



GOVERNMENT OF INDIA

GUIDELINES

Implementation of the Scheme

Building Awareness on Intellectual Property Rights (IPR) For Micro, Small and Medium Enterprises

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ABBREVIATIONS

| | | |
|--------------------|---|--|
| CII | – | Confederation of Indian Industry |
| CV | – | Curriculum Vitae |
| DBT | – | Department of Biotechnology |
| DIP & P | – | Department of Industrial Policy and Promotion |
| DIT | – | Department of Information Technology |
| DSIR | – | Department of Scientific and Industrial Research |
| DST | – | Department of Science and Technology |
| EU-TIDP | – | European Union's - Trade and Investment Development Programme |
| EM | – | Entrepreneurs Memorandum |
| FICCI | – | Federation of Indian Chambers of Commerce and Industry |
| GATT | – | General Agreement on Tariffs and Trade |
| GI | – | Geographical Indications |
| GoI | – | Government of India |
| HRD | – | Human Resource Development |
| IFW | – | Integrated Finance Wing |
| IIFT | – | Indian Institute of Foreign Trade |
| IIT | – | Indian Institute of Technology |
| IP | – | Intellectual Property(ies) |
| IPR | – | Intellectual Property Right(s) |
| IT | – | Information Technology |
| JCM | – | Joint Consultative Mechanism |
| JPO | – | Japan Patent Office |
| KIPA | – | Korean Intellectual Property Agency |
| KIPO | – | Korean Intellectual Property Office |
| LT | – | Long Term |
| MoEF | – | Ministry of Environment & Forests |
| MoU | – | Memorandum of Understanding |
| MSME | – | Micro, Small & Medium Enterprises |
| NGO | – | Non-Governmental Organization(s) |
| NIIPM | – | National Institute for Intellectual Property Management |
| NRDC | – | National Research Development Corporation |
| PCT | – | Patent Cooperation Treaty |
| PFC | – | Patent Facilitation Centre |
| PIC | – | Project Implementation Committee |
| R & D | – | Research & Development |
| SRCs | – | Scientific/Staff Research Councils |
| ST | – | Short Term |
| TIFAC | – | Technology Information, Forecasting and Assessment Council |
| TRIPS | – | Trade-Related Aspects of Intellectual Property Rights |
| UGC | – | University Grants Commission |
| USPTO | – | United States Patent & Trademark Office |
| WIPO | – | World Intellectual Property Organization |

1.0 INTRODUCTION

Intellectual Property (IP) is one of the key players involved in the market success of an innovation. IP plays a major role in enhancing competitiveness of technology-based businesses and facilitates the process of taking innovative technology to the market place.

In today's global competitive business scenario, issues pertaining to intellectual property rights (IPRs) have become quite critical for the sustainability of Micro, Small & Medium Enterprises (MSME). In order to compete with global standards and technological challenges, IPR protection plays a very crucial role in achieving competitive advantage and technological gains as they are important tools to promote marketing and innovation.

2.0 OBJECTIVE

It is important for the MSME sector in India to realise the important role IPR protection plays in boosting the innovation ecosystem in competitive business environment, which impacts the sustainable economic growth of the country and its global standards in the technology space. Efforts have been made by the Government to improve the IP culture in India with the following objectives:

- To enhance the awareness of Intellectual Property Rights (IPRs) amongst the MSMEs to encourage creative intellectual endeavour in Indian economy;
- To take suitable measures for the protection of ideas, technological innovation and knowledge-driven business strategies developed by the MSMEs for;
- To provide appropriate facilities and support for protection and commercialization of Intellectual Property (IP) for the benefit of MSME sector;
- To assist SMEs in effective Utilization of IPR Tools for technology up-gradation, market and business promotion and competitiveness enhancement.

