



Biotech Incubation Centre

CHHATTISGARH BIOTECHNOLOGY PARK

GUIDELINE

Chhattisgarh Biotechnology Promotion Society

Dedicated for Biotech HRD Innovation & Commercialisation



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Introduction

CBPS is a newly established society in the state of Chhattisgarh for the promotion of innovation, entrepreneurship and developing science based society. To accomplish its goal the BIC under CG Biotechnology Park is established in the campus of Indira Gandhi Krishi Vishwavidyalaya surrounded by centre of excellence research & development facilities and professional academia, funded jointly by DBT Govt of India and Department of Agriculture, Farmer Welfare and Biotechnology, Govt of CG with the Technical and academia partner IGKV Raipur. The Incubation provides opportunities for harnessing the entrepreneurial potential of start ups by providing excess the infrastructural facilities as well as mentoring and networking platforms that the start ups and innovators could use during their fledging days. The CG Biotech Park aims to accelerate the commercialization of new technologies, nurturing and maintaining emerging ventures and assisting new enterprises to forge appropriate linkages with other stakeholders of biotechnology sector including academia and Government. Leveraging the human resource pool, knowledge base and facilities of the nearby academia of Raipur, CG council of Science and Technology Raipur and centre of excellence and Institutes across India, the Park provides incubator facilities to entrepreneurs to perfect their technologies, up scale the products and even produce small quantity for testing and quality control at the Park.

The Incubation Centre is located in the 3500 sqft area with 300 sqft lab and office space for incubates and two state of art common instrumentation facilities supporting the R&D requirements of Agri, health care, Industrial and food Biotechnology.

Objectives:

- To provide common platform to start-ups / budding entrepreneurs to collaborate with academia for better utilization of technology, available bio-resources, product scale-up and commercialisation.
- Nurture and mentor the budding entrepreneurs.
- To extend linkages with academia and research institutions of CG and across the state.
- Use of IT Infrastructure / Digital Platform to build a strong startup eco system.

Thrust Sector

The identified thrust areas for this Biotech Incubation Centre -

1. Agriculture Biotechnology
 - Bio-fertilizers
 - Bio pesticides
2. Healthcare Biotechnology
 - Molecular Diagnostics
 - Medicinal Plant Extracts
3. Industrial Biotechnology
 - Secondary Agriculture
 - Food Processing
 - Agri-based value added products
4. Analytical testing

Biotech Incubation Centre Guideline

The guideline has been prepared to have standardized procedure for selection, admission and graduation of start-ups/incubatee in Incubation Centre. This guideline is subject to periodical review and amendments as approved by Technical committee of Biotech Incubation Centre. It will be the responsibility of incubatees admitted to Incubation Centre to update themselves timely on amendments in guidelines. The Incubation Centre reserves rights to make an exception of all or any of the terms of guidelines for a particular company or a promoter on a case to case basis.

The guideline covers the following processes :

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|--------------------------------------|------------------------------|
| 1. Entry and Selection of Incubatees | 7. Information Submission |
| 2. Admission Procedure | 8. Infrastructure facilities |
| 3. Exit (Graduation) | 9. Other services |
| 4. Tenure | 10. Conflicts of Interest |
| 5. Rental | 11. Disclaimer |
| 6. Periodic Assessment | 12. Agreements |

Entry and Selection of Incubatees

- Any person desirous of availing incubation facilities has to incorporate as private/public limited company/start up/ individual entrepreneur under the Indian Companies Act or under DIPP, Government of India and apply in the prescribed format along with required documents. No application for incubation can be entertained if the applicant has not incorporated as private/public limited company under the Companies Act or no registration in DIPP.
- If a company has not been registered, an application may be made in the names of all promoters/ founders; however, the promoters/ founders must ensure that the company is registered within a period of four months from the date of approval of the application for admission in BIC.

