

API Licensing Agreement (India)

Governs third-party access to your API — rate limits, IP ownership, and prohibited uses

HOW TO USE THIS TEMPLATE	
1.	Use when granting third-party developers access to your API.
2.	Specify rate limits, usage quotas, and prohibited uses clearly.
3.	API keys are equivalent to product access — include key management provisions.
4.	Address data generated through API calls — who owns query logs and response data?
5.	Include clear attribution requirements for products built on your API.

PARTIES

API Provider — Full Legal Name	[Your company full legal name and CIN]
API Provider — Address	[Address]
Licensee (Developer/Company)	[Full legal name and address]
API Name / Product	[Name of the API being licensed]
Agreement Date	[DD Month YYYY]
API Access Tier	[Free / Developer / Commercial / Enterprise]

1. DEFINITIONS

"API" means the application programming interface, endpoints, protocols, data formats, and associated technical documentation made available by the API Provider, as described in Schedule 1.

"API Call" means each request made by the Licensee's Application to the API.

"API Key" means the unique authentication credentials issued by the API Provider to the Licensee for accessing the API.

"Application" means the Licensee's own product, service, or application that integrates the API to provide functionality to end users.

"API Data" means all data, results, outputs, and responses generated by or returned by the API in response to API Calls.

"Rate Limits" means the maximum number of API Calls permitted within a specified time period, as specified in Schedule 2.

"Usage Quota" means the total volume of API Calls permitted under the Licensee's subscription plan, as specified in Schedule 2.

2. GRANT OF API ACCESS LICENCE

2.1 Licence Grant. Subject to the terms of this Agreement and timely payment of applicable fees, the API Provider grants the Licensee a limited, non-exclusive, non-transferable, non-sub-licensable licence to: (a) access and use the API solely for developing, testing, and operating the Application; (b) integrate the API into the Application; and (c) make API Calls within the Rate Limits and Usage Quota.

2.2 Prohibited Uses. The Licensee shall not: (a) resell, sublicense, or provide API access to third parties (i.e., act as a proxy or relay for API access); (b) use the API to build a product that competes with the API Provider's own products; (c) attempt to extract, scrape, or systematically download the underlying data of the API beyond what is necessary for the Application's intended functionality; (d) reverse engineer the API; (e) use the API in any way that violates applicable law or these terms; (f) share API Keys with third parties or use the API Key in a public forum.

2.3 Rate Limits and Quotas. The Licensee shall use the API within the Rate Limits and Usage Quota specified in Schedule 2. The API Provider reserves the right to throttle, suspend, or terminate API access if the Licensee exceeds Rate Limits. Excess usage above the quota shall be charged at the overage rates in Schedule 2.

3. INTELLECTUAL PROPERTY

3.1 API Provider Ownership. The API, all underlying software, data, algorithms, and all IP rights therein are and remain the exclusive property of the API Provider. No ownership interest in the API is transferred by this Agreement.

3.2 API Data. API Data generated in response to the Licensee's API Calls may be used by the Licensee within the Application, subject to any restrictions on the underlying data sources specified in Schedule 1. The Licensee shall not: (a) represent API Data as its own proprietary data; (b) redistribute API Data outside the Application without consent; or (c) store API Data beyond the caching period specified in Schedule 2.

3.3 Licensee Application. The Licensee retains all IP rights in its own Application code that does not incorporate the API Provider's IP. However, any features, outputs, or functionality of the Application that depend directly on the API shall not be used in a manner that circumvents the API access requirements.

3.4 Attribution. The Licensee shall include a clear attribution notice in its Application in the form specified in Schedule 1 (e.g., 'Powered by [API Provider Name]'). The Licensee shall not use the API Provider's trade marks, logos, or brand names beyond what is required for attribution without separate written consent.

4. API KEY MANAGEMENT AND SECURITY

4.1 API Key Responsibility. The Licensee is solely responsible for: (a) maintaining the confidentiality of API Keys; (b) all API Calls made using the Licensee's API Key; (c) immediately notifying the API Provider if API Keys are lost, stolen, or compromised; and (d) promptly rotating API Keys on any suspected compromise.

4.2 Secure Implementation. The Licensee shall not embed API Keys in client-side code, mobile application binaries, or any publicly accessible repositories. API Keys shall be stored securely using server-side environment variables or secure key management services.

4.3 Monitoring. The API Provider may monitor API usage for compliance with this Agreement, including rate limit adherence, prohibited use detection, and security purposes. Monitoring data may be used to enforce this Agreement.