3.0 ACTIVITIES UNDER THE SCHEME

| S. No | Activity | Maximum Grant per Application/ Proposal (Rs. In Lakh) |
|----------------------------|--|---|
| 1. MAJOR ACTIVITIES | | |
| a. | Financial assistance on grant of patent/ registration under geographical indications of goods/trademarks | |
| | (i) Domestic Patent | 1.00 |
| | (ii) Foreign Patent | 5.00 |
| | (iii) GI Registration | 2.00 |
| | (iv) Trademark | 0.10 |
| b. | Assistance for setting up IP Facilitation Centre | 100.00 |
| 2. MINOR ACTIVITIES | | |
| a. | Awareness and Sensitization Programs on IPR | 0.70 |
| b. | Pilot Studies/Other Studies For Selected Subject/Clusters/Group of Industries | 5.00 |
| c. | National Level Interactive Seminars /Workshops /Conclave /Conferences /Exhibition | 5.00 |
| | Regional Level Interactive Seminars /Workshops /Conclave /Conferences /Exhibition | 3.00 |
| d. | Training Programme For MSME Officials & IPFCs | 20.00 |
| e. | Interaction With The International Agencies | 15.00 |

4.0 MODALITIES FOR IMPLEMENTATION, EVALUATION AND MONITORING

Project Monitoring and Advisory Committee(PMAC): At the highest level, PMAC will guide, review, monitor and provide overall direction for implementation of the scheme. PMAC will have overall responsibility for policy formulation, Scheme implementation and monitoring. It will be empowered to take all key decisions related to the scheme and to approve minor modifications/procedural changes in the guidelines for operational expediency. PMAC would also deliberate on the issues put up by NMIU. It would also consider the recommendations of NMIU on each proposal. The PMAC will hold its meetings periodically or as and when required.

The constitution/members of the PMAC will be:

| | | |
|----|---|------------------|
| 1. | AS & DC(MSME) | Chairman |
| 2. | Joint Secretary/ADC/JDC, O/o DC(MSME) | Vice Chairman |
| 3. | EA(IFW)/Representative | Member |
| 4. | JS DIPP/Representative | Member |
| 5. | In-Charge, NMIUs | Member |
| 6. | Representative Associations | Member |
| 7. | ADC/JDC in Charge of MSME-DIs at O/o DC(MSME)/Director of MSME-DI Concerned/Invitee | Member |
| 8 | JDC/Director/Nodal Officer handling IPR in DC, MSME | Member-Secretary |
| 9. | Special invitees/experts/consultants/IAs/SPVs | |

National Monitoring and Implementing Unit (NMIU)

National Monitoring and Implementing Unit (NMIU) shall be an expert organisation or a group of consultants hired for the purpose. NMIU will be responsible for facilitating, implementation and monitoring of the scheme. It will monitor every stage of the programme, on behalf of the Development Commissioner (MSME).

5.0 COMPONENTS OF THE SCHEME

5.1 FINANCIAL ASSISTANCE ON GRANT OF PATENT/ REGISTRATION UNDER GEOGRAPHICAL INDICATIONS OF GOODS/ TRADEMARKS

A) Eligibility Criteria:

For Patent, Geographical Indication and Trademark Reimbursement:

- a. For reimbursement of actual costs or expenses incurred towards registration of Patents or Trademarks, from the Office of Development Commissioner (MSME), Ministry of MSME, Government of India, the applicant/entity/unit must have a valid Udyog Aadhar/UAM and registered at MSME- Data bank. Patents/Trademarks filled/registered in the name of individuals are also eligible for reimbursement subject to holding a valid Udyog Aadhar/UAM.

b. For reimbursement of actual costs or expenses incurred towards registration of GI, the agency, institutions, associations, Institutes, non-profit bodies, NGOs, societies, trusts, or similar other non-commercial bodies, other entity which might not have Udyog Aadhar, should provide relevant incorporation/establishment documents, PAN number of entity.

B) How To Apply:

- a.** Applicants can apply for reimbursements through online portal of MSME i.e. MY.MSME.GOV.IN by furnishing all the relevant details and uploading the necessary supporting documents. All application received through online portal will be allocated to the concerned Implementing Agency for scrutiny, approval and release of funds to reimburse the expenditure incurred towards grant of patent, Trademarks & Geographical Indications. In case of disputes, such cases may be forwarded to the Office of Development Commissioner for seeking any relaxation on the basis of merit of the case, if required.
- b.** MSME IPFCs, MSME Development Institutes, TCs, Such other organisation/Institutes/Departments of the State Government as are nominated by them would act as facilitators and help the applicants in guiding and handholding for reimbursement procedures and online application submissions.

