Skillshort

Self-Study Preparation Pack

CS EXECUTIVE

Paper 6: Economic, Commercial and Intellectual Property Laws (ECIPL)

Chapter-wise Detailed Notes

For the December 2026 examination (Thu 24 Dec 2026, 2:00–5:15 pm incl. 15 min reading) · ICSI Syllabus 2022 · Group 2 · Laws as amended up to 31 May 2026 (study material to 30 Nov 2025 + Supplement for Dec 2026)

100 marks · 3 hours | Part I Economic and Commercial Laws 60 · Part II IP Laws 40 | Case studies in Q1 and Q5 | Internal choice in Q4 and Q6 | FEMA export-realisation and Jan Vishwas 2026 updates

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This subject pack has 6 parts

1 Chapter-wise notes | 2 Important topics & weightage | 3 Past papers: trends & links | 4 Mock tests + solutions | 5 Chapter practice questions | 6 Last-week plan & strategy

Prepared by Skillshort for self-study. Original explanations and questions; not an official ICSI publication. Items marked VERIFY should be checked against the latest official material.

How to use these notes

These notes follow the **17 lessons of the current ICSI study material** for Economic, Commercial and Intellectual Property Laws (Syllabus 2022, as rationalised – External Commercial Borrowings is no longer a separate lesson). Every answer should name the **Act, section and authority**, the **form and time limit**, and the **remedy or penalty**.

Paper at a glance

Item	Detail
Marks / time	100 marks, 3 hours (2:00–5:15 pm with 15 minutes' reading time)
Part I – Economic and Commercial Laws (60 marks)	Lessons 1–11: Q1 case study (RERA, consumer or competition – several parts), Q2, Q3, Q4 or Q4A – FEMA, FDI, ODI, FTP, SEZ, FCRA, PMLA, Competition, Consumer Protection, Legal Metrology, RERA
Part II – Intellectual Property Laws (40 marks)	Lessons 12–17: Q5 case study (copyright / trade mark), Q6 or Q6A – patents, trade marks, copyright, GI, designs, IPR basics
Choice	Internal choice in **Q4 / Q4A** and **Q6 / Q6A** (pattern of recent papers) VERIFY
Applicable law	Amendments up to **31 May 2026**; ICSI study material updated to 30 November 2025 + Supplement for December 2026
Pass	40% in each paper and 50% aggregate in the group

Recent papers (December 2024 – June 2026) were fully written answers – no OMR or MCQ section was seen VERIFY. Check the instructions printed on your question paper.

NOTE ICSI Supplement – Dec 2026

- **L1 FEMA**: **FEM (Export of Goods & Services) (Second Amendment) Regulations 2025** (13-11-2025) - **Reg. 9**: full export value realised & repatriated within **15 months** from date of export (incl. SEZ, EOU, STP, EHTP, BTP, status holders); **Reg. 15**: shipment against **advance** within **3 years** (or as per export agreement) NEW.
- **L1 FEMA**: **s.37A** - seizure of **equivalent assets in India** for foreign assets held in breach of s.4; *J. Sri Nisha v. Special Director, ED* (SC, **1-4-2026**) - preventive measure; Competent Authority's scrutiny is substantive NEW.
- **L10 Legal Metrology**: **Jan Vishwas (Amendment of Provisions) Act 2026** - **Improvement Notice** (s.15(6), s.2(ea)) for first-time lapses; revised penalties; compounding s.48 NEW.

Answer framework

Identify **transaction / conduct** → Classify (current / capital; automatic / approval; horizontal / vertical; patentable or not) → Quote **section / rule / regulation / Press Note** → Apply thresholds & timelines → Conclude with **authority, form & remedy**

Note: Write **regulator + form + time limit** in every FEMA / FDI answer (e.g., **FC-GPR within 30 days** on FIRMS).

Chapter 1: Law relating to Foreign Exchange Management

In this chapter: Objectives & definitions · Person resident in India · Current & capital account transactions · Export of goods & services · Realisation & repatriation · Authorised persons · Contraventions & penalties · s.37A seizure · Compounding · Adjudication & appeal

1.1 FEMA basics

- Replaced **FERA 1973**; civil law (not criminal); objective - **facilitate external trade & payments** and orderly development of forex market.
- Extends to **whole of India**; also to branches/agencies outside India owned/controlled by person resident in India, and contraventions outside India by persons covered.
- Regulator: **RBI** (with Central Govt); enforcement: **Directorate of Enforcement**.