5. FEES AND PAYMENT

Free Tier Quota (if any)	[X] API Calls per [day / month] — no charge
Paid Tier Fee	Rs.[X] per [1,000 / 10,000] API Calls above free tier
Monthly Subscription (if applicable)	Rs.[X] per month for [Y] API Calls included

Overage Rate	Rs.[X] per [1,000] additional API Calls
Payment Frequency	Monthly in arrears / Annual in advance
GST	GST applicable on all fees at current applicable rate

6. AVAILABILITY AND SUPPORT

6.1 Availability. The API Provider shall use commercially reasonable efforts to maintain API availability as specified in Schedule 2. The API Provider reserves the right to perform scheduled maintenance with advance notice, and emergency maintenance without notice.

6.2 API Versioning and Deprecation. The API Provider may update or deprecate API versions. Deprecated versions shall be supported for at least [6] months after notice of deprecation, giving the Licensee time to migrate to the current version.

7. TERM, TERMINATION, AND SUSPENSION

Term	Continues until terminated by either Party on [30] days written notice
Termination for Breach	Immediate on material breach if not cured within [7] days notice
Termination for Prohibited Use	API Provider may immediately terminate and revoke API Keys on discovery of prohibited use
Suspension for Non-Payment	API access may be suspended after [15] days of overdue payment

7.1 On termination, the Licensee shall immediately cease all API use, delete all stored API Data, and destroy all API Keys. Outstanding fees remain payable.

8. GENERAL PROVISIONS

8.1 Governing Law. Governed by the IT Act 2000 and Indian Contract Act 1872.

8.2 Limitation of Liability. The API Provider's aggregate liability shall not exceed fees paid in the preceding 3 months. No liability for indirect or consequential losses.

8.3 Entire Agreement. This Agreement and Schedules are the complete agreement.

8.4 Stamp Duty. Execute on non-judicial stamp paper.

8.5 Counterparts. PDF and electronic signatures valid.

EXECUTION

API PROVIDER	LICENSEE
[Full Legal Name]	[Full Legal Name]
Signature: _____	Signature: _____
Name: _____	Name: _____
Date: _____	Date: _____

IMPORTANT NOTE

Never embed API Keys in client-side code or public repositories. API Key exposure can result in unauthorized usage charges and security breaches. Template only — not legal advice.

API MONITORING, DATA GOVERNANCE, AND REGULATORY COMPLIANCE

9.1 Regulatory Compliance. The Licensee shall comply with all applicable laws and regulations when using the API, including the Information Technology Act 2000, applicable data protection laws, SEBI regulations where the API is used for financial services, RBI guidelines where applicable to financial data processing, and any sector-specific regulations applicable to the Licensee's industry. The Licensee is solely responsible for obtaining all licences, registrations, and permissions required by applicable law to operate the Application and use the API for the Licensee's intended purpose.

9.2 Data Governance for API Calls. The Licensee acknowledges that the API Provider may log and retain records of all API Calls for: (a) debugging and service improvement; (b) security monitoring and abuse detection; (c) billing and usage verification; and (d) compliance with applicable law. The API Provider shall handle all data associated with API Calls in accordance with its Privacy Policy, which is incorporated by reference. Where API Calls involve personal data of third parties, the Licensee is responsible for ensuring appropriate consent and lawful basis for processing.

9.3 Acceptable Use and Abuse Prevention. The Licensee shall implement reasonable technical measures to prevent: (a) automated abuse of the API including bot attacks, credential stuffing, and scraping attacks; (b) unauthorised sharing of API credentials; (c) use of the API for any purpose that violates applicable law including unlawful surveillance, spam generation, or fraud; and (d) any use that degrades the performance or availability of the API for other users. The Licensee shall promptly investigate and remediate any suspected abuse.

9.4 API Integration Best Practices. The Licensee shall implement API integration in accordance with the technical documentation and best practices published by the API Provider, including: (a) implementing exponential backoff for retry logic to avoid thundering herd issues; (b) caching API responses where appropriate and permitted under the caching policy in Schedule 2; (c) implementing proper error handling for all API response codes; (d) monitoring API usage metrics and setting up alerts for approaching rate limits; and (e) keeping integration libraries and dependencies up to date.

9.5 Intellectual Property in Machine Learning Applications. If the Licensee uses the API to build machine learning models, train neural networks, or create AI applications, the Licensee warrants that: (a) such use is within the Permitted Use specified in Schedule 2; (b) any models trained on API Data comply with the data usage restrictions in Clause 3.2; (c) the Licensee shall not attempt to distill, replicate, or approximate the API Provider's models using API outputs; and (d) the Licensee shall obtain the API Provider's prior written consent before using the API for any training or model development activity not expressly permitted in Schedule 2.