Admission Procedure

Following admission procedure would be followed :

- Application will be made through open advertisement/website/online, as required.
- All the applicants shall have to read and agree to the “terms and conditions” of the incubation, their applications shall be processed only when they agree to the 'terms and conditions' of BIC.
- The proposed idea for incubation must be as per the thrust areas mentioned above. Innovative or value added technologies are mostly encouraged.
- Before signing the agreement with Biotech Incubation Centre, companies/start-ups/Individual innovators registering will have to submit following documents:

(1) Detailed Business Plan

Criteria for selection of Business plan:

- It should be an innovative idea/Value addition to an existing idea
- Sustainability of the project
- Financial projections
- The usefulness and quality of the business plan concept
- The marketability of the proposed venture
- It should come in line with objectives of DPR of biotech park
- Community Impact and job creation potential

- (2) PAN Card**
- (3) Soft copy of the passport size photo of all promoters**
- (4) ID Proof of Promoters (Voters ID/PAN CARD/DL/Passport)**
- (5) Two References (Clients/Academics/Any Other)**
- (6) Permanent address proof**

Based on the documents submitted, the Business Plan, its technical and financial viability will be screened and selected by the Technical Committee of BIC for assessing the suitability of the proposal regarding its potential for incubation. Applicants may be invited with their teams to make a presentation on their proposal. In order to enable the committee members to take an appropriate decision, members may ask for any additional information from the applicants and/or revision in the proposal.

Some representative criteria to be applied for evaluation (not limited to these)

1. Strength of the product idea in terms of its technology content, innovation, timeliness and market potential
2. IP already generated and the potential of the idea for IP creation
3. Strength of the core business team
4. Funds requirement and viability of raising finance
5. Break-even period

BIC will have a sole discretion whether to admit or reject a proposal for incubation and the decision of BIC in this regard shall be final and is not bound to give any reason in case a proposal is rejected.

Exit (Graduation)

Incubatee will leave the incubator under any of the following circumstances:

1. Raising substantial investment from angel investor / Venture Capital Fund / any other investor– Rs.1 crore or more.
2. Completion of stay for two years, unless the stay is extended by BIC.
3. Underperformance or un-viability of the business proposition: criteria for the same will be decided and applied by BIC on the case to case basis.

4. Irresolvable disputes between promoters/founders. BIC will decide the position or point when disputes are deemed to be irresolvable.
5. When the number of employees of the company exceeds 20.
6. When the annual revenues of the company exceeds Rs. 1 crore or when a company achieves a Profit before Tax of Rs. 50 Lakhs.
7. When the company enters in an acquisition, merger or amalgamation deal or reorganisation deal resulting substantially a change in the profile of the company, its promoters, directors, shareholders, products or business plans, or when a company plans for a public issue.
8. Change in promoters'/ founders' team without concurrence of BIC.
9. Any other reasons which BIC may find it necessary for an incubate company to leave.

Notwithstanding anything written elsewhere, BIC decision in connection with the exit of an incubatee shall be final and shall not be disputed by any incubatee.

Tenure

Incubatee will be permitted to stay in BIC for a period of 2 years. A nominal monthly service charge will be levied to a company for the period of 2 years. BIC may, at its own discretion, permit companies to extend their stay for a maximum period of another 12 months. Companies will have to pay service charge at the prevailing market rate for the extended period.

If a company is provided with specialised capital equipment, rent on the same will be decided on a case-by-case basis. This would, however be finalised prior to approval of a proposal for admission to BIC or at the time of procurement of the equipment as the case may be.

Rental

For a company with office space of 300 sq feet area @Rs.50/- per sq feet, the rent charge will be Rs. 15,000/-. The departmental lab facilities access by the company shall be charged extra. It will be as per the IGKV approved rental rate. The rental is subject to change as per the decision of technical committee of BIC.

Periodic assessment

BIC will evaluate the performance of incubatees periodically. Incubatees will submit information to BIC on half yearly basis. The incubatees will also be subject to an annual assessment by a committee comprising of external experts. Incubatee which has taken seed loan will have to submit additional information as may be asked by BIC. The un-disbursed portion of the seed loan will be adjusted subject to the performance of the company. Incubatees will have to submit their annual reports within a period of 7 days from the date of their approval.