1.2 Person resident in India - s.2(v)

- Resides in India **> 182 days** during the **preceding FY**, but **excludes** a person who has gone out/stays outside for **employment, business/vocation**, or any other purpose indicating **indefinite stay** outside.
- Includes one who came/stays in India for employment, business, or indefinite stay (not for other purposes like study/tourism?) VERIFY.
- Also: company/body corporate registered in India; office/branch/agency in India owned by non-resident; office outside India owned by resident.

1.3 Current vs Capital account

Point	Current account (s.5)	Capital account (s.6)
Meaning	Doesn't alter assets/liabilities outside India (trade, services, interest, remittances)	Alters assets/liabilities (incl. contingent) outside India of residents or in India of non-residents
Freedom	**Freely permitted** subject to reasonable restrictions	Only as **permitted** by rules/regulations
Rules	FEM (Current Account Transactions) Rules: Sch I **prohibited**; Sch II **GoI approval**; Sch III limits (LRS)	**CG** for non-debt instruments; **RBI** for debt instruments

- **LRS**: resident individual up to **USD 2,50,000 per FY** VERIFY.

1.4 Export, realisation & AP

- **s.7**: exporter furnishes declaration (to RBI/specified authority) with full export value; realise & repatriate within prescribed period - now **15 months** from date of export (FEM Export of Goods & Services (Second Amendment) Regulations 2025, 13-11-2025) NEW.
- **s.8**: any person resident receiving FX to take steps to **realise & repatriate** within period & manner specified by RBI.
- **s.9**: exemptions from s.4 & 8 (e.g., FX up to limits, currency in possession, FCNR deposits).
- **s.10 authorised person**: AD, money changer, offshore banking unit authorised by RBI; must comply with directions; RBI may revoke.

1.5 Penalties & enforcement (s.13-15)

- **s.13**: up to **thrice the sum involved** (where quantifiable) or up to **₹2 lakh** (not quantifiable); continuing → up to **₹5,000 per day**.
- Also **confiscation** of currency, security, property.
- **s.13(1A)**: overseas assets in contravention > threshold → penalty + **confiscation** + **imprisonment up to 5 yrs** VERIFY.
- **s.14** enforcement of orders - civil imprisonment for wilful default.
- **s.15 compounding** by RBI/ED within **180 days** VERIFY; **s.16** adjudicating authority; **s.17** appeal to Special Director (Appeals); **s.18** Appellate Tribunal; **s.35** High Court on question of law (60 days).

EXAM TIP Frequently asked (FEMA)

- Gift of USD 50,000 by a resident individual to an NRI relative? Permitted under **LRS** (within USD 2,50,000) VERIFY.
- Remittance of lottery winnings → **prohibited** (Sch I).
- Student going abroad for studies - remains resident? → Status determined by **purpose & intent**; for studies generally treated as **non-resident** (indefinite stay test) VERIFY.

1.6 Key FEMA definitions & schedules

- **Authorised person** s.2(c): AD, money changer, offshore banking unit, any other person authorised by RBI.
- **Currency** incl. notes, coins, postal notes, cheques, drafts, travellers cheques, LCs, bills, credit/debit cards; **foreign exchange**: deposits, credits, balances in foreign currency, drafts etc. drawn in Indian currency payable abroad.
- **Foreign security**: security in any form, expressed in foreign currency or redemption in foreign currency.
- **Sch I prohibited**: remittance of lottery winnings, income from racing/hobbies, purchase of lottery tickets/banned magazines, football pools, commission on exports to equity investment in JV abroad, call-back services, interest income of NRSR account VERIFY.
- **Sch II** (GoI approval): cultural tours, freight of vessels chartered by PSU, insurance premium etc. VERIFY; **Sch III**: LRS limits for gifts, donations, travel, studies, medical, emigration.

1.7 Adjudication & appeal under FEMA

Contravention → Complaint by authorised officer → **Adjudicating Authority** (s.16) - inquiry & order (penalty) → Appeal to **Special Director (Appeals)** (s.17) - 45 days → Appeal to **Appellate Tribunal** (s.19) - 45 days → **High Court** (s.35) - only on **question of law** - 60 days

NOTE Export realisation & s.37A (Supplement)

Provision	Rule
Reg. 9 - realisation	Full export value within **15 months** of export (warehouse abroad - 15 months from shipment); AD / RBI may extend
Software (non-physical)	Date of export = **date of invoice**
Reg. 15 - advance	Ship within **3 years** of advance; interest ≤ benchmark + 100 bps; refund after 3 years needs **RBI approval**
s.37A seizure	Authorised officer seizes **equivalent value in India**; place before Competent Authority (≥ JS) in **30 days**; decide in **180 days**; appeal to **Appellate Tribunal**

- *J. Sri Nisha* (2026): seizure is **preventive**; if Competent Authority refuses to confirm, s.37A(4) continuation does not apply NEW.

