



विज्ञान एवं प्रौद्योगिकी विभाग
DEPARTMENT OF
SCIENCE & TECHNOLOGY



प्रौद्योगिकी विकास बोर्ड
(विज्ञान और प्रौद्योगिकी विभाग)
भारत सरकार
TECHNOLOGY DEVELOPMENT BOARD
(DEPARTMENT OF SCIENCE AND TECHNOLOGY)
GOVT. OF INDIA



רשות החדשנות
Israel Innovation
Authority

CALL FOR PROPOSALS GUIDANCE FOR APPLICANTS

India-Israel Industrial R&D and Technological Innovation Fund (I4F)

Supported by

**Department of Science & Technology (DST), Government of
India**

&

**Israel Innovation Authority (IIA),
Government of Israel**

India-Israel Industrial R&D and Technological Innovation Fund (I4F)
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1. ABOUT THE PROGRAMME

I4F is a cooperation between the **Department of Science and Technology (DST), Government of India**, and the **Israel Innovation Authority (IIA), Government of Israel** established in 2018 to promote, facilitate and support joint industrial R&D between companies from India and Israel.

In India, on behalf of DST, funding and other services will be provided through Technology Development Board (TDB) and in Israel, funding and other services will be provided through Israel Innovation Authority.

Applicants are required to review the complete application guidelines before developing and submitting a complete proposal.

Please note that the proposal preparation guidelines should be seen as suggestions which will be helpful to applicants in preparing a proposal that addresses the issues on which the evaluation will be based. Applicants can choose to address the suggestions that they believe will strengthen their proposal.

2. ABOUT FUNDING & IMPLEMENTING AGENCIES

Department of Science & Technology (DST)

The Department of Science & Technology (DST) was established in May 1971, with the objective of promoting new areas of Science & Technology and to play the role of a nodal department for organising, coordinating and promoting S&T activities in the country. The Department of Science & Technology (DST), Government of India has an important role in building a strong base for Research, Development and Demonstration in India and in addressing national concerns about strengthening science and technology. DST, as a national agency for strengthening the base of Science and Technology in the country has made sincere attempt to address national concerns of India in basic research.

For more information about DST, please visit www.dst.gov.in

Technology Development Board (TDB)

Technology Development Board (TDB) is a statutory body of Department of Science & Technology (DST). As part of National Technology Day celebration on 11th May every year, TDB present National Awards to industrial concerns for successful commercialization of indigenous technology. The second category of award was introduced for the first time in 2000 for SSI units which has been renamed as MSME Award. From 2017 onwards, a new category of award called 'National Award for Start-Up' has been introduced to encourage & promote technologies developed by start-ups having potential for commercialization.

For more information about TDB, please visit <https://tdb.gov.in>

Israel Innovation Authority

The Israel Innovation Authority, responsible for the country's innovation policy, is an independent and impartial statutory public entity that operates for the benefit of the Israeli innovation ecosystem and Israeli economy as a whole. Its mission is to invest in innovation in order to promote sustainable and inclusive growth.

The Authority functions as an enabler with all things related to the Israeli innovation ecosystem. It provides conditional grants to support disruptive technological innovations as well as engaged in creating the groundwork and infrastructure to prepare for future technologies in order to maintain both technological and economical leadership as well as improve productivity and global competitiveness of the Israeli economy

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The Israel Innovation Authority provides a variety of practical tools and funding platforms aimed at addressing the dynamic and changing needs of the local and international innovation ecosystems.

For more information about Israel Innovation Authority, please visit <https://innovationisrael.org.il>

3. I4F PROGRAMS

3.1. OUTLINE

	Feasibility	R&D	Pilot	Strategic
Project Budget	Unlimited	Unlimited	Unlimited	Unlimited
Grant % of Total Budget	Up to 50% Up to 70% for startups less than 5 years-old	Up to 50% Up to 70% for startups less than 5 years-old	Up to 50% Up to 70% for startups less than 5 years-old	Up to 66%
Maximum Grant	USD 100,000	USD 2,500,000	USD 1,000,000	USD 5,000,000 (Up to USD 2,000,000 per year per project)
Grant Type	Full grant, no royalty	Conditional grant (2-5%/year royalty)	Conditional grant (2-5%/year royalty)	Conditional grant (2-5%/year royalty)
Project Duration	Up to 9 months	Up to 2 years	Up to 1 year	Up to 3 years
TRL	3-4 (pre-R&D)	5-6	7-8	3/4-7/8
Submission	2 CFPs per year	2 CFPs per year	2 CFPs per year	1 CFP per year launched at India-Israel annual event
Participants' Eligibility	Indian & Israeli companies, subcontractors up to 30% of total budget	Indian & Israeli companies, subcontractors up to 30% of total budget	Indian & Israeli companies, subcontractors up to 30% of total budget	Indian & Israeli companies + Academia as subcontractor up to 30% of total budget (mandatory)
Sector	All except defense	All except defense	All except defense	To be selected

3.2. FEASIBILITY STUDY PROJECTS

Two companies (one from India and one from Israel) considering an R&D partnership may decide to perform preliminary investigations in order to determine the technical feasibility or market acceptability

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of a new product, technology concept, etc., before committing to a full R&D/Strategic project of much higher cost and longer duration.

