

“There is a growing demand for agile growth-ready life sciences infrastructure”

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India’s life sciences industry is growing at an unprecedented pace and offers immense opportunities for developers to showcase innovative infrastructure products. Rx Propellant is a developer with vast expertise in building and scaling life sciences infrastructure. Milind Ravi, CEO, Rx Propellant, in an exclusive interaction with BioSpectrum, responds to questions that capture various evolving business models in this space.

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Could you give a broad overview of the current scenario for the life sciences infrastructure industry in India?

Post-COVID India continues to witness profound transformation in its life sciences infrastructure landscape. Though there is a visible growing demand for space to support the growth aspirations of the life science industry, India does not have recognised platforms that would focus on this particular asset class. Until recently, access to quality stock has been constrained with a handful of locally based developers offering expertise and track record in delivering and managing highly specialised infrastructure.

Rx Propellant is unique in this aspect as the only player dedicated to the development of life sciences clusters across multiple cities in India with a portfolio of 6.5 million square feet. We are committed to continually investing in the growth story of the life science industry in India, aiming for a 10 million square feet portfolio by 2030.

A growing demand for state-of-the-art research facilities, cutting-edge laboratories, and advanced manufacturing units has created a wealth of opportunities for infrastructure developers. What is your take on this?

India's life sciences industry is growing at an unprecedented pace and offers immense opportunities for developers to showcase innovative infrastructure products. Entering fast-evolving markets at an early stage offers first-mover advantages, and an opportunity to build strong long-term relationships with the industry. This paves the way to not just develop tailored solutions, but strategically align with the industry to enable faster growth.

Developing cutting-edge infrastructure, which can support diverse operations and scale with easy value-chain integration becomes paramount. Life sciences companies place a premium on the quality and functionality of research facilities and laboratories. Flexible and adaptable facilities that can accommodate future modifications or expansions further enhance the value proposition of the projects.

Social asset developers who can deliver state-of-the-art, purpose-built spaces that comply with regulatory standards and support cutting-edge research and manufacturing processes are well-positioned to capture market share.

Increasingly, life sciences companies are prioritising sustainability in their operations, including building design and construction. Incorporating green building practices and sustainable technologies into projects appeals to environmentally conscious tenants.

With the right understanding of the market needs and in-house expertise, this multifaceted industry offers multiple avenues to build either generic or specific infrastructure products and services. While this may require substantial upfront investments, they offer a promise for substantial long-term returns.

What are the opportunities you see in developing greenfield life sciences facilities in India and also how are life science innovations in the current era transforming the brownfield facilities?

Factors such as increasing healthcare expenditure, rising demand for pharmaceuticals, and a focus on research and innovation need rapid growth of supporting infrastructure in India. Greenfield development allows the creation of modern infrastructure integrated with the latest technologies and sustainability features from the outset. India also offers diverse strategic geographical locations suitable for life sciences facilities, including proximity to research institutions, talent pools, and manufacturing hubs. Greenfield projects can leverage these to maximise accessibility and connectivity.

With the market growth outlook indicating sizeable demand for infrastructure in the years ahead, it is serviceable only via significant investments in greenfield developments. Key ecosystems such as Mumbai, Bengaluru, Hyderabad, Ahmedabad, and Pune continue to witness a strong influx of life sciences players, with limited space options. Several young ecosystems are also emerging across other Tier-I and II cities including Kochi and Visakhapatnam. Favourable policy conditions and state-led initiatives (biotech/knowledge/technology/other parks) continue to attract life sciences developers.

Though a cumbersome process, to comply with modern norms and to save on time and cost, companies are increasingly investing in upgrading Brownfield facilities to enhance productivity, efficiency, and sustainability. This may include retrofitting existing infrastructure with advanced equipment, automation systems, and digital tools to streamline operations and improve performance.

Brownfield facilities are also undergoing environmental upgrades to meet regulatory requirements and reduce their environmental footprint. This includes implementing energy-efficient lighting, HVAC systems, and waste management practices to improve sustainability and minimise resource consumption.

What are the potential benefits and challenges of housing multiple disciplines under one roof in a common life sciences facility?

Collaboration, as we understand it, is a key catalyst to innovation. Housing multiple residents from different sections of the value chain opens a host of opportunities for cross-fertilisation of ideas and knowledge. This can lead to novel approaches, synergies, and breakthroughs in research and innovation. It also allows efficient resource utilisation, thereby providing cost savings and improved productivity. A diverse and collaborative environment also attracts top talent who value interdisciplinary collaboration and the opportunity to work across traditional boundaries, thereby enhancing recruitment and retention efforts for the organisations.

However, shared facilities mandate strong spatial and systemic measures for movement segregation, resource allocation and avoiding cross-contamination. This requires rigorous planning, communication, and management to address the associated challenges and realise its full potential.

How do startups believe in channelling their funds or investments in innovation and R&D rather than on infrastructure?

Young companies very often face roadblocks in initial set up and expansion. High costs of construction and fit-outs are attributed to the need for highly specialised and controlled environments with sophisticated instrumentation. Startup companies need to prioritise investments in innovation and R&D to drive growth, differentiation, and competitive advantage in their respective industries. While infrastructure is an important consideration, investing in it entails higher financial risk and may divert resources away from critical R&D efforts. Further, the time required to set up a new facility can range between 18 and 36 months.

They can diversify their risk exposure and increase the likelihood of long-term success by adopting a lean and agile approach to resource allocation by focusing on activities that directly contribute to their mission and value proposition. Our engagement models allow companies to considerably reduce the cost and time involved with operational readiness and help them stay focused on their science. Other benefits include resource efficiency, scalability, and speed to market.

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