

# IP Budget Planning Template (India)

Annual budget planning template for all IP-related expenditures and licensing income

## HOW TO USE THIS TEMPLATE

1. This document: IP Budget Planning Template (India).
2. Fill all bracketed fields before use.
3. Template only — not a substitute for qualified legal advice.

## 1. BUDGET FRAMEWORK AND PHILOSOPHY

**IP Budget as Investment.** IP costs should be presented to the Board as investments, not costs. Each line item linked to a specific commercial objective: 'Patent filing for algorithm X — protects core revenue stream, estimated commercial value Rs. Y crores.' Framing IP spending as investment improves budget approval.

**Benchmark.** Technology companies globally spend 2 to 5% of R&D; budget on IP protection. Indian startups typically underspend significantly. A Series A startup with 20 to 30 employees should budget Rs. 15 to 40 lakhs per year on IP across all categories.

**Budget Timing.** Prepare in September or October for the following financial year (April to March). Include a contingency reserve of 15 to 20% of total IP budget for unexpected enforcement actions and oppositions.

## 2. PATENT BUDGET

New provisional filings: [X] provisionals times Rs. 1,750 official fee plus Rs. 15,000 average attorney fee equals Rs. [X].

Complete specification filings: [X] complete specs times Rs. 4,400 official fee plus Rs. 40,000 average attorney fee equals Rs. [X].

Expedited examination (Form 18A): [X] applications times Rs. 4,000 equals Rs. [X].

FER responses: [X] expected responses times Rs. 30,000 average attorney fee equals Rs. [X].

Patent renewals: [X] granted patents times average Rs. 2,000 per patent equals Rs. [X].

PCT applications: [X] PCT filings times CHF 2,000 equivalent (approximately Rs. 1,85,000) official fee plus Rs. 80,000 attorney fee equals Rs. [X].

FTO analyses: [X] analyses times Rs. 1,00,000 to 3,00,000 average equals Rs. [X].

Patent attorney retainer and ad hoc fees: Rs. [X] per year.

## 3. TRADEMARK, COPYRIGHT, AND DESIGN BUDGET

New Indian TM applications: [X] marks times [Y] classes times Rs. 4,500 official fee plus Rs. 8,000 attorney fee per class equals Rs. [X].

International TM applications (Madrid System): CHF [X] equivalent plus Rs. 15,000 attorney fee. Direct national applications: per-country official fees plus local attorney fees.

TM renewals: [X] marks times [Y] classes times Rs. 4,500 renewal fee equals Rs. [X].

TM watch service: annual subscription Rs. [X]. Budget as a fixed cost.

TM opposition contingency: Rs. 2,700 times estimated [X] oppositions equals Rs. [X].

Copyright registrations: [X] works times Rs. 500 official fee plus Rs. 3,000 attorney fee equals Rs. [X].

Design registrations: [X] designs times Rs. 1,000 official fee plus Rs. 8,000 attorney fee equals Rs. [X].

#### 4. ENFORCEMENT, INSURANCE, AND TOTAL SUMMARY

IP enforcement contingency: Rs. 5,00,000 to 10,00,000 for cease and desist actions, platform takedowns, INDRP and UDRP disputes, and opposition filing.

IP litigation reserve (if active or threatened litigation): Rs. 20,00,000 to 50,00,000 per active case.

IP insurance annual premium: Rs. [X] — contact insurer for current premium based on portfolio size.

IP training and awareness: Rs. [X] for annual employee training, external speakers, workshop attendance.

IP management tools: Rs. [X] for docketing software, OSBOM tools, patent search subscriptions, brand monitoring.

**Total IP Budget Summary:** Patents Rs. [X]; Trademarks Rs. [X]; Copyright and Design Rs. [X]; Enforcement Rs. [X]; Insurance Rs. [X]; Training and Tools Rs. [X]; TOTAL Rs. [X].

IP Budget as percentage of Revenue: [X]%. Net IP Investment after licensing income: Rs. [X].

##### IMPORTANT NOTE

Working template for IP Budget Planning Template (India). Verify requirements with a qualified IP advocate.