In such cases, I4F may contribute to a maximum of **USD 100,000 or 50% of the total project cost** (70% for startups less than 5 years-old), whichever is lower, as a full (non-conditional) grant. Maximum duration of such project is **nine months**.

Such grants are awarded with the understanding that a follow-up I4F R&D or Strategic Program proposal will be submitted by the companies, should the feasibility results prove positive.

Applications for Feasibility Study Projects are open twice a year. The exact dates will be published on the [I4F website](#) and on the Israel Innovation Authority's and TDB's websites respectively.

3.3. R&D PROJECTS

The I4F R&D Program aims to support Israeli and Indian companies looking to co-develop products or technologies for commercialization. An R&D project is defined as one in which the total project budget is over USD 200,000. The minimum duration is one year, and maximum duration is **two years**. I4F grants contribute to a maximum of **USD 2,500,000 or 50% of the total project cost** (70% for start-ups less than 5 years-old), whichever is lower.

Applications for R&D Projects are open twice a year. The exact dates will be published on the [I4F website](#) and on the Israel Innovation Authority's and TDB's websites respectively.

3.4. PILOT PROJECTS

The purpose of the I4F Pilot Program is to meet post-R&D gaps by supporting scale-up, pilot testing and commercialization of near-market technologies (e.g. TRL 6-8) by two or more companies through joint piloting or testing of the product with specific customers or global market. The maximum duration of such project is **one year**. I4F grants contribute to a maximum of **USD 1,000,000 or 50% of the total project cost** (70% for start-ups less than 5 years-old), whichever is lower.

Applications for Pilot Projects are open twice a year. The exact dates will be published on the [I4F website](#) and on the Israel Innovation Authority's and TDB's websites respectively.

3.5. STRATEGIC PROJECTS

The I4F Strategic Program aims to achieve a technological breakthrough and promote intensive financial support for strategic sectors of India and Israel. I4F annually publishes a Call for Proposals for its Strategic Program with a specific industry/technology field, decided by the Governing Board of I4F. The project should be undertaken by private companies in India and Israel, with the mandatory participation of academia/research institutes as sub-contractors. The maximum duration of such project is **three years**. I4F grants contribute to a maximum of **USD 5,000,000 or 66% of the total project cost**, whichever is lower (up to USD 2,000,000 per year, per project).

Applications for Strategic Projects are open once a year. The exact dates and focus sector will be published on the [I4F website](#) and on the Israel Innovation Authority's and TDB's websites respectively.

4. ELIGIBLE TECHNOLOGY SECTORS

The collaboration aims to promote projects that are innovative and reflecting consumer demands, so that they are market-oriented at the same time focussed on creating a new product or process that will eventually lead to commercialization.

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On this basis, Feasibility Study, R&D and Pilot Projects might be submitted in all areas except defence. Strategic Projects should be submitted according to the focus sector selected by the Governing Board of I4F, as published in the annual Call for Proposals.

5. ELIGIBILITY CRITERIA

At least two companies undertaking science & technology, jointly from both the countries should express a desire to cooperate in the research and development or piloting of a new product or a new process.

Each proposal must include as a minimum:

1. A for profit R&D performing **Indian** company registered under the Indian Company Act 1956/2013 as **Indian Project Lead (INPL)**, responsible for the Indian application submission, leading the Indian part of the project and communicating with the Israeli Project Lead and
2. An **Israeli** for profit R&D performing company, which is registered, operates in Israel as **Israeli Project Lead (ISPL)**, responsible for the Israel application submission, leading the Israeli side of the project and communicating with the Indian Project Lead.

Important Notes:

- Collaborations must be business-led from both sides.
- Sub-contractors (i.e. universities, research institutions) are eligible to participate as partners.

Applicants from Israel

- The Israeli Project Lead (ISPL) (i.e. lead company) and any other Israeli company that is signed on the Cooperation and Project and Funding Agreement, are subjected to the Israeli Research and Development Law (1984) and to the Israel Innovation Authority Board Guideline number 1.

Applicants from India

An Indian company headquartered in India having requisite understanding and capability to undertake R&D activities. Academic institutions, Research entities and other R&D institutes having headquarter and operational base in India are strongly encouraged to participate in the projects as Intellectual Contractors/Partners with INPL (as appropriate/agreed with INPL.)