EXAM TIP FAQ – FEMA

- Is FEMA a criminal law? **No** - civil; but **s.13(1A)** overseas assets above threshold may attract prosecution VERIFY.
- Who compounds contraventions? **RBI** (most) / **ED** (s.3(a)) - within **180 days** of application VERIFY.
- Time to repatriate export proceeds now? **15 months** from date of export (2025 amendment).

1.8 LRS – permitted purposes (Sch III)

Purpose	Position
Overall limit	**USD 2,50,000 per FY** per resident individual (incl. minors)
Private visit, gift, donation	Within LRS
Studies, medical treatment abroad	Within LRS (higher on estimate for medical / studies) VERIFY

Purpose	Position
Emigration, maintenance of relatives	Within LRS / as per country norm
Investment abroad - shares, property, ODI / OPI	Within LRS (capital account)
Prohibited	Margin trading, lottery, FX trading on unauthorised platforms, remittance to **FATF non-cooperative** jurisdictions

- **TCS** on LRS beyond threshold under Income-tax law (Finance Act 2025: ₹10 lakh) VERIFY.

COMMON MISTAKE FEMA traps

- Residential status under FEMA uses the **preceding FY** (182 days) **plus intention** - not same as Income-tax.
- **Current account** transactions are free **except** Schedules I-III; capital account - only as permitted.
- Penalty "**thrice the sum involved**" applies only where amount is **quantifiable**.
- s.37A seizes **equivalent** assets in India - not the foreign asset itself.

MEMORY TRICK FEMA appeal ladder "A-S-T-H"

ASTH – A Adjudicating Authority (s.16); S Special Director (Appeals) (s.17); T Appellate Tribunal (s.19); H High Court (s.35, question of law)

Chapter 2: Foreign Direct Investment – Regulations & Policy

In this chapter: FEM (Non-debt Instruments) Rules 2019 · Routes - automatic & Government · Prohibited sectors · Sectoral caps · Press Note 3 (2020) · Pricing · Reporting - FC-GPR, FC-TRS, FLA · Downstream investment · FDI in LLP · Foreign portfolio investment

2.1 Automatic vs Government route

Point	Automatic	Government (approval)
Approval	None - only post-facto reporting	Administrative Ministry via **Foreign Investment Facilitation Portal (FIFP)**
Who decides	-	Ministry concerned (DPIIT for some); timeline ~**12 weeks** VERIFY
Examples	Manufacturing, IT, telecom (100%), e-commerce marketplace, single-brand retail	Print media, multi-brand retail (51%), defence > 74%, **land-border countries**

- **Press Note 3 (2020)**: entity / beneficial owner from a country **sharing land border with India** (China, Pakistan, Bangladesh, Nepal, Bhutan, Myanmar, Afghanistan) → **Government route** in all sectors.

2.2 Key sectoral caps

Sector	Cap & route
Defence	74% auto; 100% Govt
Insurance	**100%** (Insurance laws amendment 2025) VERIFY
Telecom	100% auto
Private banks	74% (49% auto)
Single-brand retail	100% auto (30% local sourcing > 51%)
Multi-brand retail	51% Govt
E-commerce	Marketplace 100% auto; **inventory model not allowed**
Pharma	Greenfield 100% auto; brownfield 74% auto
Civil aviation (scheduled)	100% (49% auto) VERIFY
Print media (news)	26% Govt

- **Prohibited**: lottery, **gambling & betting**, chit funds, **Nidhi**, TDR trading, **real estate business / farm houses**, cigars & cigarettes, atomic energy, railway operations (residual) VERIFY.

2.3 Reporting & pricing

Event	Form / time
Issue of shares to non-resident	**FC-GPR** within **30 days** of issue (FIRMS - Single Master Form)
Transfer resident ↔ non-resident	**FC-TRS** within **60 days** of receipt / transfer
Allot shares	Within **60 days** of receipt of money, else refund in 15 days
Annual return on FLA	By **15 July** every year
Downstream investment	**DI** form within 30 days
LLP FDI	**LLP-I / LLP-II** forms

- **Pricing**: issue / transfer to non-resident **≥ fair value** (internationally accepted method by CA / SEBI-registered MB / practising CMA); listed - SEBI price.
- Delay → **Late Submission Fee** (LSF).

