



Procedure for Use of DRDO Patents by Indian Industry

DRDO/ERIP/IP/1907001/P/02/435/D (R&D)

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Directorate of ER & IPR
Defense Research & Development Organisation
Ministry of Defence Delhi – 110 011



1. Introduction

- 1.1 DRDO with its strong R&D culture and excellent technical expertise leads many innovations in different domains of science & technology. DRDO believes that a robust IPR culture inter-woven into R&D efforts of its scientific/technical work force, is a pre-requisite for realizing its mission to provide state-of-the-art sensors, weapons, platforms and allied equipment for Defence Services. A strong focus on creativity, innovation and IP generation has been one of the corner stones of its required policy for maintaining technological competitiveness and leadership.
- 1.2 The current IP landscape of the country is characterised by a certain level of disconnect between creators of IP and potential users of IP and this unique policy initiative is aimed at providing a platform for DRDO innovator community and Indian industry for synergizing their activities. The availability of DRDO developed patents to Indian industry at zero cost provides an opportunity to industry to indigenously develop products. This will also strengthen and deepen the bond between scientific community of DRDO and Indian industry leading to cross fertilisation of ideas, entrepreneurship and IP driven products.

2. Objective

To provide boost to Indian industries in general, and to defence industries, in particular, through free access to Indian patents held by DRDO.

3. Scope

This Procedure will cover all the Indian patents granted to DRDO. The list of granted Indian patents of DRDO shall be displayed on the web-site of DRDO.

4. Methodology

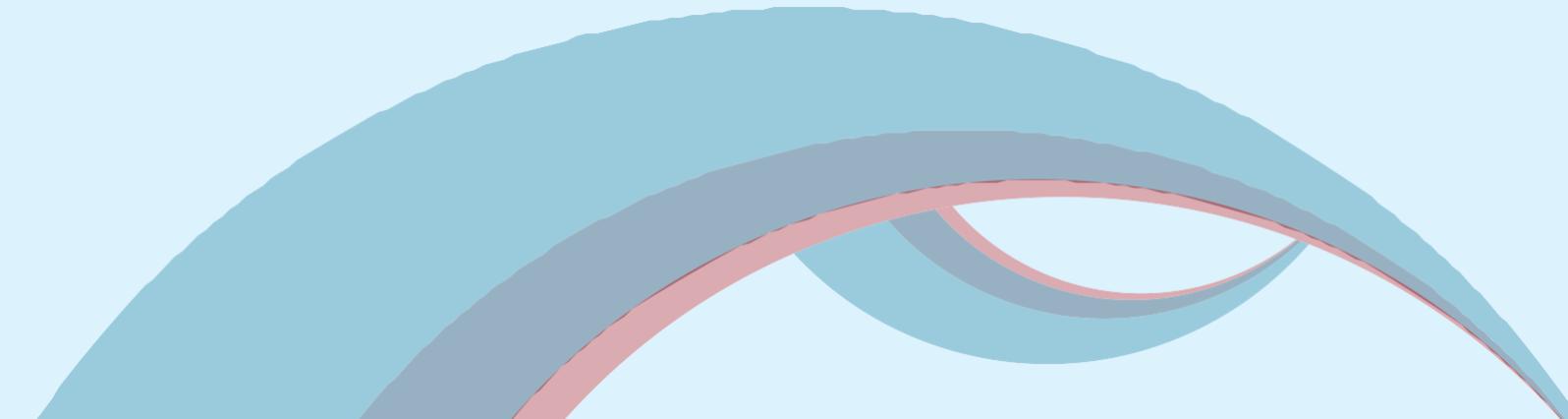
The interested party shall be required to submit application along with non-refundable processing fee of Rs. 1000/- and details pertaining to their financial/technical capabilities. The amount will be deposited in Major Head 0080, Minor Head 800, Code Head 854/00. It pertains to CDA R&D New Delhi ten digit code < 4055000004 > . The license shall be given initially for a period of five year based upon the manufacturing capacity, following quality procedure apart from other terms and conditions and the number of licenses to single party shall be restricted not more than five. The licensee shall be required, inter alia, to submit details about the commercial working of licensed patent on annual basis (Form 27) so as to enable DRDO in submitting the same information with the Office of the Controller General of Patents, Designs & Trade Marks, as mandated by Indian patent laws and rules. This license shall be renewable after five year, on request, without any extra cost. Separate application will be submitted for each patent by the party.