- The Indian Project Lead (INPL) (i.e. lead company) must be a commercial (for profit) company under the Indian Company Act 1956/2013, which operates in and is headquartered in India.
- At least 51% stake of the INPL Company must be owned by Indian citizens.
- The INPL should have the required expertise and team capacity to manage the proposed project.
- Sole proprietors and partnership firms are not eligible for support under this programme
- Companies headquartered and owned outside India and their subsidiaries in India, or vice versa, are not eligible to receive funding from DST/TDB under this programme.
- INPL should lead the project from Indian side and if required bring in other Industry Partners or Academic/R&D Institutions as Sub-contractors.

Preferences will be given to:

- Indian companies having partnership with government-funded Indian academic and R&D institutions.
- Indian companies having in-house R&D Centre which is recognised by the Department of Scientific and Industrial Research (DSIR), Government of India. For details, please refer to <http://www.dsir.gov.in/forms/irdpp/Application%20for%20R&D.pdf>
- Companies that fall under the Micro, Small and Medium Enterprise (MSME) category, as defined by the Government of India. For definition of MSME, please refer to http://www.dcmsme.gov.in/ssiindia/defination_msme.htm

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6. SELECTION CRITERIA

When evaluating projects, TDB and the Israel Innovation Authority will take into consideration the following criteria in preparing their recommendations:

- The Product and the Technology –
 - What is the extent of technological innovation in the product to be developed?
 - Is there a Proof of Concept / Maturity of the Concept Proposed available?
 - Is the technological approach sound?
 - What are the technological challenges and assessment of the technological risks?
 - What competing technologies exist and what is their relative disadvantage?
 - What is the cost of technology and acceptability of the proposed solution by the partners?
- The cooperation level between the partners –
 - Synergy between the companies, complementary technological abilities,
 - Project team capability of partners in reference to background work or projects done,
 - Tasks' balance between the partners, benefits of each partner from the collaboration,
 - The cooperation as a key factor to develop a product/technology with a substantial added value to the relevant markets, to what extent each partner benefits from each other existing IP, in what way the partnership is strategic for the projects' partners
 - [Note: minimum balance or partner contribution of each side in-terms of effort, activity and resource should not be less than 40%]
- The Budget –
 - Is it realistic? Does it contain unnecessary expenses, or does it lack others that are crucial?
 - What is the financial health of project partners (clear indication of source of funds to be brought-in by partners, detailed project budget with justification etc.)?
- The Market –
 - Is the estimate of the market size, market share and commercial potential realistic?
 - Who are or will be the main competitors in this market?
 - How does the proposed solution answer a need in India/Israel/target countries?
- Capabilities of the Companies –
 - The qualification of the development teams and their ability to successfully carry out the development objectives. The resources available to carry out the marketing/sales and sales support responsibilities.
- Benefits –
 - What benefits is the project expected to yield to both companies and to the Israeli and Indian national economies, societies, and environment.
 - What are the possibilities of generating Intellectual Property (IP) and there after Commercialisation potential?

Any team proposing a Feasibility/R&D/Pilot/Strategic project that addresses the above criteria is eligible to apply to I4F in accordance with the national laws, rules regulations and procedures of their respective country.

7. PROJECT FUNDING – FINANCIAL SUPPORT TO SUCCESSFUL APPLICANTS

Selected project participants will receive funding from TDB, on behalf of Department of Science & Technology (DST), Government of India, in India and from Israel Innovation Authority in Israel respectively. Funds will be provided in accordance with the national laws, rules, regulations and procedures established by each organization, and/or each jurisdiction/country.

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Although the individual type and value of individual contributions allocated to India-Israel project may vary, each bilateral project must highlight the total contribution from each participating country. Total contribution may be defined as the combined value of cash, human resource effort, services and/or equipment that each country invests in an R&D project.

Funding for Project Participants in India

TDB on behalf of the Department of Science & Technology (DST), Government of India, will fund the successful projects, as follows:

DST-TDB will support:

- **For Feasibility Projects:** Up to USD 50,000 or 50% of the Indian Project Cost (70% for start-ups less than 5 years-old), whichever is lower.
- **For R&D Projects:** Up to USD 1,250,000 or 50% of the Indian Project Cost (70% for start-ups less than 5 years-old), whichever is lower.
- **For Pilot Projects:** Up to USD 500,000 or 50% of the Indian Project Cost (70% for start-ups less than 5 years-old), whichever is lower.
- **For Strategic Projects:** Up to USD 2,500,000 or 66% of the Indian Project Cost, whichever is lower.

DST through TDB shall provide the funding in the following proportion to the Indian Applicants. These are indicative figures and are subject to change depending on the type of Project and recommendation by the Joint Project Evaluation Committee:

1. Equipment 40%
2. Manpower 30%
3. Consumables 20%
4. Travel/Others 10%
5. Joint Commercialisation cost (USD 30,000) (not applicable to feasibility projects)
INPL and ISPL shall each be eligible for Joint Commercialization cost up to USD 30,000 per project based on the matching fund from Industry. This cost needs to be reflected in the budget sheet.

