

# IP Portfolio Management Policy (India)

Policy framework for systematic management, review, and commercialisation of Company IP assets

## HOW TO USE THIS TEMPLATE

1.	This is a working document for dpiit / startup documents — fill in all bracketed fields before use.
2.	Review annually or whenever relevant laws, regulations, or business circumstances change.
3.	Keep a signed copy on file and ensure the IP Manager has the current version.
4.	Template only — not legal advice. Consult a qualified IP advocate for your specific situation.

## 1. PORTFOLIO MANAGEMENT FRAMEWORK

**1.1 Purpose.** This IP Portfolio Management Policy establishes a systematic framework for identifying, protecting, managing, reviewing, and commercialising the Company's intellectual property assets. An actively managed IP portfolio is a strategic asset that supports fundraising, competitive positioning, licensing, and long-term business value.

**1.2 IP Portfolio Committee.** The Company shall establish an IP Portfolio Committee (IPPC) responsible for all strategic IP decisions. The IPPC shall comprise: the CEO (Chair); the IP Manager; the CTO or Head of Product; and the CFO (for commercialisation decisions). The IPPC shall meet quarterly and shall review: new invention disclosures received; filing decisions on pending disclosures; prosecution status of pending applications; renewal decisions on granted IP; commercialisation opportunities; and budget for the upcoming quarter.

## 2. ASSET LIFECYCLE MANAGEMENT

**2.1 Creation and Capture.** All employees are required to submit an Invention Disclosure Form within 14 days of conceiving or developing any potentially patentable invention, copyrightable work, or other IP asset. The IP Manager reviews all disclosures within 10 working days and presents filing recommendations to the IPPC.

**2.2 Filing Decision Framework.** For each invention disclosure, the IPPC evaluates: (a) Commercial Value — does the invention create competitive advantage or revenue opportunity? (b) Patentability — is there a reasonable prospect of obtaining a useful patent based on preliminary prior art search? (c) Enforceability — can infringement be detected in the market? (d) Alternative Protection — would trade secret protection be more appropriate? (e) Budget — does the expected value justify the estimated prosecution cost? The decision options are: File patent; Maintain as trade secret; Publish as defensive prior art; No action required.

**2.3 Portfolio Review and Pruning.** The IPPC shall conduct an annual portfolio review to identify IP assets that should be: maintained (ongoing investment justified by commercial value); licensed out (could generate revenue as third-party licences); donated (transferred to academic or research institutions for goodwill); abandoned (allowed to lapse — cost not justified by commercial value); or sold (transferred to a third party for one-time payment).

## 3. COMMERCIALISATION STRATEGY

**3.1** The Company's IP portfolio shall be actively reviewed for commercialisation opportunities including: (a) licensing to non-competing companies in adjacent markets; (b) cross-licensing arrangements with technology companies in similar domains; (c) IP-backed financing using registered patents and trademarks as collateral; (d)

technology transfer to academic institutions for sponsored research credit; and (e) IP sale to generate one-time liquidity while retaining a licence back. All commercialisation transactions require IPPC approval and Board sign-off for transactions above Rs. [X] lakhs.

**3.2 Budget and Reporting.** The IP Manager shall prepare an annual IP budget covering: new filing costs (provisional, complete, PCT, trademark); prosecution costs (FER responses, hearings, appeals); renewal fees for all in-force IP; watch service subscriptions; FTO analysis costs; and commercialisation legal costs. The budget shall be submitted to the CFO by [Month] each year for approval. Quarterly IP cost reports shall be shared with the IPPC.

## IP METRICS, REPORTING, AND PORTFOLIO OPTIMISATION

**4.1 Key Performance Indicators for IP Portfolio Management.** The IPPC tracks the following KPIs quarterly: (a) Number of invention disclosures received (target: at least [X] per quarter); (b) Conversion rate: disclosures to provisional filings (target: [X] %); (c) Conversion rate: provisionals to complete specifications (target: >90%); (d) Portfolio size: total pending applications, granted patents, registered trademarks (track trend); (e) IP cost per granted right (total IP spend divided by new rights obtained); (f) IP revenue: royalty income, licensing fees, IP-backed financing secured; (g) Enforcement actions: number of cease and desist letters sent, oppositions filed, and litigation initiated; and (h) Lapse rate: percentage of IP allowed to lapse each year (target: <5% of active portfolio).

