

**BIOTECHNOLOGY INDUSTRY PARTNERSHIP PROGRAMME(BIPP)**

**GUIDELINES FOR DISBURSEMENT OF FUNDS**

## **The Guidelines for disbursement of funds for BIPP are as follows:**

1. Level of support to be provided by DBT in terms of grant and loan will depend upon level of innovation and national relevance.
  - 1.1 The extent of support provided would be dependant on the grading (high or medium) and would range between 30-50%. The financial support by DBT would not, generally, exceed 50 % of the approved project cost.
  - 1.2 The support would be to a maximum of Rs 50 crores in case of projects falling under Category I, II & III (Projects of national relevance; Projects involving advanced, high-risk technologies; Clinical trials and agriculture field trials respectively).
  - 1.3 For conducting phase III clinical trials with high level of innovation and national relevance, the financial support by DBT could be upto 75% of the approved project cost.
  - 1.4 For clinical trial projects only the cost of the trial to be conducted within India will be taken as the project cost.
2. The grant in aid component to be provided by DBT may not, generally, exceed 20% of the DBT's financial support or Rs. 5 crores, whichever is less.
  - 2.1 In the case of SME's / start-ups or major national relevance projects where DBT's contribution is upto Rs. 5 crores, the TSC may recommend grant-in-aid of upto 100% of the DBT financial support, subject to a maximum of Rs. 5 crores.
  - 2.2 For projects addressing major national challenges, the decision on maximum grant would be taken on a case to case basis by the Apex Committee.
  - 2.3 The ceiling of Rs. 5 crores as grant is not applicable to the public funded R&D institutions which are partnering with the Industry. Public or not for

profit partners will be eligible to full grant with the stipulation of not exceeding total of Rs. 50 crores.

3. The approved funds would be released by DBT to the participating industry and collaborating partners in installments, the first on signing of the Agreement and the subsequent annual installments on satisfactory progress of the project in compliance with the agreement as assessed by the Project Monitoring Committee, based on site visit, discussion and project report.
4. The loan will carry a simple interest of 2% per annum, for loan upto Rs. 10 crores and 3% per annum for loan above Rs. 10 crores. Interest shall accrue from the date of release of loan installment to industrial partners.
5. The repayment of the loan component as well as interest by the industry partner will be in ten equal half yearly installments and repayment would commence one year after the completion of the project as per the defined objectives/time schedule as listed in the programmes. In the case of clinical /field trials, the phase-I , II and III could be treated as separate projects and completion of each of these would be considered as completion of project duration.
6. The project implementation period would be treated as the moratorium period and therefore the interest accrued during the implementation period would be amortized and will be payable by the industry partner in a maximum of 5 half-yearly installments commencing one year from the completion of the project.
7. Royalty at a percentage 5% would be payable annually for a period of five years subject to an aggregate amount of twice the grant-in-aid disbursed by DBT towards the project. Royalty shall be calculated on net sales as certified by the Chartered Accountant of the Industry partner.
8. In case the industry partner transfers the know-how/patent/technology of the project financially assisted by DBT, the industry partner shall take prior written permission from DBT. Before giving the written permission, DBT shall be

entitled to recover the grant amount disbursed along with simple interest @ 5% p.a. to be calculated from the date of release of the grant.

9. It would be desirable to carry out financial due diligence through an outside expert agency if the project cost exceeds Rs. 25 crores.
10. Appropriate contracts would be executed between the industrial partner and DBT for the funds disbursed giving clearly the terms and condition.

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