Indian applicants will be required to open a separate No-Lien bank account for managing the project funding.

Funding for R&D Project Participants in Israel

Israel Innovation Authority will support:

- **For Feasibility Projects:** Up to USD 50,000 or 50% of the Israeli Project Cost (70% for start-ups less than 5 years-old), whichever is lower.
- **For R&D Projects:** Up to USD 1,250,000 or 50% of the Israeli Project Cost (70% for start-ups less than 5 years-old), whichever is lower.
- **For Pilot Projects:** Up to USD 500,000 or 50% of the Israeli Project Cost (70% for start-ups less than 5 years-old), whichever is lower.
- **For Strategic Projects:** Up to USD 2,500,000 or 66% of the Israeli Project Cost, whichever is lower.

8. APPLICATION PROCESS

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The I4F common applications are to be submitted following these criteria and in accordance with the national laws, rules, regulations and procedures in effect:

- a) At least two science and technology companies from the respective countries should express a desire to cooperate in the research and development or piloting of a new product or a new process.
- b) The project may involve more than one company from each side; academic/research entities are eligible to join as sub-contractors or as part of a bi-lateral Indo-Israeli consortium.
- c) The product should be technologically innovative and should have commercial potential. The joint project should aim at the development of products/processes leading to commercialization in the global market.
- d) The project partners should agree in advance on the IP rights and on the commercialization strategy of the product or process.
- e) The project should demonstrate the contribution of the participants from both countries.
- f) The project must be balanced between participants and significant to both partners (no less than 40%-60%)
- g) The project timeframe is limited to 9 (nine) months for Feasibility Study Projects, 2 (two) years for R&D Projects, 1 (one) year for Pilot Projects and 3 (three) years for Strategic Projects.
- h) Business partners (Israel and India) must incur a minimum of 50% of the total project costs for Feasibility Study/R&D/Pilot Projects (30% for start-ups less than 5 years-old), and a minimum of 34% of the total project costs for Strategic Projects.

Applications meeting all basic criteria of the CFP are invited to submit full project proposals using the I4F common forms to both Implementing Organizations simultaneously within the deadline of the particular CFP's period. The proposal's application must be signed following the CFP instructions.

The Israeli partner is required to submit I4F application forms in accordance with the Israel Innovation Authority regulations, through the official Israel Innovation Authority website's [online system](#).

The Indian partner is required to submit I4F application forms to DST/TDB website's through an online system at www.TDB.org.in

For more information the companies could visit I4F website <https://i4f.org/>

Only online mode of submission will be accepted.

Important Note:

Please do not leave your submission to the last minute.

If any technical difficulties arise or if you identify any errors in your submission, we will not be able to grant an extension to the above deadlines.

It is your responsibility to ensure you follow the competition guidance rules and in doing so allow sufficient time to complete all of the competition requirements described in this document.

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9. MATCHMAKING SUPPORT

I4F has developed a web platform for online Matchmaking process to enable applicants to find a suitable project partner.

- Please visit the page <https://i4f.org/>
- Interested applicants need to create a company profile on this platform, providing the following information:
 - Brief description of the organisation
 - Brief description of the proposed project
 - Main characteristics and specific technological expertise of the potential partner
- You can access the database of registered profiles and identify potential project partners for your project. Upon identification of suitable project partner, you may connect with them directly through the portal. Please note – your Matchmaking profile listing may take some time for internal review and hosting on the Matchmaking platform.

10. PROJECT COST GUIDELINES

I4F funding is designed to support the company's development cost up to the point of product commercial readiness. Eligible project costs are costs directly related to the project which will be incurred by the applicant company during the development phase.

I4F does not recognize project costs which are incurred before the official project start date. The start date for projects supported under all I4F calls for proposals from will be determined by the date requested by the companies in the application form submitted but no earlier than the date of approval by Governing Board.

Each applicant company is required to complete its respective proposed project budget form. The proposed project budgets will be qualified for evaluation. Project costs that I4F will consider to be eligible for cost sharing are: direct manpower excluding top-level management who are not directly involved in activities related to this project, consumable materials, equipment, consulting services, subcontractors, project associated travel (domestic and international), outlays to meet regulatory requirements, IPR filing, and other expenses that are directly related to the joint project. I4F recognizes the procurement, usage and depreciation costs according to the rules and regulations of each funding entity.

- **Exchange Rates**

Disbursements will be in local currencies. The applicant company is required to present its proposed project budget in local currency, i.e. Indian Rupee (INR) for the Indian company or Israeli New Shekel (ILS) for the Israeli company, AND in US dollars (USD).

For currencies conversion, both project partners are to use the **same source** for the exchange rate, i.e. OANDA or XE.

