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GVFL starts bio-tech venture fund

Gujarat Venture Finance Ltd (GVFL) today announced setting-up of a Rs 50 crore biotechnology venture fund.

The 12-year close-ended state fund will invest in start-up companies in areas of bio-pharma, agriculture biotechnology, contract research, bioinformatics, industrial biotechnology, marine technology and environmental biotechnology.

The Gujarat government has provided initial seed capital of Rs five crore for the fund, a release issued here said.

GVFL will mobilise the balance fund from institutional investors like SIDBI, UTI, banks, corporate entities and high net worth individuals, the release said.

The fund will invest in start-ups largely through equity and convertible instruments. However, debt and quasi-debt instruments can also be used.

"Most of the venture funding in bio-technology is happening in late stage deals and that is why GVFL sees an opportunity to invest in start-ups, seed stage and early stage companies," Vishnu Varshney, CEO of GVFL said. PTI