

Terms & Conditions governing Grant-in-aid for funding R&D Projects

I. Applicability

These terms & conditions apply to the institutions who receive grant-in-aid from DeitY for undertaking R&D projects.

II. Definition

In these instructions:

- i. The “institution” means any technical, scientific or academic establishment where research work is carried out through funding by DeitY. (Including R&D Laboratories, Autonomous Scientific Societies etc.)
- ii. "Inventor" means researcher/ employee of the Institution whose duties involve carrying out scientific or technical research work in an R&D project funded by DeitY.
- iii. “Intellectual Property Rights" include patents, Trademarks, registered designs, copyrights and layout design of integrated circuits.

III. General Conditions

1. The grant is for undertaking the specific project as approved by DeitY and shall be subject to the following conditions:
 - i. The grant shall be spent for the project within the specified time
 - ii. Any portion of the grant which is not ultimately required for expenditure for the approved purposes shall be duly surrendered to DeitY.
2. For a project being executed by DeitY grant, Application by grantee institution for any other financial assistance or receipt of grant/loan from any other Agency/Ministry/Department for the same project should have the prior permission/approval of DeitY.
3. The grantee institution is not allowed to entrust the implementation of this project for which grant-in-aid is received, to another institution and to divert the grant-in-aid received from DeitY as assistance to the later institution. However available IP core etc. could be procured with due payment of license fee as per the recommendations of PRSG.
4. The investigator(s) should not enter into collaboration with a foreign party (individual/academic institution/ industry) in execution of this project without prior approval of DeitY.
5. The grantee institution(s) shall make all efforts to protect the Intellectual Property Rights (IPR) being generated through the research project and follow the section “Guidelines for IPR” as laid by DeitY.
6. The grantee institution, while undertaking the technology transfer/commercialization activities, shall follow the procedure laid down by their own institution. In case there is no such procedure/framework within the grantee institution, a transparent

mechanism based on the guidelines indicated at section “Guidelines for Technology Transfer/ commercialization” shall be followed.

7. In case the grantee institution does not license the patent/ commercialise the technology within a period of 5 years from the time of obtaining the patent/ development of technology, the grantee institution will make available the patent/technology in public domain for usage by Indian companies/MSMEs/startups/entrepreneurs/citizens.
8. The Grantee institution should indemnify DeitY from any legal and/or financial **incumbrance** arising out of any infringement of IPR/ licensing of IPR/ technology transfer/ commercialization.
9. Any dispute on any matter related to the implementation of the project, the decision of Secretary, DeitY, shall be final and binding on the grantee institution.
10. DeitY reserves the right to modify these terms and conditions governing the grant-in-aid from time to time reflecting the directions of the Government of India.

IV. Monitoring & Review of the project

DeitY shall appoint a Project Review and Steering Group (PRSG) comprising of representatives from DeitY and other experts to periodically review and monitor the technical and financial status of the project. PRSG will periodically monitor the project in all respects including technical and financial progress of the project.

V. Acquisition & Management of Assets

1. The grantee institution shall maintain an audited record in the form of a register in the prescribed proforma for permanent, semi-permanent assets acquired solely or mainly out of the DeitY grant. The applicable procedures for procurement shall be followed for acquisition of assets.
2. The assets referred to above will be the property of DeitY and should not, without prior sanction of DeitY, be disposed off or encumbered or utilised for the purposes other than those for which the grant has been sanctioned ;
3. The grantee institution shall send a list of assets referred above to DeitY at the end of each financial year as well as at the time of seeking further instalments of the grant;
4. Should at any time grantee institution cease to exist, such assets etc., shall revert to DeitY;
5. At the conclusion/ termination of the project, the Government of India will be free to sell or otherwise dispose off the assets which are the property of the Government. The Institution shall render to the Government necessary facilities for arranging the sale of these assets. The Government of India has the discretion to transfer the assets to the concerned institution or any other institution if it is considered appropriate.