5.2 ASSISTANCE FOR SETTING UP IP FACILITATION CENTRE FOR MSME

The primary objective of setting up of IP Facilitation Centres (IPFCs) is to guide MSMEs, stakeholders, and other target beneficiaries for proper utilization of IP tools and technologies, that promote improved management of intellectual property needs in competitive business environment.

The specific objectives of the centre will be as under:

- a. To provide support and facilities for searching/mapping etc. for IPRs including evaluation for possibility of registration for patents, industrial designs, trademarks, etc.
- b. To provide basic information and support about filing an IP application for grant/registration of patent, GI, industrial design, trademarks, copyright, PVP etc.
- c. To facilitate IPR transfer and commercialisation of technologies.
- d. To facilitate collaboration with potential clients for exploring possibilities for technology tie-ups and upscaling needs of any business enterprise.
- e. To provide and disseminate information on best IPR practices.

- f. To provide guidance in filing applications with national/international agencies and execution of other documents concerning to licensing, technology transfer agreements etc.
- g. To advise beneficiaries on legal remedies available on issues such as IPR infringement, duplication of IPRs such as patent/ TM/industrial designs etc.
- h. To conduct research and empirical/pilot studies on issues related IPRs.

These Centres are supposed to work in close association with the National Patent Offices/Regional Patent Offices and other National/International Agencies administering the implementation of IPR related matters.

1. Eligible Agencies:

- a. MSME-Development Institutes, Technology Centres and any other associated Field Organisations directly or indirectly under the control of Ministry of MSME;
- b. Quasi-Government or Government Bodies /Departments /Autonomous Organisations being Run on Autonomous or Commercial Lines;
- c. MSME Industry Associations, Societies / Cooperatives / Firms/Trust and Other profit and non-profit Bodies, NGOs representing or Working for MSMEs, Research/ Technical & Educational Institutions, Universities/ colleges with a track record of assisting MSMEs etc.

(1) The Government of India will provide a total financial grant-in-aid support of maximum up to Rs. 100 Lakhs (Indian Rupees one Hundred Lakhs) to each approved centre; the grant for establishing these centres will be spread over a period of five (5) years. The implementing agency will have to contribute at least 10% of the total project cost from its own or other sources. However, no contribution is required for MSME-DIs/Br. DIs , if activity is implemented by them.

(2) While setting up of these centres, no liability will be created for the Government of India. The financial support offered by the Government of India will primarily cover expenses of equipment, devices and hardware necessary to operate IPFC, software license fee, subscription fee for IP databases, furniture and fixtures, networking, hiring the services of external consultants, IPFC staffs on contract basis, expenses for IPFC operations including expenses on telecommunication and internet, office and computer stationary, marketing and promotional activities, travel and incidental expenses, miscellaneous/contingency/institutional administrative and overhead cost etc. Further, the space for setting up of these Centres would be provided/arranged by the implementing agencies/users body.

(3) It is expected that responsibility of assets and operation of the offices will ultimately be taken by implementing agency for running them on self-sustainable basis after an initial gestation period of 5 years. These centres shall

create their own funding mechanism during this period with a view to become financially sustainable over a period of time.

- (4) Each IPFC has to form a steering committee. Meeting of the steering committee should be organised in every three months and performance of IPFC should be evaluated.
- (5) In the event of failing to comply with the conditions of the guidelines or committing breach of the conditions of the sanction, the IPFC shall be jointly and severally liable to refund to the President of India, the whole or a part amount of the grant with penal interest.

2. Funding Pattern:

The grant assistance will be released in instalments after approval by the Competent Authority. It will be assured that the next instalment will be released after receipt of requisite grant utilization certificate, statement of expenditures, final progress of the programme and other requisite documents/reports as per applicable norms of Government of India. The amount of instalment and budget allocation under different heads will be decided depending on the requirement of IP Facilitation Centre for MSME during their different phases of establishment and operations.