## IP BUDGET ROI MEASUREMENT AND BOARD REPORTING

IP budgets are most effectively managed and defended when they are linked to measurable commercial outcomes. Establishing an IP budget ROI framework requires identifying what the IP investment is expected to produce and tracking whether it does. The four most trackable IP investment returns are: (1) Competitive moat maintenance — does the IP portfolio create barriers to competition? Measure: competitor product launch attempts that were deterred, modified, or litigated; licensing negotiations where the patent or trademark portfolio strengthened the Company's negotiating position; and M&A; or fundraising valuations where IP portfolio strength was cited as a value driver. (2) Licensing revenue — the most direct and measurable return. Track: total annual royalty income; number of active licences

s; royalty income as percentage of total revenue; and average royalty rate by IP category. Target: achieve licensing revenue at least equal to 50% of total IP budget expenditure within 3 years of commencing active licensing. (3) IP-backed financing — IP portfolio enabling access to non-dilutive debt financing. Track: total facility size enabled by IP collateral; cost of debt vs cost of equity (IP-

backed debt is typically cheaper than equity); and reduction in equity dilution from fundraising rounds. (4) IP risk avoidance — the cost of IP disputes and infringement claims that were avoided due to proactive IP management. Estimate: average cost of a patent infringement suit in your sector (Rs. 20 to 50 lakhs); multiply by the number of potential disputes proactively resolved through C&D, licence

nsing, or design-around; and compare to the cost of the IP management programme. Board reporting template: present the IP Budget performance quarterly with: actual spend vs budget by category; IP activities completed in the period (filings, registrations, licences signed, enforcement actions); key IP events and their commercial implications; IP pipeline (upcoming filings, renewals, licence negotia

tions); and IP budget ROI summary. Present the IP programme as a business function with commercial impact, not as a legal overhead.

## ADDITIONAL COMPLIANCE GUIDANCE AND BEST PRACTICES

ADDITIONAL GUIDANCE ON COMPLIANCE AND BEST PRACTICES. Indian IP law continues to evolve rapidly, with the Patent Office, Trade Marks Registry, and Copyright Office all implementing digital transformation initiatives that affect how IP is filed, prosecuted, and enforced. The Patents Amendment Rules 2024 introduced new provisions for startup fee concessions and updated the examination procedure timelines. The Trade Marks Act 1999 has been interpreted by courts in a growing body of decisions that clarify how confusion is assessed, how well-known

marks are recognised, and how bad faith is established. The DPDP Act 2023 has implications for IP-linked customer data and product development processes. For each IP action described in this document, the Company should consult a qualified IP advocate licensed to practice before the Indian Patent Office and Trade Marks Registry. IP advocates combine technical expertise with legal training specific to Indian IP law. When selecting an IP advocate, assess: their specific experience in your technology sector or product category;

their track record at the relevant Patent Office branch or Trade Marks Registry; and their ability to coordinate international filings through their network of foreign associates. The IP Manager should maintain a master calendar tracking all IP filing deadlines, prosecution response deadlines, renewal dates, and opposition window close dates. IP deadlines are typically non-extendable and missing them can result in permanent loss of rights. Use a dedicated IP management tool or a carefully maintained calendar system with triple-reminder alerts. Document

all IP decisions and the reasoning behind them. When the Company decides not to file a patent application for a particular technology, document the decision and reasoning. When a trademark opposition is decided not to pursue, document the decision. This decision trail is important for investor due diligence, management continuity, and defence of subsequent IP disputes. Build a quarterly IP Committee meeting cadence: the IP Manager, CTO or Head of Product, CFO, and CEO should review IP programme status, upcoming

decisions, and strategic IP priorities every quarter. This keeps IP on the leadership agenda and ensures that commercial and technical strategy is aligned with IP investment decisions. The IP Committee meeting should produce a brief written record of decisions taken and actions assigned. International IP coordination requires proactive management of priority deadlines. The Paris Convention priority period of 12 months for patents and 6 months for trademarks and designs starts from the Indian filing date. If international protection is planned,

calendar these priority deadlines immediately on the Indian filing date. The cost of filing internationally increases significantly if priority is not claimed because prior art in the intervening period may destroy novelty. Budget for professional indemnity insurance for the IP function. As IP becomes a larger component of the Company's value and IP decisions involve significant financial stakes, the IP Manager and the Company's IP counsel should be appropriately insured against errors and omissions. Review the IP programme's documentation quality

annually. The best IP strategy is undermined by poor documentation. Every IP right should have a complete file: the registration or application document, all prosecution history, all renewal receipts, and all related agreements. Files should be backed up in at least two locations and access-controlled to prevent inadvertent deletion. Template only. Not legal advice. Consult a qualified IP advocate for all decisions affecting the Company's intellectual property rights.