VI. Utilization of grants and Audit

1. The grantee institution should maintain separate audited account for the project. If it is found expedient to keep a part or whole of the grant in a bank account earning interest, the interest, thus earned should be reported to DeitY. The interest so earned will be treated as a credit to the grantee institution to be adjusted towards future instalment of the grant; DeitY or its nominee/s will have the right of access to the books and accounts of the grantee institution for which a reasonable prior notice would be given;
2. The grantee institution shall render an audited statement of accounts and utilization certificate to DeitY, every year. The audited statement of accounts relating to grants given during financial year together with the comments of the auditor regarding the observance of the conditions governing the grant should be forwarded to the DeitY within six months following the end of the relevant financial year;
3. The utilisation of grant for the intended purposes will be looked into by the Auditor of grantee institution according to the directives issued by the Government of India at the instance of the Comptroller and Auditor General and the specific mention about it will be made in the audit report;
4. The grantee institution shall render progress-cum-achievement reports at interval of not exceeding six months on the progress made on all aspects of the project including expenditure incurred on various approved items during the period.
5. **The grantee institution will refund unspent balance in addition to the interest, if any accrued on the unspent balance in the total outlay of the project.**
6. **Ministry or Department will be at liberty to take appropriate action under the Rule 212(1) of GFR 2005 relating to utilization of funds in the specified time and where such certificate is not received from the grantee within the prescribed time (reference General Financial Rules 2005).**

VII. Guidelines for managing IPRs:

1. The IPR arising out of sponsored project (s) will be with grantee institution(s). While the patent may be taken in the name(s) of inventor(s), the institution(s) shall ensure that the IPR is assigned to institution(s). In cases where the funding/resourcing of researchers have been done jointly with other organizations, the IP rights would be appropriately shared among them.
2. The Government of India/Govt. bodies (including its PSUs, Govt. autonomous societies & section 25 companies) shall have right to obtain a royalty-free license for the Intellectual Property for deployment/use of the same for non-commercial purposes. However, in case, IP is proposed for commercial usage, the terms of licensing may be mutually agreed with the grantee institution(s) possessing IPR.
3. The grantee institution shall submit the financial requirements for filing of IPR as part of the R&D proposal. The contingency head could be used for provisioning of the expenditure for filing of IPR with a ceiling of Rs. 15 Lakhs for the cost of initial filing, but excluding for the annuity fee. International Patent filing will be permitted. The amount will be released based on the recommendations of PRSG constituted by DeitY for the concerned project. If, for any reason, it is not possible to meet the expenses

from the project grant, like in the case of the need for filing of IPR arising after the closure of the project, an application may be made separately by the institution to DeitY for sanction/ reimbursement of the expenses incurred in filing of the IPR.

4. The grantee institution shall inform DeitY about the patents filed/obtained and IPR arising out of the R&D project on annual basis over the project duration and subsequent 5 years period after the project closure.
5. The grantee institution shall provide information to DeitY about trading/ selling/ transferring /licensing the IP rights, within a period of 6 weeks from conclusion of the agreement relating to such a commercial event.
6. The grantee institution shall take appropriate licence in case of export of 'Special Chemicals, Organisms, Materials, Equipment and Technologies' (SCOMET) items as per the prevailing provisions of Foreign Trade Policy from Directorate General of Foreign Trade, under Department of Commerce, Govt. of India.
7. As the R& D is supported by public fund, the grantee institution should ensure that the interests of India and its citizens are fully protected, while licensing of patents/transfer or commercialization of technology.
8. The institution is permitted to retain the benefits and earnings arising out of the IPR for plough back to pursue research/research related activities.
9. Notwithstanding the above, DeitY reserves the right to take over ownership of the rights of the Intellectual property arising out of this project, in the interest of the Indian sovereignty, without any compensation to the grantee institution.

VIII. Guidelines for Technology Transfer/commercialization:

The Grantee institution may use the following guidelines in case there is no laid down procedure within their own institution:

1. The transfer of technology may normally be undertaken by the central office of the grantee institution equipped to handle legal issues with regard to technology/ IP licensing.
2. The grantee institution shall constitute a Transfer of Technology (ToT) Committee for evaluation of the applications for ToT and for working the appropriate revenues expected out of the ToT
3. Prior to seeking the expression of interest for technology transfer/commercialization, there should be sufficient disclosure of the technical details, features and capabilities of the project through advertisement, publication on the websites of the Institution and of DeitY, and exhibitions, if any held on the related themes during the relevant period. The ToT proposal may be given wide publicity in one national daily besides in journals relating to the theme and by writing to the industry associations related to the theme.
4. Normally, a period of 6 weeks shall be given for interested parties to file their applications relating to Expression of Interest and a format for the application is attached in Annexure-I which may require customization based on the

technology/product/service/prototype proposed to be transferred by the grantee institution.