Use the **same date** of exchange rate, e.g. use exchange rate on 1 Jan 2024 for INR to USD conversion and ILS to USD conversion. The date to be used may be up to 1 month prior to the signed proposal submission date.

- **Cost Categories (categories I. to VII. are related to R&D costs)**

- I) DIRECT LABOR**

- Definitions of Eligible Direct Labor**

Permanent/Contractual personnel directly related and relevant to the project that are based in India for the Indian company, and based in Israel for the Israeli company. The R&D personnel may be directly employed or on contract and receive the compensation from the

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applicant company. The R&D personnel should hold relevant technical qualification and experience.

Conditions

The rules of salary expenses, including overhead and administrative expenses, will apply according to the accepted practice in each country

R&D personnel who are foreigners working in India or Israel must hold valid work permits.

Not Supported as Direct Labor

Temporary R&D personnel (to be classified under V. Subcontractors & Consultants), R&D personnel who are employed and paid by a related company, subsidiary, overseas branch, 3rd party, etc.

II) EQUIPMENT / SOFTWARE DEPRECIATION

Definitions of Eligible Equipment / Software Depreciation

The usage cost in value of the new equipment or software deployed during the project and the purchase of equipment/software which are required for and relevant to the project shall be supported according to DST/TDB and Israel Innovation Authority policies.

Not Supported as Depreciation Cost

Miscellaneous cost such as VAT/GST, bank charges, shipping, delivery, setting up, servicing, etc.

Full purchase cost of equipment and software.

III) EXPENDABLE MATERIALS & SUPPLIES

Definition of Eligible Expendable Materials & Supplies

Off the shelf consumables which are used during the Project and are not reusable.

Items which require to be custom-made by 3rd parties if required for the project.

Condition

The applicant company supplying consumables to its Project's partner during the Project should not charge the consumables cost to the partner's proposed project budget. The applicant company should include such cost in its own proposed Project budget

Not Supported as Expendable Materials & Supplies Cost

Office supplies, rental, utilities, etc.

Miscellaneous cost such as VAT/GST, bank charges, shipping, delivery, etc.

IV) TRAVEL

Definitions of Eligible Travel Cost

Cost incurred during trips between India, Israel and any other country that the project requires as well as internal travel cost in these countries

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Conditions

Only economy class travel (tickets) are eligible for reimbursement.

Only trips made by R&D personnel listed in the approved project budget are recognized

Trips should be of R&D nature and directly related to the project

The applicant company's R&D personnel, who travel to the project partner's country, should not charge their travel costs to the partner's proposed project budget. The applicant company should include such costs in its own proposed project budget

Not Supported as Travel Cost

Passport and visa application, travel insurance, etc.

Trips to countries other than India and Israel.

V) SUBCONTRACTORS & CONSULTANTS

Definition of Eligible Subcontractors & Consultants

3rd parties which are engaged by the applicant company to assist in the engineering and technical aspect of the project Consultants who are engaged by the applicant company to develop a marketing/commercialization plan

Conditions

I4F will qualify the applicant company's proposed project budget. The total outsourcing cost is recognized at maximum 30% of the qualified cost before I4F includes the additional overhead and general & admin costs.

The applicant company's contractual agreement with the subcontractors or consultants shall be submitted to I4F upon request. The contractual agreement must comply with these Guidelines and in particular the provisions of the IPR Annex.

The applicant company engaging its related company or subsidiary as subcontractor or consultant shall be charged at cost

The applicant company does not possess the expertise of the subcontractor or consultant. Legal consultation related to the project, other than the dispute or arbitration.

Not Supported as Subcontractors & Consultants

3rd parties which are engaged to carry out mass production, business/legal consultation, etc.

The applicant company's project partner

VI) CERTIFICATIONS

Definition of Eligible Certifications

Regulatory activities and standards certifications related to the project which are mandatory before the proposed product or technology can be commercialized

Supported as Certifications Cost

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Patent applications

Not Supported as Certifications Cost

Tests done by 3rd parties which are not mandatory for the commercialization of the proposed product or technology (to be classified under V. Subcontractors & Consultants)

VII) JOINT COMMERCIALIZATION

Definition of Eligible Joint Commercialization Cost (not applicable to Feasibility Studies)

Any further certifications or testing required for commercialization based on a detailed report.

Joint participation in trade exhibitions, joint presentation at conferences, joint marketing collaterals and joint road shows in Israel/India or other third countries

Examples of joint commercialization costs: Rental of exhibition booth space, conference registration fee, printing of brochures/posters, travel cost related to joint commercialization activities.