Information Submission

Incubatees will submit information to BIC about all material changes or developments taking place in their companies from time to time. Such information could be (but not limited to) change in name of the company, change in business or product profile, change in directors, promoters or shareholders, acquisition of a new office, additional equity or debt investments. BIC may require incubatee company to submit other information as it deems fit. Prior concurrence of BIC should be obtained for effecting such changes.

Infrastrucuture

Biotech Incubation Centre Infrastrucuture :

Upon admission to BIC, the incubatees will be offered office space with internet connection and basic office facilities (Fax machine, Laser Printer, Photocopier, Scanner, Common secretarial pool/staff) along with common instrumentation facilities.

CBPS Infrastructure :

CBPS will facilitate the incubatees to access departmental laboratories and other resources of CBPS for their products development purposes. Access to departmental resources of IGKV is possible through CBPS and usage of such resources should be with permission of the concerned department to avoid conflict with departmental activities and objectives. Further usage of such resources shall be on commercial basis and in conformity with the policies of IGKV and CBPS for consultancy/sponsored projects prevailing from time to time. The consideration payable to IGKV for usage of departmental resources will generally be in the form of cash (payable by cheque or demand draft). Augmentation of resources in the department on account of such usage shall be the properties of the concerned department. Irrespective of requirements of departmental facilities for usage, all incubate companies will primarily locate into BIC.

Other Services

Apart from physical infrastructure as stated above, BIC intends to create certain other supports and services which would include :

- Pool of mentors, experts in technology, legal, financial and related matters, with or without consideration,
- Organising events to help incubatees in networking and showcasing their technologies,
- Meetings with visitors (such as alumni, VCs, industry professionals).

Incubatees can avail above support and services when offered by BIC. In addition, BIC will also build up information and knowledge pool to be useful generically for start up companies. BIC will coordinate with IIT Kanpur for training programmes designed for start up companies.

Conflicts of interest

When a person plays two separate roles in two different positions and he/ she uses one position for his/ her personal benefit in the other role, a situation leading to conflict of interest arises. BIC endeavours to draw a line between appropriate and inappropriate interactions among its board members, employees, mentors, consultants, affiliates, incubatee companies, their employees, persons connected to them or their promoters, employees and staff, various service providers and suppliers. Conflicts between private interests and official responsibilities of all stakeholders must be handled in a transparent manner, and BIC considers the full voluntary disclosure as the best mechanism for managing conflicts of interest.

Since situations leading to conflicts of interests are inevitable, a transparent policy, based on full disclosure of relevant information by the concerned parties, and discouraging their influence on decisions and activities to avoid personal benefit to them, the policy is not exhaustive, and hence situations having potentials for conflicts of interest though not covered in the policy will nonetheless be subject to the policy. The policy makes all stakeholders related to BIC and incubates companies aware that no one should use his/ her position in one role for the personal gains in the other role, and when necessary, explicit permission of relevant stakeholder may be obtained. Appropriate judgement should be applied by all concerned parties while assessing the genuineness of conflicting interests.

This policy also deals with maintenance of confidentiality of proprietary information. A committee of BIC shall resolve any dispute over such situation causing conflicts of interests.

Disclaimer

The incubatee will understand and acknowledge that BIC intends to provide supports and services to the Company/start-ups/individual innovator in good faith to pursue its objective to promote entrepreneurship by converting innovative technologies developed in the Institute to commercialization by incubating and supporting new enterprises. It is understood that by agreeing to provide various supports and services, BIC does not undertake responsibility for:

- Ensuring success of an incubatee, its products/process/ services or marketability,
- Ensuring quality of support and services provided by BIC to the complete satisfaction of the incubate companies or their promoters/ founders.
- Ensuring quality of services of the consultants engaged by the incubate companies through BIC/ CBPS network. Incubate companies will have to apply their judgements before getting in to a relationship with them.

The incubate companies agree that BIC/ CBPS or their employees shall not be held liable for any reason on account of the above.

Agreement

The following agreement is required to be signed by the incubatees to the extent applicable :

Service agreement :

Between CBPS/BIC & an incubate company for admission of the company in BIC.



Contact –

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