2.4 Instruments & concepts

- **Equity instruments**: equity shares, **fully & compulsorily** convertible debentures / preference shares, share warrants (FDI); optionally / partly convertible → **ECB / debt**.

- **FDI** = investment in unlisted company, or **≥ 10%** of listed company; < 10% listed = **FPI** (FPI limit 10% individual, 24% aggregate - raised to sectoral cap).
- **Downstream investment** by Indian company owned / controlled by non-residents counts as indirect FDI - same conditions.
- **FDI in LLP**: only sectors with **100% automatic** & no FDI-linked conditions.
- **Startups**: convertible notes up to 10 years; investment by **FVCI**.

EXAM TIP FAQ – FDI

- A Hong Kong company owned by a Chinese national invests in India - route? **Government** (beneficial owner from land-border country).
- Can an Indian company issue partly paid shares to a non-resident? Yes - at least 25% upfront; balance in **12 months** VERIFY.
- Is FDI in multi-level marketing / chit fund allowed? **Chit fund - prohibited**.

2.5 NRI, OCI, FPI & FVCI investment

- **NRI / OCI** - **Schedule IV** NDI Rules: investment on **non-repatriation** basis treated as **domestic** investment (not FDI).
- **FPI** - SEBI-registered; < **10%** per investor group of listed company; aggregate up to sectoral cap; exceeding 10% → reclassify as FDI.
- **FVCI** - SEBI-registered; invest in startups / specified sectors; exempt from pricing norms VERIFY.
- **Foreign investment in AIF / InvIT / REIT** - permitted (units).
- **Share swap** - automatic route (Govt route sectors need approval).

EXAM TIP FAQ – more FDI

- Is investment by an NRI on non-repatriable basis counted toward foreign investment caps? **No** - treated as **domestic** investment.
- Which portal files FC-GPR? **FIRMS** (Foreign Investment Reporting & Management System) - **SMF**.
- Rights issue to non-residents - price? Not lower than price offered to residents.

Chapter 3: Overseas Direct Investment

In this chapter: FEM (Overseas Investment) Rules & Regulations 2022 · ODI vs OPI · Financial commitment · Eligible investors · Prohibited activities · Round-tripping · Reporting & APR · Disinvestment · LRS

3.1 ODI framework (OI Rules 2022)

- **ODI**: investment in **unlisted** foreign entity, or **≥ 10%** of listed foreign entity, or with **control**; else **OPI** (portfolio).
- Indian entity: **financial commitment** (equity, debt, guarantees) ≤ **400% of net worth** (latest audited) - automatic; beyond - RBI.
- **Resident individual**: ODI in **operating** foreign entity (no step-down subsidiary control) within **LRS USD 2,50,000**.
- **Prohibited**: **real estate** (buying & selling), **gambling**, financial products linked to INR; **strategic sectors** need Govt approval.
- **Round-tripping**: ODI into foreign entity that invests back into India - only up to **2 layers** of subsidiaries.
- Not to have **bank fraud / wilful defaulter / ED investigation** status (NOC from lenders) VERIFY.

3.2 Reporting

Event	Form / time
Equity / debt investment	**Form OI / ODI** within **30 days**
Annual Performance Report	**APR** by **31 December** each year
Disinvestment	Report within **30 days** (Form ODI) VERIFY
Restructuring	Report within 30 days

- **Deferred payment** of consideration allowed; **swap of securities** permitted.
- Delay → **Late Submission Fee**.

EXAM TIP FAQ – ODI

- Can a loss-making company make ODI? **Yes** - net worth condition only; no profitability test.
- ODI via SPV in a land-border country? Allowed subject to **Govt approval** for strategic sectors VERIFY.
- Resident individual acquiring shares under ESOP of foreign employer? Permitted as **OPI** (no limit) VERIFY.

3.3 ODI vs OPI

Point	ODI	OPI
Target	Unlisted foreign entity, or **≥ 10%** listed / control	**< 10%** of listed, no control; listed debt; units
Investor	Indian entity, resident individual (operating entity)	Indian entity (listed: within 50% NW), individual (LRS)
Limit	Financial commitment ≤ **400%** NW	Indian listed co - 50% of NW VERIFY
Reporting	Form ODI, APR	Form OPI half-yearly VERIFY

EXAM TIP FAQ – more ODI

- Can a resident individual set up a step-down subsidiary abroad? **No** control over SDS through ODI by individuals (only operating entity without SDS) VERIFY.
- Who files APR? Indian entity / resident individual - by **31 December** for each foreign entity.
- Is ODI in a foreign entity engaged in banking allowed? Only if the Indian entity is itself in **financial services** with conditions VERIFY.

