Are you seeing any trends in the biotech start-ups climate?

Dr Jitendra: Biotech start-ups boom is clearly discernible. BIRAC has played key role in propelling and fuelling the growth of Indian biotech start-ups and Incubation centres.

Number of start-ups, number of incubators, government support and overall outlook toward entrepreneurship is positive side.

Q: Where can Indian incubation centres improve on?

Dr Jitendra: Incubation centres must cater to the needs of incubatees in terms infrastructure, instrumentation facility, policies for seed funding, and other relevant issues.

Currently, there is a tendency to not engage start-ups /entrepreneurs while setting up the facilities, or formulating policies.

So their representation must improve to create a real impact. Also, Incubation centres have not been institutionalized properly in the Indian scenario.

Most of the incubators in India run on project mode, with no dedicated funds, no autonomy or no career paths for incubation managers. So, the activity runs on the fringes and never is a mainstream activity.