Conditions

The allocation of USD 30,000 for joint commercialization activities can be broadly detailed in the initial budget annex submitted with the application. However, in cases where the utilization of the USD 30,000 is not detailed in the initial budget, it may be submitted during the project itself as long as it is submitted to fund managers 2 months prior to the activity itself. Utilization of joint commercialisation budget is subject to approval of I4F Co-Managers. Changes in commercialization budget allocations can also be made via change form subject to approval.

Both the applicant company and its Project partner must share the commercialization cost, hence, the commercialization cost must be included in both companies' budget forms

Note: please refer to Annexure 1: General Guidelines on IPR and Commercialisation along with this document for details.

Not Supported as Joint Commercialization Cost

Commercialization activities which are not carried out jointly by the applicant company and its project partner

Commercialization activities which are not related to the proposed product or technology

11. EVALUATION AND SELECTION OF PROJECTS

Evaluation Process

- Application is submitted to the DST/TDB online system by the Indian partner/consortium and to Israeli Innovation Authority website.
- Upon receiving applications forms, each fund's Co-Manager assigns for each Project a team of evaluators on the basis of technological, commercial and financial parameters.
- Israel Innovation Authority team will include a relevant professional expert selected based upon the nature of the project submitted and a financial expert to evaluate the applying company's financial capability and to conduct a full due diligence.

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- The projects from Indian side will be evaluated by Subject Matter Experts in two phase evaluation mechanism along with the Techno-Financial and Physical Onsite Due Diligence, if required. Applicant may also be requested to make a Techno-Financial presentation to before the evaluation committee, if required.
- The review of the project proposal will be conducted according to rigorous standards, based on the project criteria and requirements specified in the CFP application form.
- The Evaluator reviews the full project proposal and conducts an on-site evaluation. The evaluator can ask the company for supplementary material if needed.
- The financial check of the companies are conducted in parallel.
- The evaluation results will be presented to the I4F Governing Board where the final decision on the approved projects will be taken.
- The Board's decision will be conveyed in email to the Indian and Israeli Project Applicants within one business week after the Board's meeting. If funding has been approved, the applicants will have up to 3 (three) months to materialize this approval by signing with each other Cooperation and Project Funding Agreement (CPFA). This agreement must be signed by the CEO of the Israeli company, and the CEO of the Indian company.
- Any clarification or agreement modification required by the companies shall be normally addressed by DST/TDB within 15 working days from the date of request for change from the company subject to confirmation by the INPL on approved changes. However, this timeline will be extended up to maximum of 2 (two) months in case of complex modification in agreement which requires change in Guidelines subject to approval of the INPL on approved changes.
- In case the agreement is not submitted by the applicants within the above timeframe, I4F may decide to cancel the project.

12. RELEASE OF FUNDS AND ROYALTY PAYMENT

I4F will cost-share the joint R&D/Pilot/Strategic Projects by supporting approved Applicants through a conditional grant as determined by the Governing Board. Grants awarded to Feasibility Study Projects will be non-conditional (pure grants that will not require repayment by the companies).

Each Project Applicant directly receives the portion of the total grant that is relative to its share in the budget.

The Funds granted shall be disbursed in combination of advance and reimbursement for the cost already incurred on proportionate basis to the Indian and Israeli Project Applicants, and the Consortium Partners, if any, at periodic intervals (35% as advance payment and a quarterly payment starting from 6 months after the Project's starting date on submission of requisite documents).

Repayment of Conditional Grant - Repayment of Conditional Grant will be based on the total incomes resulting from the Product developed in the joint project, at a rate of no less than 2% and no more than 5% per year, until the conditional grant is fully repaid. The Indian Project Partners/ Consortium will repay I4F via TDB, on behalf of DST, while the Israeli Project Partners/ Consortium will repay I4F via the Israel Innovation Authority. The period of the recovery of the grant amount will be maximum of fifteen (15) years from the date of release the first instalment or else ten (10) years post commercialization, whichever is less.

13. COMMERCIALIZATION

The cooling period will be 2 (two) years, subject to maximum of 5 (five) years from the date of release of first installment.

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14. TERMINATION OF CONDITIONAL GRANT AGREEMENT

In case any of the companies (from either side) shall decide to terminate the project before completion, the following process should be initiated:

- 1) Company should notify TDB & the Israel Innovation Authority in writing (digitally), with a copy to the project partner, of their wish to terminate the project with a detailed explanation for the termination request.
- 2) A mutual call between TDB, the Israel Innovation Authority and the project partners shall be initiated in order to better understand the status of the project and partnership. Alternatively, TDB & the Israel Innovation Authority shall individually speak with the companies separately and provide a summary of the conversation to each other.
- 3) An official mutual letter from TDB and the Israel Innovation Authority shall be sent within 14 days from the notification date to the project partners requesting them to submit a mutual termination agreement signed by both project partners within 3 (three) months. This is a letter outlining both sides readiness to forego the project, understanding the terms under which they are severing ties.
- 4) Simultaneously, a technical and financial evaluation of both partners shall be initiated by TDB & the Israel Innovation Authority within 14 days from the notification date in order to understand what amount of R&D was successfully completed, whether the funds received were used appropriately, whether the project partners worked together in an efficient manner, and whether the termination request is legitimate. This evaluation should be completed within 3 (three) months.
- 5) Only once the evaluation is completed and the required documents are received, recommendations from TDB & the Israel Innovation Authority shall be presented to Joint Committee for final project closure decision. The decision of refund or waiver of fund already disbursed to the companies will be taken finally by I4F Governing Board.