5. Screening Committee

The application for license for a patent shall be examined by a Committee comprising of following:

I.	Director, ER &IPR	Chairman
II.	Director, DIITM	Member
III.	IFA HQrs/Rep IFA HQrs	Member
IV.	Rep (Concerned Lab/DG cluster)	Member
V.	Rep ER &IPR	Member Secretary

The Committee will meet monthly, however the scrutiny and approval can be taken by circulation of file.



6. Eligibility Criteria

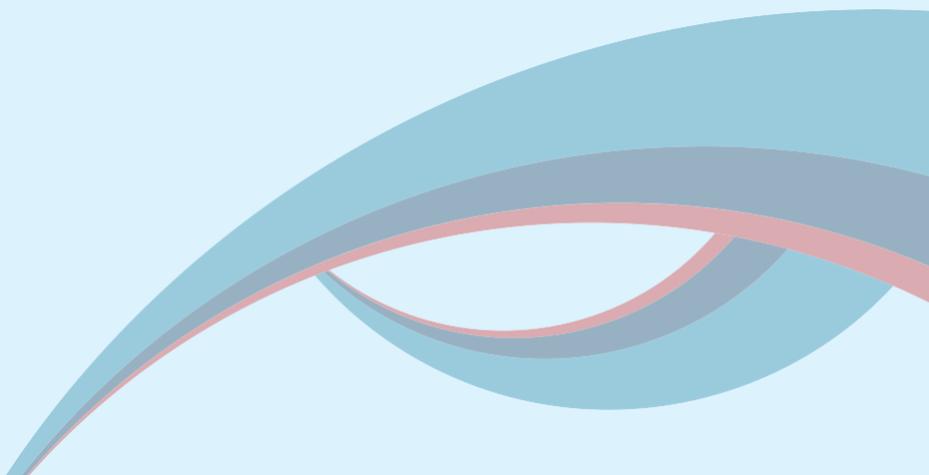
The selection of applicant for patent licensing would be approved by the Screening Committee based on following.

Applicant should be an Indian company, Startup, MSME incorporated as per applicable government laws and regulations.

- I. Business dealings with applicant entities should not have been suspended or banned, by MoD/SHQ or any Government Department or Organization.
- II. Applicant shall be manufacturing entity or a system integrator and not a trading company.
- III. The firm should possess adequate capability to absorb the technology arising from patent licensing.
- IV. None of the promoters and directors of applicant entity should be willful defaulters.
- V. Applicants should provide all necessary self-authenticated documentation. Such documentation should, inter-ilia, include:
 - i. Details of projects/supply orders successfully executed in the last two years.
 - ii. Details of share holders, promoters, associated, allied and JV companies.
 - iii. Details of vigilance actions, viz. on-going investigation and suspension/debarment/blacklisting actions against the applicant entity or any of its allied entities, Parent Company or consortium and JV partners, if any, by any department/agency of Central Government.

7. Issue of License

Director ER & IPR, on the recommendation of Screening Committee, is authorised to sign the license agreement and issue License



