

106 D. 15) Karnataka Israel Program for Research & Development (KIRD)

Under a Memorandum of Understanding signed between Israeli Innovation Authority (formerly MATIMOP), Israeli Industry Centre for R&D, on behalf of the Office of the Chief Scientist (OCS) in Israel and the Karnataka Science & Technology Promotion Society (KSTePS) and the Karnataka State Council for Science and Technology (KSCST), representing the Department of Science and Technology, Government of Karnataka in March 2013, a program to support industrial R&D entitled “Karnataka Israel Program for Research & Development (KIRD)” was initiated to create mechanisms for extending financial support to small / medium scale industries located in Karnataka, for collaborating with Israeli companies to develop and commercialize products. The KIRD program is guided by the Joint Committee under the chairmanship of Additional Chief Secretary, ITBT and S&T Department, Government of Karnataka, constituted for the selection and approval of projects. The financial support was extended in the form of conditional loan with 3% simple interest repayable over a period of 10 years from the date of commercialization and manufacture of products. In the first call, the following companies were granted financial support:

Sl. No.	Name of the Company	Approved Conditional loan	Title of the project
1.	M/s. Blue Neem Medical Devices Private Limited, Bangalore	Rs.90,00,000/-	“Contisphere”
2.	M/s. Rangsons Schuster Technologies Private Limited, Mysore,	Rs.2,50,00,000/-	“Development of Aviation Flexible Hoses with Titanium Ends Fittings”.

The Monitoring Committee of the KIRD program constituted under the Chairmanship of Prof. S.A. Shivashankar, reviewed both the projects on 15-06-2020 & 14-07-2020 and placed on record that though the sanctioned projects duration was only two (02) years, at the requests of both the companies, the term of projects completion was extended till 31-03-2021 for M/s. Blue Need Medical Private Limited to complete the clinical trials and for commercialization of the product and till 31-12-2019 for M/s. Rangsons Schuster Technologies Private. Ltd, with a condition that repayment of conditional loan shall start irrespective of the situation at that point of time. Necessary amendments to the MOUs have been signed by all the concerned.

With the release of final instalment of the loan to M/s. Rangsons Schuster Technologies Private Limited, the repayment of first installment of conditional loan was due w.e.f. 01-04-2021. Whereas the final instalment of 15% of the approved loan is pending to be released to M/s. Blue Neem Medical Devices Private Limited, as the clinical trials is not yet completed.

M/s. Blue Neem Medical Devices Private Limited attended the meeting at KSCST on 07-03-2022 and remitted the first instalment of conditional loan of Rs.19,09,270/- before 31st March 2022 and the remaining nine installments @ Rs.7,65,000/- + interest thereon annually. M/s. Rangsons Schuster Technologies Private Limited attended the meeting at KSCST on 14-03-2022 and remitted the first installment of conditional loan of Rs.25,00,000/- (without interest) vide cheque dated 15-04-2022 and remaining nine installments @ Rs.25,00,000 + interest thereon annually.

The representatives of both the companies requested KSCST to convene a meeting with the Joint Committee of KIRD to request for deferment of payment of instalment and waiver of the interest amount. Accordingly, the Joint Committee, which met on 29-06-2022 heard both the companies. After deliberations, the Joint Committee agreed to defer the repayment of conditional loan granted to the two companies by one year i.e., the next instalment of repayment of conditional loan with interest will be in April 2023. The other terms and conditions of repayment of conditional loan remain unchanged. The Committee further advised KSCST to deposit the first instalment of repayments received under KIRD program to KSTePS. KSCST has returned to KSTePS the first installment amount received from the companies. The companies have been communicated the decision of the Joint Committee.