3. How to Apply

Applicants can apply for IPFC through online portal of MSME i.e. MY.MSME.GOV.IN. The proposals will be placed before the PMAC constituted for appraisal of the proposals and recommending approvals. After the approval of the PMAC, sanction will be granted to the eligible agency to set up IP Facilitation Centre as per norms of GoI.

5.3 MINOR ACTIVITIES

1) Awareness and Sensitisation Programmes on IPR

The objective of these programmes is to raise awareness on IPR related issues in general and more specifically to educate MSMEs about the importance of safeguarding IP, and the benefits that can be accrued with IP Protection.

- ✓ Funding Provision of Rs. 70000/- (Indian Rupees seventy thousands) per programme is being provided for organizing these sensitization/awareness programmes under the scheme.
- ✓ Programmes will be organised by all Implementing Agencies with the approval of PMAC.

- ✓ Efforts will be made to encourage the SC, ST, OBC, PH, Women & Minority categories of MSMEs, while organising the programme.
- ✓ The programmes would be organized in association with the different clusters / Associations.
- ✓ Efforts shall be made to avoid the duplication of the programme(s) with same Clusters / Association. Regional IP Facilitation Centre should be invariably involved in organising above events.

2) Pilot Studies/Other Studies for Selected Subject/Clusters/Group of Industries

a. Objective:

Major objective is to conduct pilot studies or other studies to identify the IP needs of the identified subject/MSME clusters/industries, and provide empirical evidence-based recommendation or measures for further strengthening of the IP portfolio and strategy.

b. Funding Pattern:

Financial grant-in-aid support of maximum up to Rs. 5.00 lakh (Indian Rupees Five Lakhs) will be provided per Study, primarily to cover operational expenses, travel, manpower cost, institutional overhead and contingency/miscellaneous expenses of the expert agencies for the conducting the Studies. The grant will be released in three instalments i.e. 40% upon sanction of study project, 30% on submission of draft reports and remaining 30 % on submission and acceptance of final report. The implementing agency will have to contribute at least 10% of the total project cost from its own or other sources. However, no contribution is required for MSME-DIs/ Br. DIs, if activity is implemented by them.

c. Eligible Agencies:

- Public and private sector organizations, MSME IPFCs, research institutes, individual experts or agencies having sound technical and financial capabilities to conduct studies with at least three years of previous experience of conducting studies;
- Consultancy firms, Industry associations, societies/cooperatives/firms/trust and other bodies including NGOs that are representing or working for MSMEs for at least three years

- Research/technical & educational institutions, universities with a track record of assisting MSMEs or any other expert agency etc.

d. How to Apply:

Applicants can apply through online portal of MSME i.e. MY.MSME.GOV.IN.

3) National/Regional Level Interactive Seminars/ Workshop/ Conclaves/ Conferences/ Exhibitions

a. Objective:

The objective is to create a platform and to provide a forum to MSME entrepreneurs, Industry Associations and others stakeholders, including professionals having working experience of MSME sector to share knowledge, experience and create mass awareness on various aspects of IPR.

b. Funding Pattern:

Financial grant-in-aid support of maximum up to Rs. 5.00 lakh (Indian Rupees Five Lakhs) and Rs. 03 lakh (Indian Rupees Three Lakhs) per programme would be given to the implementing agency for organizing National Level Interactive Seminars/ Workshop/ Conclaves/ Conferences/ Exhibitions and Regional Level Interactive Seminars/ Workshop/ Conclaves/ Conferences/ Exhibitions respectively. The implementing agency will have to contribute at least 10% of the total project cost from its own or other sources. However, no contribution is required for MSME-DIs/Br. DIs , if activity is implemented by them.

c. Eligible Agencies:

- Field Organisation of Office DC MSME,
- Public and private sector organizations, industry associations, societies/cooperatives/firms/trusts and other bodies including NGOs, that are representing or working for MSMEs,
- Research/ technical & educational institutions, universities with a track record of assisting MSMEs etc.

d. How to Apply:

Applicants can apply through online portal of MSME i.e. MY.MSME.GOV.IN. The proposals will be placed before the PMAC constituted for appraisal of the proposals and recommending approvals. After the approval of the PMAC, sanction will be granted to the eligible agency to organise programmes as per norms of GoI.