5. The ToT Evaluation Committee shall undertake a techno-commercial evaluation of the proposals received, adopting a 2-stage process.
6. The ToT committee formed by the grantee institution will work out the cost of ToT on case-to-case basis considering the ground realities like i) development cost of the project ii) market demand of the technology/product iii) ability of the industry to pay for the technology iv) work involved from prototyping to packaging. The cost of capital equipment will be excluded from the total cost of development. Such an estimated cost shall be used as the Internal Bench Mark (IBM) for evaluating the ToT fee and royalty, in Stage 2.
7. After due diligence by the ToT committee a technology transfer/ licensing agreement shall be signed which shall include license of IPRs through existing legal procedures.
8. It is desirable that technology be transferred on a non-exclusive basis. Exclusive licensing should be in the rarest of rare cases based on sufficient justification by the ToT Evaluation Committee and approval by the Head of the institution/ Competent Authority and with the approval of DeitY.
9. **The institution is permitted to retain the benefits and earnings arising out of the technology transfer/ licensing of IPRs for ploughing back to pursue research/ in related areas.**

IX. Guidelines for publication of results

1. Investigators wishing to publish technical/ scientific papers based on the research work done under the project, should acknowledge the assistance received from this Department and a copy of the communicated/published paper be sent to DeitY.
2. If the results of research are to be legally protected for the intellectual property, then its publication can be undertaken only after due care is taken for legal protection of the intellectual property rights.

Note :

1. **While submitting the project proposal , a certificate of acceptance of terms and conditions and undertaking to follow the guidelines as above needs to be given by the chief investigator and endorsed by the competent authority of the institution. For any deviation from the terms & conditions and guidelines, the grantee institution will take the permission/approval of the competent authority of DeitY.**
2. **The guidelines for managing IPR and Technology Transfer/ commercialization will not be applicable for the following exceptions and specific approvals have to be taken in respect of IPR and ToT:**
 - i) **The R&D projects of strategic applications**
 - ii) **The projects jointly funded by/for strategic departments like defense, space and atomic research etc.**

Invitation for Expression of Interest by grantee institution
(Ref. VIII –Guidelines for Technology Transfer/commercialization para-3 of Terms & conditions governing grant-in-aid for funding R&D Projects)

Instructions to the Bidders to be provided by the grantee institution

The applications are invited for the purpose of Technology Transfer/ commercialization from the organizations with relevant experience.

1. The information to be furnished for Expression of Interest is given in Annexure-I (which may require customization based on the technology/product/service/prototype) being transferred. Interested parties can submit the EOI along with Annexure-I duly filled in with all relevant supporting documents as mentioned in Para 3.0 of EOI document.
2. A Pre-bid meeting of all the Bidders will be convened on The purpose of this meeting will be to clarify the requirements as envisaged by the grantee institution and also to address the queries if any.
3. The EOI's submitted should be sealed properly and marked "EOI for TOT of product/ technology/prototype" so as to reach the following address on or before _____ till _____(Time)

Details of the contact person

The EOI bids shall be opened on __ (date) _____ at _____ (time)

Institution may at its discretion – extend this deadline for the submission of EOI by amending the EOI documents, in which case all rights and obligations of Institution and bidders previously subject to the deadline will thereafter be subjected to the deadline as extended.

4. To assist in the examination, evaluation and comparison of EOI, Institution at its discretion can ask the bidder for the clarification of its EOI. The request for clarification and the response shall be in writing. However no post submission of EOI, clarification at the initiative of the bidder shall be entertained. Authority reserves the right to visit the facilities of the bidders if required.
5. Bidders if they chose, may prior to submitting their Expression of Interest, visit Institution with prior appointment.
6. Bidders may be called for making a presentation before the committee.
7. The grantee institution may visit bidder's facilities for the assessment
8. The grantee institution will issue tender documents to short-listed bidders for the submission of financial bids.
9. At any time before the submission of EOI, the grantee institution may carry out amendment(s) to this EOI document and/ or the schedule. The amendment will be made available on the website (Website details) and will be binding on them. The Authority may at its discretion extend the deadline for the submission of proposals.
10. The Authority reserves the right to accept or reject any application without assigning any reason thereof.
11. Bids that are incomplete in any respect or those that are not consistent with the requirements as specified in this document or those that do not adhere to formats, wherever specified may be considered non-responsive and may be liable for rejection and no further correspondences will be entertained with such bidders.
12. Canvassing in any form would disqualify the applicant.

