Support International Patent Protection
in Electronics and IT

“A Scheme to Provide Financial Support
for
International Patent Protection by MSMEs and Technology Startup Units”

Innovation and IPR Division
R&D in Electronics Group
Ministry of Communications and Information Technology
Department of Electronics & Information Technology
Electronics Niketan, 6, CGO Complex,
Lodhi Road, New Delhi-110003
Phone: +91-11-24301715/24364799
Telefax: +91-11-24364799
email: ipr@deity.gov.in
Objectives

The scheme titled “Support for International Patent Protection in E&IT (SIP-EIT) – II” for Micro, Small and Medium Enterprises and Technology Startup Units is an initiative of Department of Electronics & Information Technology (DeitY), MCIT, GOI to facilitate MSMEs and Technology Startup units for international patent filing by providing financial support so as to encourage innovation and recognize the value and capabilities of global IP along with capturing growth opportunities in ICTE sector.

Time period

The scheme is for a period of 5 years i.e. upto 30.11.2019.

Eligibility criteria

I. The Applicant should be registered under the MSME Development Act 2006 of Government of India as amended from time to time as a MSME unit as per the criteria for such registration (the applicant would be required to furnish the proof of such registration).

   Or

II. The applicant should be a registered company under the Companies Act of Government of India and should fulfill the investment limits in plant and machinery or equipment as defined in the MSME Development Act 2006 of Government of India as amended from time to time (this criteria will be ascertained from the proof of such registration and last audited balance sheet of the applicant).

   Or

III. The applicant should be a registered STP Unit and should fulfill the investment limits in plant and machinery or equipment as defined in the MSME Development Act 2006 of Government of India as amended from time to time (this criteria will be ascertained from the proof of such registration and last audited balance sheet of the applicant).

   Or

IV. The applicant should be a technology incubation enterprise or a startup located in an incubation centre/park and registered as a company (a certification from the incubation centre/park in this case is mandatory) and should fulfill the investment limits in plant and machinery or equipment as defined in the MSME Development Act 2006 of Government of India as amended from time to time (this criteria will be ascertained from the proof of such registration and last audited balance sheet of the applicant).

Acceptance criteria

I. The applicant should have already filed a patent application for the said invention in India or have taken waiver under Section 39 of Indian Patent Act.

II. Invention must be in the Electronics/ICT technology domain.

III. The application must be accompanied by prior art search report from a reputed agency like ISA for PCT application or a registered IPR attorney firm having an experience of at least 5 years in handling international patent applications or IPFCs set up by Ministry of MSME or Patent Information Centres set up by the Department of Science and Technology.

IV. The patent applications are to be processed through an Indian patent attorney firm having an experience of at least 5 years in handling international patent applications.
V. The applicant can apply for the support at any stage of international patent filing. However, reimbursement will only be applicable to expenditures incurred from the date of acceptance of complete application by DeitY subject to approval of competent authority. Reimbursement will be limited to a total of Rs 15.0 Lakhs per invention or 50% of the total expenses incurred in filing and processing of patent application upto grant whichever is lesser.

VI. In respect of ownership of the patent, the application filed in the name of owner may also be considered and the applicant may be asked to assign it to the company after DeitY’s approval to provide support under SIP-EIT-II scheme, however the individual at the time of applying under SIP-EIT-II scheme must be an existing employee or should be in the Board of Directors of the same company on the date the application for international patent is made.

VII. To disseminate the benefits of the scheme in an equitable manner, only 5 applications per financial year with a total of 25 applications during the scheme period of December 2014 to November 2019 will be considered for reimbursement from a single applicant.

VIII. Options for filing International Patents: The applicant can choose either the PCT route or Paris Convention or can file directly in a foreign country of innovator’s choice after satisfying the requirements of Section 39. However, the applicant needs to furnish justification for the choice of route and of country/ countries in which a patent application is filed.

IX. All application received till date while the scheme is in operation will be also considered for reimbursement subsequent to the closure of the scheme and up to the time the application stands valid for reimbursement.

X. One application for foreign filing in all countries for a particular invention will only be considered under the scheme.

Extent of Financial Support

Reimbursement will only be applicable to expenditures incurred from the date of acceptance of complete application by DeitY, subject to approval of competent authority and will be limited to a total of Rs 15.0 Lakhs per invention or 50% of the total expenses incurred in filing and processing of patent application upto grant whichever is less.

The reimbursement will include expenses incurred in filing and processing of foreign applications filed in respect of same invention.

Kind of expenses incurred for International Patent Protection qualifying for reimbursement under the scheme

The expenses qualifying for reimbursement under the scheme would include official fees including filing, examination, processing fees, attorney charges, expenses on search and cost towards translation if required. The expenses involved in entering National phase in respect of PCT application would also be part of the expenses. Similarly, expenses involved in filing applications directly in other countries (not through the PCT route) will be part of the above expenses. The expenses incurred subsequent to grant of patent will not be reimbursable.
**Financial support**

Reimbursement of expenses incurred in International Patent Protection (total reimbursement will not exceed Rs 15 Lakhs or 50% of the total expenses, whichever is less) will be in installments and will be disbursed as listed below:

I. Applications filed directly in a foreign country after satisfying the requirements of Section 39:
   a. 25% of the expenses incurred in Filing of patent application in respective foreign geography will be reimbursed.
   b. 75% of the expenses incurred subsequent to filing upto grant will be reimbursed after the grant of the patent.

II. Applications filed in a foreign country within 12 months of filing a patent application in India (Convention application) i.e. Applicants having already filed a patent application in India for the said invention and then filed abroad within 12 months as per Paris Convention.
   a. 25% of the expenses incurred in Filing of patent application in respective foreign geography will be reimbursed.
   b. 75% of the expenses incurred subsequent to filing upto grant will be reimbursed after the grant of the patent.

III. Applications filed through the PCT route:
   a. 25% of the expenses incurred in filing a PCT application will be reimbursed subject to a positive ISR report. 25% of the expenses involved in the examination will be reimbursed if the examination report is positive.
   b. 25% of the expenses incurred in filing national phase application in a foreign country.
   c. 75% of the expenses incurred subsequent to National filing upto grant will be reimbursed after the grant of the patent.

**Process of Reimbursement**

The applicants are suggested to give complete details in the prescribed format. The application will be accepted only if it complies with the eligibility and acceptance criteria as per requirements for consideration of DeitY’s support. The submitted applications will then be scrutinized in-house and will then be put-up for recommendation to an expert group constituted for this purpose. Applicants are expected to present the invention to the expert group for consideration. The recommended applications will then be processed at DeitY for approval. Bills in original as provided by the patent attorney firm and a proof of actual payment made needs to be provided for initiation of the reimbursement process.

**Documents to be provided by the applicant while applying for financial support**

i. Application Form (giving requisite information about the applicant and the invention)
ii. Proof of registration under MSME act 2006 or the proof of registration under companies act and last audited balance sheet of the applicant or a certification from the incubation centre/ park/STPI along with last audited balance sheet of the applicant
iii. Reimbursement Details (As per the format in the application form)
iv. Patentability Search Report
v. Product brochure (if any)
vi. Copy of official filing with Indian Patent Office of waiver under Section 39
vii. Latest Annual Report of the Company
viii. Declaration (as given in the application form)

**How to Apply**
Applicants desirous of applying under the scheme need to fill up the form online available at [http://www.deity.gov.in](http://www.deity.gov.in)