15. KEY DOCUMENTS NEEDED

For Indian Applicants:

Stage	Documents
Application Form Submission Stage	<ol style="list-style-type: none"> 1. Covering letter 2. Completed Full Project Proposal in Application Form along with all annexures (signed and stamped by Authorized signatory) 3. Presentation for Evaluation Committee Meeting – add photographs in PPT 4. Memorandum of Understanding (MoU) between All Consortium Partners. This MoU should basically cover the following points: <ul style="list-style-type: none"> • Percentage sharing of IP Rights on new product/process/knowledge being developed/ created/invented during this collaborative R&D Process. • Background IP's of the partnership (If Any) to be used for this project scope. Note: please refer to Annexure 1: General Guidelines on IPR and Commercialisation along with this document for details. • Probable/possible market for the new product/process/knowledge & rights to manufacture/License in the respective market for the period of Time (time span) • % sharing of Royalty • Dispute and arbitration clause • Exclusivity and Non-Exclusivity rights, if any • Duration of this agreement in force 5. Registration Certificate of all project partners, including Academia/R&D Labs, issued by competent authority 6. In case of in-house R&D Centres, all relevant certificates from stakeholders, competent authority relevant for in-house R&D, Defence Manufacturing & production should be submitted.

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	<ol style="list-style-type: none"> 7. Audited Annual Reports (including Income Tax Return, Balance Sheet, and Profit & Loss Account & Auditor's Reports) of all Consortium partners for the last three Financial Years. 8. Know Your Customer (KYC) documents of all Consortium partner(s). KYC means Identity & Address proof of the organization which includes Company PAN Card, Electricity Bill, etc.) 9. Self-Declaration of Applicant on Company letterhead, signed by MD/CEO/Company Secretary, as all Statutory Norms are compiled by the Applicant till date. 10. Share Holding Patter of the Company (highlighting the Foreign Investment, if any) 11. Copy of all relevant Certification like CMMI, ISO, etc. if any
Agreement Signing Stage	All successful project applicants will be informed before the agreement signing stage about the requisite documents to be submitted during the Agreement Signing stage.

For Israeli Applicants:

Stage	Documents
Application Form Submission Stage	<ol style="list-style-type: none"> 1. I4F R&D Project Proposal 2. Project Budget 3. Latest Certificate of Business Registration of Israel Company as Filed with Israeli Corporations Authority (תעודת התאגדות) if this is the first-time submission to the Israel Innovation Authority 4. Declaration to the Israel Innovation Authority (הצהרת מגישה הבקשה) 5. Israeli company that has at the same calendar year more than one project supported by I4F/Israel Innovation Authority, needs to submit the "resources file" טופס ריכוז משאבים while submitting the proposal to the Israel Innovation Authority (can be found here)
Agreement Signing Stage	All successful project applicants will be informed before the agreement signing stage about the requisite documents to be submitted during the Agreement Signing stage.

16. RESPONSIBILITIES AFTER PROPOSAL HAS BEEN APPROVED

After the proposal has been approved, the Project Leads and project partners shall observe national rules for progress reports and report adherence to the project plan. This includes technical and financial reporting to TDB and IIA, respectively.

Representatives from all project partners must be able to adhere to a possible mid-term evaluation, to be conducted by TDB and IIA.

After completion of the project, the partners shall promptly submit a final report to TDB as well as IIA respectively. This report shall cover technical achievements as well as financial details. Special focus should be put on the impact of the products/services developed, its exploitation plan and go to market strategy.

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17. CONTACT INFORMATION

INDIA:

ISRAEL:

<p>Mr Deepak Chaturvedi Technology Development Board(TDB) www.tdb.gov.in Email: indo-israel@tdb.gov.in</p>	<p>Mr. Tal Ben Avner Israel Innovation Authority (IIA) www.innovationisrael.org.il Email: tal.ba@innovationisrael.org.il</p>
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Annexure 1: General Guidelines on IPR and Commercialisation

Intellectual Property Rights (IPR) & Commercialization Plan from the Project

The IPR agreement shall include the following:

- (i) The partner/s to a project from the India and the partner/s to the project from the State of Israel (each the "Party" and collectively the "Parties") will ensure appropriate protection of Intellectual Property Rights generated from cooperation pursuant to MOU, consistent with their respective laws, rules and regulations and multilateral agreements to which both Parties are party to.
- (ii) Each Party is and shall remain owner of its Background IP. For the purpose of these guidelines "Background IP" shall mean (a) the intellectual property rights of a Party that is owned or controlled by that Party prior to the execution of the cooperation agreement, or (b) created by a Party outside the scope of the MOU or without use or reliance on the confidential information or intellectual property rights of the other Party, as evidenced by written records.
- (iii) Access rights to background IP of one Party may be granted to the other Party only to the extent necessary for the execution and during term of the joint project.
- (iv) Ownership and rights to Foreground IP will be agreed upon by the Parties mutually. For the purpose of these guidelines, "Foreground IP" shall mean any invention conceived and reduced to practice, or know-how generated, solely by employees, agents, or independent contractors of a Party as a result of performing the activities under the cooperation agreement.
- (v) The IPR agreement should expressly reflect the contribution of each Party in the creation of the Foreground IP. Status of IP creation and division between the Project partners should be duly recorded in Mid Term and Final review Report and submitted to the respective implementing agency.
- (vi) Joint IP rights will be applicable only when both Parties have an inventive contribution to Foreground IP and when the parties do not agree to divide the ownership of Foreground IP according to relevant technological fields. The Parties shall not assign any rights and obligations arising out of the joint IPR generated to inventions/activities carried out under the MOU to any third Party without consent of the other Party, unless such joint IPR is in a different field than the field of the other Party and as further elaborated in the relevant cooperation agreement.

Commercialization:

- (i) In case of Joint IP under this MOU both Indian and Israeli parties will apply as co-applicants, subject to any respective field of use agreed upon, if applicable, for the protection of intellectual property rights subject to joint rights of both the Parties in accordance with the terms and conditions of the cooperation agreement. The Israeli and Indian Parties shall agree in advance on the IP rights and on the ownership, management and commercialization strategy of the product or process prior to the creation of any Foreground IP. The jointly developed IPR must have technological innovation value. Subject to terms and conditions aforementioned, both Parties shall possess intellectual property rights to the technology, developed under the Joint IPR, in accordance with the principals of these guidelines.
- (ii) The relationship between the Parties must be clearly defined, including ownership of intellectual property rights for the technology proposed to be developed and commercialized. Therefore, partners must sign a formal company-company business agreement prior to the start of the Project to address issues relating to IP ownership, license rights, manufacturing rights, marketing responsibilities, ownership of technology, benefits to each Applicant during commercialization, as well as repayment to Government, if applicable.

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- (iii) The Parties shall declare that to the best of their knowledge and belief, that the use of the Background IP or Foreground IP in connection with the cooperation agreement does not infringe any third party's valid patent right/intellectual Property rights. The validation and verification in context of the project, is to be carried out with much sensitivity and precaution by Parties to avoid all kinds of infringements rights. The Parties will be jointly responsible for the Joint IP and solely responsible on Background IP and/or Foreground IP individually owned for any kind of legal implications emanating from infringement by them, and as set forth in the cooperation agreement.
- (iv) The Party/Parties from the State of Israel will sign a separate agreement with the Israeli National Innovation Authority and The Government of the State of Israel while the Party/Parties from India will sign a separate agreement with DST/TDB.
- (v) In case Indian and /or Israeli company outsource the commercialization/dispose of Intellectual property rights of the product/process /technology developed in the project, the liability to pay the royalty and/or any other payment with regards to terms & conditions of the grant agreement will lie solely on the INPL/ISPL (as the case may be), till the time the agreed royalty amount/amount is paid.
- (vi) Must provide an accurate and concrete commercial plan to include detailed action items such as, but not limited to, the following:
 - i. List of target clients
 - ii. Marketing strategy or plan
 - iii. Sales forecast
 - iv. Schedule for product launching
 - v. Potential challenges in penetrating the market

Confidential Information:

Subject to the respective applicable laws, regulations, rules, procedures, mechanisms programs or applicable in each state or of the Parties, as applicable or determined by the Innovation Authority or TDB:

- (i) All information and documents to be exchanged pursuant to the Memorandum of Understanding will be kept confidential by the Parties and will be used subject to such terms as each Party may specify. The Parties will not use the information for purposes other than that specified without the prior written consent of the other Party. The Parties shall set forth the exact terms and conditions for the protection of confidential Information under the cooperation agreement.
- (ii) All Confidential Information shall remain the exclusive property of the disclosing Party. The Parties agree that this agreement and the disclosure of the Confidential Information do not grant or imply any license, interest or right to the Recipient in respect to any intellectual property right of the other Party.
- (iii) Unpublished information, whether oral, in writing or otherwise, discovered or conceived by the scientists or technicians and exchanged under the provisions of this MOU will not be transmitted to a third party, unless otherwise agreed in writing by the Parties.