4) Training Programme For MSME Officials and IPFCs

a. Objective:

The objective is to empower the officers of MSME development organisations and IPFCs with knowledge and skills to develop core competencies/capacities building in the IP domain with emphasis on IP management and technology transfer/commercialization, etc.

b. Funding Pattern:

Funding provision of maximum up to Rs. 20.00 Lakh (Indian Rupees Twenty Lakhs) per programme is made for organising these programmes. The Financial expenditure in organising these programmes cover expenses towards trainers/ faculty/ experts, boarding & lodging of the participants, course and training materials, field visits, food and refreshment, institutional overhead and contingency/ miscellaneous/incidental expenses.

c. Eligible Agencies:

These programmes may be organised by public and private sector organizations, expert agencies or any other agency with due approval from the PMAC.

d. How to Apply:

Proposal for Organising Training Programmes may be forwarded to Office of Development Commissioner (MSME), Ministry of MSME.

5) Interaction with International Agencies:

The objective of this activity is to develop a framework for best IPR management practices through cooperation in the field of capacity building activities and experience sharing , providing suitable linkages and cooperation with IPR offices in developed countries and other International agencies

1. Sharing of expertise in area of science & technology to facilitate implementation of IPR in the MSME sector in India.
2. Understanding the different cultural approaches to scientific research and IP generation.

b. Component of Grant:

The Government of India will provide Grant-in-aid funding maximum up to Rs. 15.00 Lakh (Indian Rupees Fifteen Lakhs) for each activity/ event/ program. International IPR Agencies/Offices may also share cost for joint activity/event/program. The implementing agency will have to contribute at least 10% of the total project cost from its own or other sources. However, no contribution is required for MSME-DIs/Br. DIs or O/o DC(MSME) , if activity is implemented by them.

c. Eligible Agencies:

These programmes are to be organised or facilitated by public and private sector organizations, expert agencies or any other agency with due approval from Development Commissioner(MSME).

d. How to Apply:

Applicants can apply through online portal of MSME i.e. MY.MSME.GOV.IN.

6) Miscellaneous Activities:

Apart from the above mentioned activities, there shall be provisions to support miscellaneous and additional activities that may include:

- Activities/expenditures incurred for branding and marketing for the successful implementation of the scheme. Such branding activities may include expenditures incurred for promotional travels, IP exhibitions, meetings with subject experts, publications, advertisement (print/electronic/social media), promotional events, campaign, success stories etc.
- To provide financial support for creation and designing of e-learning portal with learning material, cartoon films, educational videos, etc.
- Activities such as hiring of Professionals for additional Handholding support (Consultant or any other staff on contractual basis) who would lend a helping hand for the smooth functioning of the scheme.
- Extension of the duration of any ongoing project/activity/study/proposal/centre/IPFC operations with additional proportionate cost.
- To provide financial support and expenses to build soft interventions for encouraging MSMEs to adopt IP assets, studies to survey best global practices, develop e-platform for MSME.

- To provide financial support to an activity relevant for expansion or success of the scheme or to provide financial assistance for any emerging area in the field of IPRs.
- To provide financial support in matters related to IP/Technology management, adoption, dissemination, licensing and other related activities for the benefit of MSME sector.
- To provide financial assistance for activities/projects related to IPR monetization.
- To provide financial assistance for interventions on activities related to post-GI registration.
- To conduct review meetings, scheme related travel by DC-MSME officials, and other incidental activities.

The activities listed above are indicative only and not exhaustive and other areas can also be considered. The PMAC will have requisite power and authority to review the above mentioned cases and approve above mentioned miscellaneous activities, on need basis, for financial assistance as grant-in aid or as consultancy assignments.