13. For any clarifications on the Expression of interest document, the following may be contacted through e-mail/FAX/Letter:

Details of the contact persons

Competent authority
Grantee Institution

Details to be provided by the grantee institution for the bidders

1.0 INTRODUCTION

- (i) Brief about the institution
- (ii) Brief description about the product/technology/prototype to be transferred.
- (iii) Current status of product/ technology/prototype

2.0 Scope of work & Facilities:

2.1 Extent of work

The Expression of interest (EOI) is for participation of _____(purpose to be defined)) with the scope of work as listed:

2.2 Documentation:

- (i) Institution will provide its documentation for all sub-system as per scope of work.
- (ii) The identified industry is expected to prepare detailed documents of fabrication, development & testing of various sub-systems in consultation with the institution, however the final documentation is entirely the responsibility of bidder.

2.3 Facilities available at institution for fabrication/programming/ packaging

3.0 EXPRESSION OF INTEREST

- 3.1 Institution invites “Expression of Interest in the format given in Annexure-I (which may require customization based on the technology /product/ service /prototype being transferred) . The industries will be shortlisted based on the information furnished in Annexure – I and assessment by the TOT committee.
- 3.2 The submission of the EOI shall include all such documents that are specified herein to prove the authenticity of their offer and any claim made therein. The burden of proving such claims shall lie with the bidder.
- 3.3 All cost and expenses associated with submission of EOI shall be borne by the bidder while submitting the EOI and Institution shall have no liability, in any manner in this regard, or if it decides to terminate the process of short listing for any reason whatsoever.

ANNEXURE-I (Ref. VIII –Guidelines for Technology Transfer/commercialization para-4 of Terms & conditions governing grant-in-aid for funding R&D Projects)

The following details should be submitted along with EOI.

Part-A

A.	Company Profile
1.	Name of the Organization: Website
2.	Name of the Contact Person: Name: Address Telephone: Fax: E-Mail:
3.	Year of Incorporation
4.	Type of Organization a. Public Sector/ Limited/Private Limited/ Partnership/ Proprietary/ Society/ Any other b. Whether 'Foreign Equity Participation (Please give name of foreign equity participant and percentage thereof) c. Names of Directors of the Board/ Proprietors d. Name and address of NRI(s), if any
5.	Category of the firm: Large/Medium/Small scale unit
6.	Address of the Registered Office:
7.	Number of Offices with addresses (Excluding Registered Office: India Abroad
8.	Certificate of registration as a manufacturing unit
9.	Permanent Account Number
10.	Sales Tax Number/ VAT
11.	Status of ISO9001/ISO13485 Certification

Technical Collaborations:

B.	ESSENTIAL REQUIREMENTS
1.	The organization must be a reputed firm/ company/SME/startup/R&D company incorporated in India with standing of at least 2 years.
2.	The turnover is to be supported by financial statements of accounts/ Annual reports duly certified by a Chartered accountant/ Balance sheets of last 3 years/ Income tax returns for the last 3 years period.
3.	Company profile, giving details of current activities and management/ personnel structure including evidence of incorporation. The company should be registered and ISO 9001/ ISO13485 or equivalent certified.
4.	Details of absorption of technology for a product/ knowhow that has been taken up on production scale in the past may also be given
5.	The manpower strength (Technical: Mechanical, Electrical, Electronics, Software & Non-Technical etc.) at various levels to be furnished Technical: a. B.E./ B.TECH/PhD b. DIPLOMA c. SKILLED TECHNICIANS d. UNSKILLED Non-technical:
6.	The list of machine tools /equipments/software/facilities available related with work to be furnished.
7.	The in-house technological expertise available to be furnished
8.	The list of equipments available for inspection and quality control to be furnished.
9.	The industry should have adequate space for undertaking this work. Available space- Covered & Open to be furnished.
10.	List of products/technologies worked with as regular activity in last three years. Give the list of products/technologies with general specifications and the customers.
11.	List of PSUs/ Govt. customers – with contact details (Address, Telephone .no., Contact Person)

12.	The details of sales, marketing and maintenance network to be furnished
13.	The list of technical collaborators for various ongoing products may be furnished
14.	The bidder shall provide details of the sub-vendors in case they propose to employ for Part-work.
C.	Expression of Interest: Spell out the extent of interest
D.	The ToT will be done stage-wise: The preferred stages may be furnished.
E.	The ToT fee and royalty, payment schedule

I hereby declare that the above information is true to the best of my knowledge.

Signature with Name & Seal:

Place:

Date:

This issues with the concurrence of JS/FA and approval of Secretary, DeitY as on 8.10.2013 and subsequently clause (9) of Section VIII “Guidelines for Technology Transfer/commercialization” concurred by JS/FA and approved by Secretary on 24.12.2013.