**4.2 IP Budget Management.** IP budget management requires balancing protection investment with commercial return. Budget allocation guidance: allocate more to core technology patents and flagship trademarks than to peripheral IP; use the IP Health Score from the annual audit to identify underfunded areas; plan for prosecution cost spikes in years 2–4 of patent applications (FER responses, hearings); maintain a contingency reserve of 15–20% of IP budget for unexpected enforcement actions. Present the IP budget as an investment, not a cost — link each IP asset to a specific product, revenue stream, or competitive protection objective.

**4.3 IP Portfolio Pruning and Lifecycle Management.** An IP portfolio that grows without pruning becomes expensive to maintain and creates noise that obscures genuinely valuable assets. Annual pruning process: (a) Identify all granted patents whose renewal fees are due in the next 12 months; (b) For each, ask: is this patent still commercially relevant? Is the technology still used in products? Could a competitor profitably infringe it? Is there a licensing opportunity? (c) If none of these apply, allow the patent to lapse rather than paying renewal fees; (d) Document the pruning decision for each patent with rationale. A focused portfolio of 20 highly relevant patents is more valuable than 200 patents of marginal relevance.

## IP COMMITTEE GOVERNANCE AND DECISION PROCESSES

**5.1 IPPC Meeting Agenda Template.** Each quarterly IP Portfolio Committee meeting should cover: (a) New Invention Disclosures — review all IDF submissions received since last meeting; filing recommendations for each; (b) Prosecution Updates — status of all pending patent applications; upcoming FER response deadlines; any examiner rejections requiring strategy discussion; (c) Trademark Updates — new applications filed; opposition monitoring results; renewal schedule for next 12 months; (d) Licensing Pipeline — updates on any ongoing licensing negotiations; new licensing opportunities identified; royalty income received; (e) Enforcement Actions — status of any active C&D; letters or litigation; new potential infringers identified through watch programme; (f) Budget Review — IP spend vs budget year-to-date; cost projections for next quarter; and (g) Strategic Decisions — any significant portfolio decisions requiring IPPC approval.

**5.2 IP Documentation Standards.** The Company shall maintain the following documents as permanent IP records: all executed IP assignment agreements (original signed copies); all patent prosecution files (applications, office actions, responses, grants); all trademark prosecution files; all outbound and inbound licence agreements; all FTO analysis reports; all IP valuation reports; all Board and IPPC resolutions relating to IP; and all correspondence with IP attorneys and the Patent/Trademark Office. These records should be stored in a secure, backed-up document management system with access controls. IP records should be retained for the duration of the IP right plus 7 years after expiry.

## TECHNOLOGY TRANSFER AND SPIN-OUT CONSIDERATIONS

**6.1 IP in Spin-Out and Subsidiary Structures.** As startups grow, they may create subsidiaries or spin out specific technology lines into separate entities. IP structuring for spin-outs: (a) before transferring IP to a new entity, conduct an IP valuation and ensure transfer pricing compliance for related-party IP transfers; (b) decide whether the IP should be held in the operating company (simpler but mixes operating and IP assets), a holding company (separates IP from operating risk), or a special purpose IP holding company; (c) IP held in a separate holding company and licensed to operating subsidiaries creates a cleaner structure for fundraising, M&A, and IP-backed financing; and (d) Indian holding company structures for IP have specific tax considerations — consult a tax advisor before creating any intragroup IP arrangements.

**6.2 IP Due Diligence for Portfolio Company Acquisitions.** If the Company is acquiring other startups or technology assets as part of its growth strategy, apply the same IP due diligence standards to target companies as institutional investors apply to the Company. Key questions for acquisition targets: (a) Are all founder IP assignments executed? (b) Is there any copyleft contamination in the codebase? (c) Are all trademarks registered in the Company's name? (d) Are there any undisclosed licences or encumbrances on the IP? (e) Are there any pending IP disputes? Budget Rs. 5,00,000–15,00,000 for a thorough IP due diligence on an acquisition target of meaningful size.

**6.3 Long-Term IP Portfolio Value Creation.** An IP portfolio that is actively managed, expanded, and monetised creates compounding value over time. Long-term value creation strategies: (a) strategic patent filing in adjacencies — patent technology in areas adjacent to your core business even before you enter those areas commercially; this creates options for future licensing and deters competitors from entering those spaces; (b) continuations and continuation-in-part applications — file continuation patents as your technology evolves to extend protection of improved versions; (c) international expansion of core patents — as the business grows into new markets, file national phase applications in those markets based on PCT priority; and (d) IP licensing as a revenue stream — actively market your patent portfolio to potential licensees in non-competing industries. A single licensing deal can generate more revenue per year than many product sales.