

Step-wise procedure for developing Industry originated projects under NMITLI

I. Soliciting conceptual ideas/proposals

- 1) Through press advertisement in leading national newspapers inviting expression of interest (in the form of ideas/conceptual proposals) from Indian industry under the scheme;
- 2) Letters from DG, CSIR to established / leading Indian industries (at least 100) inviting conceptual ideas/proposals for support under the scheme.

II. Development of conceptual proposals in to projects

- 1) Compilation of the conceptual ideas/proposals received within the specified time;
- 2) *Prima facie* evaluation of the conceptual ideas/proposals for their conformance to NMITLI objectives by a committee of experts drawn from different fields (set up by DG, CSIR);
- 3) Assessment of short listed conceptual ideas/proposals by a committee of eminent technical domain experts (minimum of 3 experts) rated on 1 to 10 scale for further consideration and examination;
- 4) Selection of top rated one or two ideas based on average rating by a minimum of 5 in each broad area;
- 5) Development of selected idea/conceptual proposal into project proposal with the guidance of national experts and concerned industry partner.

III. Approvals

- 1) The final project proposal as developed will be submitted to the High-Powered Committee for consideration and recommendation;
- 2) The project proposal along with HPC recommendations will then be put up to DG, CSIR/SFC/GB for final consideration and approval.

IV. Eligibility

- 1) Companies registered in India and having more than 50% of shareholding by Indians/Non-resident Indians or less than 50% shareholding by Indians/Non-resident Indians but with manufacturing base in India.

- 2) The Company must have an R&D Centre, registered with the Department of Scientific and Industrial Research (DSIR), Government of India. If not, the designated firm to undertake steps to get its R&D Centre recognized within 12 months.
- 3) Up to two projects of any company will be supported under the NMITLI Scheme at any given time.

V. Financial Support

- 1) The financial support is in the form of grant-in-aid to the institutional partners in public domain and as soft loan with 3% interest to the private sector industrial partners having more than 50% of shareholding by Indians/Non-resident Indians and with 5% interest to the private sector industrial partners having less than 50% shareholding by Indians/Non-resident Indians but with manufacturing facilities in India. First year's support to each of the partner is released by CSIR after signing of the agreement.
- 2) The repayment of the loan component as well as interest by the industry partners is in 10 equal yearly installments and recovery should commence within six months of the completion of the project.

Terms and Conditions for the Loan under the NMITLI Scheme

1. The loan will be given by CSIR to the Industrial Partner in installments, the first one on signing of the Agreement and the subsequent installments on satisfactory progress of the project as determined by the Monitoring Committee of the project.
2. The general terms and conditions of the loan are:
 - 2.1 The loan will be an unsecured loan carrying a simple interest of 3% or 5% per annum (as the case may be) on the outstanding amount of the loan.
 - 2.2 Interest will become due from the date of release of funds to industrial partners.
 - 2.3 The repayment of the loan will be in 10 annual equal installments.
 - 2.4 The project implementation period will be the moratorium period and will not be liable for repayment of installments and interest. However, the interest accrued during the implementation period will be amortized and will be payable in a maximum of 1 to 5 installments.
 - 2.5 The interest will be payable every year along with the loan installment of repayment.
 - 2.6 The Industrial Partner will ensure timely repayment of the loan along with installment of interest as per the schedule notified. Any delays in repayment will entail payment of penal interest @ 12% P.A. compounded monthly for the period of delay. Two successive defaults will entail recall of the total outstanding loan immediately.
 - 2.7 The Industrial Partner will maintain a separate account for the expenditure from loan amount for the project.
 - 2.8 The Industrial Partner will utilize the loan only for the purpose of the project and not for any other purpose including civil constructions & renovation of the R&D and associated facilities. Diversion of funds to other purposes will entail cancellation of the loan and immediate repayment of the outstanding loan amount with a penal interest @ 12% compounded monthly.
 - 2.9 The Industrial Partner will meet any expenditure incurred on the project over and above the loan amount.
3. The Industrial Partner must have an R&D Center, with valid recognition of Department of Scientific and Industrial Research (DSIR), Government of India; if it is not registered, the firm will undertake to get the R&D Center so

recognized within 12 months. Failing which, unless and otherwise the period is extended, the firm might be asked to return the loan amount.

4. The Industrial Partner will expressly commit not to transfer, sell; license the IPR arising from the project to any party without the written permission of CSIR.
5. In case the output of the project leads to products used in / for healthcare, educational R&D purposes, the Industrial Partner will undertake to sell these at concessional prices to Indian customers in these sectors.
6. In case of reorganization of the Industrial Partner through merger, acquisition, termination, closure etc., the Industrial Partner will undertake to settle the CSIR loan even prior to initiating such measures.
7. The provision of loan to industry partner does not create any liability explicit / implicit on CSIR of the manpower engaged for the project.
8. In case the Industrial Partner decides to abandon the project or for breach of any of the terms and conditions, the entire amount of the loan outstanding on that date shall become recoverable forthwith and it shall be open to CSIR to effect the recovery from the firm in any manner CSIR thinks fit.
9. In the event that industrial Partner wishes to pay any amounts ahead of the schedule, there shall be no prepayment penalty levied.
10. Notwithstanding anything contrary in the agreement, the terms & condition are subject to change as decided by the Government of India from time to time, the Industrial Partner agrees to abide and honor such directions and decisions of Government of India.