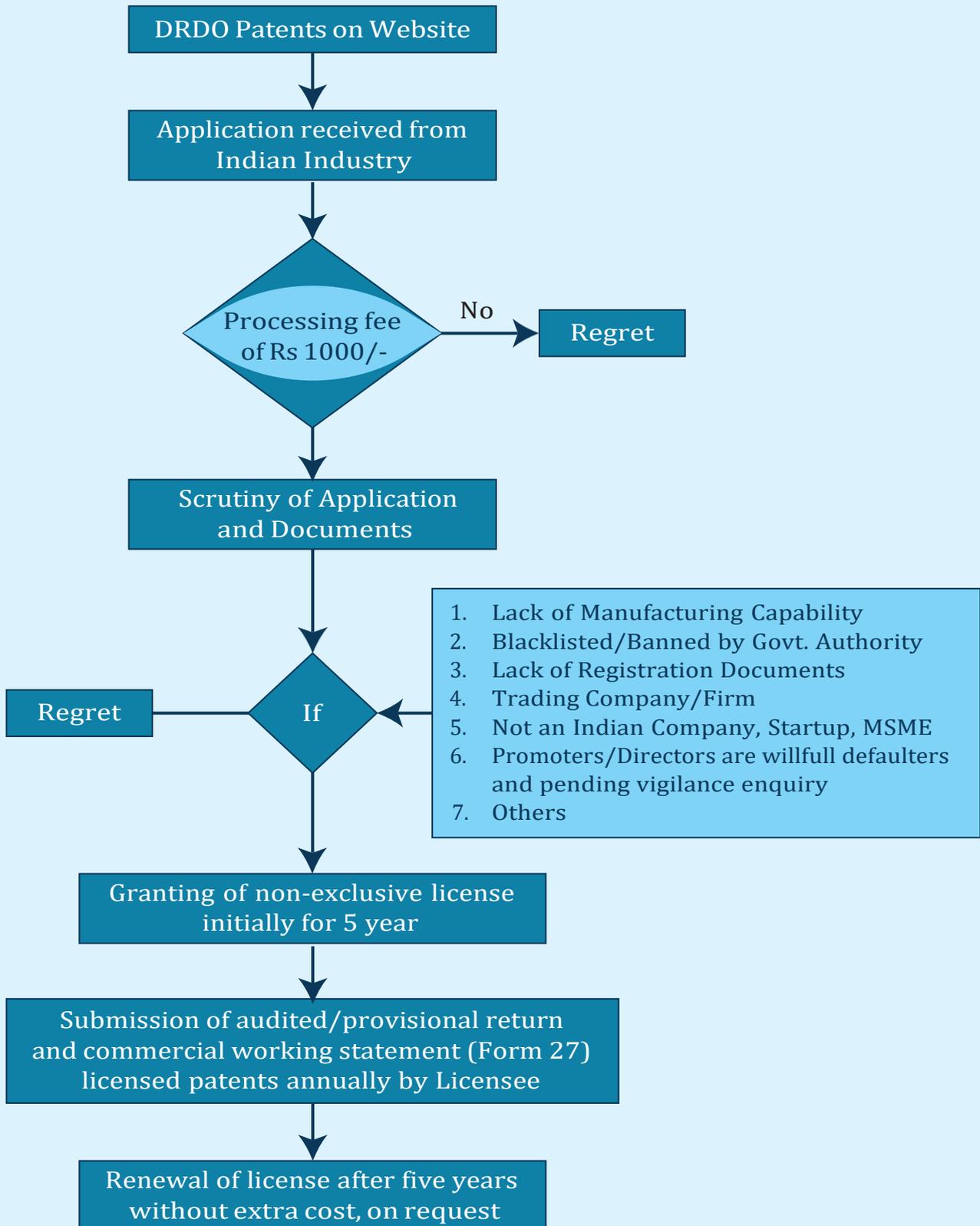
8. Rights of Licensee

The non-exclusive license shall be granted to licensee and licensee will be able to use, manufacture or sale of products/processes covered under the licensed patent. DRDO shall provide merely access of DRDO granted patents for use, sale and manufacture in India by the licensee. The licensee shall be responsible for the commercial workability/viability of the licensed patents. The licensee shall be responsible for any product liability losses, costs, damages, injury or any other consequences arising out of use, manufacture or sale of products/processes.

9. Rights of DRDO

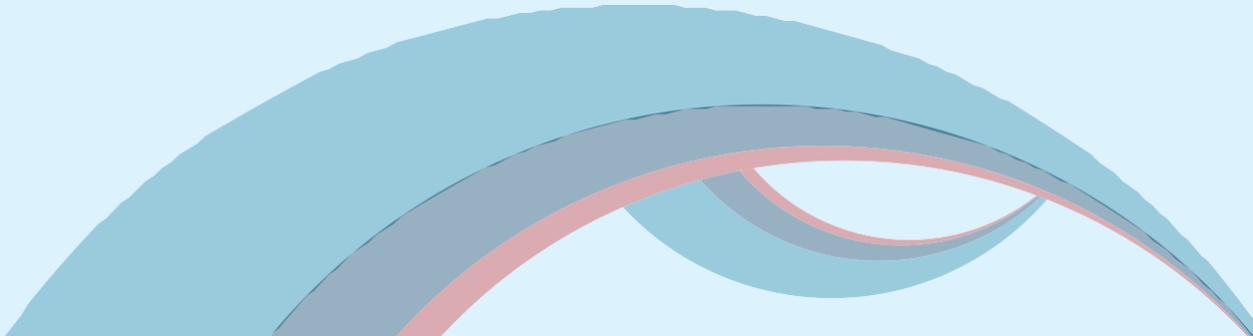
The license for the patent shall be given on non-exclusive basis with DRDO retaining ownership rights including unfettered rights to license the licensed patents to additional parties. The title to and ownership of the licensed patents and the products/processes covered under them including variants shall rest exclusively with DRDO. DRDO shall not be responsible for any product liability losses, costs, damages, injury or any other consequences arising out of use, manufacture or sale of products/processes covered under the licensed patent.

10. Operation of Scheme



11. Format for Submitting Application for Licensing of DRDO Patents

(i)	Name of the firm:	
	Address:	
	Telephone No:	
	Fax:	
	Email:	
(ii)	Details of Incorporation, Location of Operation including Branches/Subsidiaries	
(iii)	Core Area of Expertise	
(iv)	Details of Manufacturing, Marketing Licenses, Registrations owned by the Indian Industry/Start-up (Eg. GST, PAN and TAN, Export Licenses etc.) (Please provide copies of legal documents)	
(v)	Title No. of the Granted Patent for which the License is Sought	
(vi)	Indicate Choice(s) of Jurisdiction Intended to Commercialise the Patent	
(vii)	Any other Relevant Details	
(viii)	Payment Details	
(ix)	Name of Contact Person Telephone No Email ID	
(X)	Self-attested Copies of Documents Attached (Yes/No)	
(XI)	Declaration by the applicant that he is not willful defaulter or not under suspension/debarment/blacklisting by Government. He has not hidden any information effecting its eligibility	
(XII)	Signature with Seal	



12. Terms of Patent License

- I. License will be given on non-exclusive basis only. The number of license on non-exclusive basis to single entity will be restricted. However, additional license, if required, will be given by DRDO on need basis. Patent rights shall always remain with DRDO.
- II. No initial licensing fee or royalty will be charged from licensee.
- III. Technical assessment of the industries submitting application will be carried out by a screening committee for verification of the technical and financial capability/capacity of the industry.
- IV. License to industry will be given based on their manufacturing capability, assurance on quality and capacity of production of apart from other terms and conditions.
- V. The licensing agreement which is to be signed will be as per the template approved Department of Legal Affairs, Ministry of Law & Justice and Department for Promotion of Industry & Internal Trade, Ministry of Commerce & Industry.
- VI. DRDO shall have full and unfettered right to use the licensed patent for its own use in the interest of the Govt. Of India without any restrictions, irrespective of the nature of License granted.
- VII. DRDO shall have the right to revoke the license if the company fails to adhere to the terms and conditions especially with respect to adherence to quality.
- VIII. The firm expressing interest should be technically sound to procure/manufacture, supply and maintain the system with requisite quality standards.
- IX. Applicant shall be required to submit details of commercial working of the licensed patent in a format as mandated by Indian Patent Laws & Rules.
- X. License shall be given for five year.
- XI. License shall be renewed after five year.
- XII. DRDO shall have right to revoke the license any time without prior notice, in case it is required for national security.