Chapter 4: Foreign Trade Policy & Procedure

In this chapter: FT(D&R) Act 1992 · FTP 2023 · DGFT & IEC · ITC(HS) classification · Status holders · Export promotion schemes - Advance Authorisation, EPCG, RoDTEP, RoSCTL · Districts as Export Hubs · E-commerce exports · SCOMET · Merchanting trade

4.1 Legal basis & FTP 2023

- **Foreign Trade (Development & Regulation) Act 1992** - s.5 FTP; s.7 **IEC** (no import / export without IEC); **DGFT** administers.
- **FTP 2023** - effective **1-4-2023**, **no end date** (dynamic); shift from incentives to **remission**, automation, **Towns of Export Excellence**, **Districts as Export Hubs**.
- Goal: **USD 2 trillion** exports by 2030.
- **ITC(HS)** classification: **Free, Restricted** (authorisation), **Prohibited**, through **STEs** (State Trading Enterprises).
- **SCOMET** - dual-use items (Special Chemicals, Organisms, Materials, Equipment & Technologies) need licence.

4.2 Export promotion schemes

Scheme	Benefit
Advance Authorisation	Duty-free import of inputs used in exports
EPCG	Duty-free import of capital goods - export obligation **6× duty saved in 6 years**
RoDTEP	Remission of embedded duties & taxes (e-scrip)
RoSCTL	Apparel & made-ups - State / Central levies
DFIA	Transferable duty-free import authorisation
EOU / EHTP / STP / BTP	Duty-free, 100% export units

4.3 Status holders (FTP 2023)

Status	Export performance (USD mn, current + 3 yrs)
One star	3
Two star	15
Three star	50
Four star	200
Five star	800

- Benefits: self-certification, priority, Export Mentors (3-star+) VERIFY.
- **E-commerce exports** by courier - limit **₹10 lakh** per consignment; **Dak Ghar Niryat Kendras**.
- **Merchanting trade** - buy from one foreign country & sell to another (FEMA conditions).

EXAM TIP FAQ – FTP

- Is IEC needed for export of services? **Yes**, if benefits claimed under FTP / foreign exchange (generally required) VERIFY.
- EPCG export obligation? **6 times** duty saved on capital goods within **6 years** (reduced for some sectors).
- Who decides whether an item is "Restricted"? **ITC(HS) Schedule** notified by **DGFT**.
- What is an STE? **State Trading Enterprise** - canalised imports / exports (e.g., certain petroleum, food items).

COMMON MISTAKE FTP traps

- FTP 2023 has **no expiry date** (unlike earlier 5-year policies).
- **RoDTEP** is a remission (refund of embedded taxes), not a subsidy.
- SCOMET items need **export licence** even if otherwise free.

4.4 Export procedure (simplified)

Obtain **IEC** → Register with **Export Promotion Council (RCMC)** → Contract / LC → Shipping bill on **ICEGATE** & customs clearance → Shipment → Submit documents via **AD bank** → **Realise within 15 months** → e-BRC

Chapter 5: Law relating to Special Economic Zones

In this chapter: SEZ Act 2005 · Establishment · Developer & co-developer · Board of Approval · Units - Letter of Approval · Net Foreign Exchange · DTA sales · Tax benefits · Development Commissioner · Single window

5.1 Setting up an SEZ & unit

Developer proposal to **State Govt** → **Board of Approval (BoA)** (Commerce Ministry) approves → Central Govt **notifies** SEZ → Unit applies to **Development Commissioner** → **Unit Approval Committee** → **Letter of Approval (LoA)** valid 1 year → Bond-cum-legal undertaking → Commence operations

- **NFE** (Net Foreign Exchange) must be **positive** cumulatively over **5 years**.
- SEZ is deemed **territory outside India** for customs; **DTA sales** = imports (duty payable).

5.2 Benefits & provisions

- Duty-free import / domestic procurement; **IGST zero-rated** supplies to SEZ.
- **s.10AA IT Act**: 100% 5 yrs, 50% next 5, 50% (reinvestment) next 5 - only units commencing before **1-4-2020**.
- **Single window** clearance; SEZ Online; **Special courts** & single enforcement agency (s.23-24).
- **Minimum area**: no fixed minimum for sector-specific; multi-sector ~**50 hectares** VERIFY; IT/ITES - built-up area norm VERIFY.
- **Co-developer** - with BoA approval for infrastructure.
- Proposed **DESH Bill** to replace SEZ Act (not yet law) VERIFY.

EXAM TIP FAQ – SEZ

- Can an SEZ unit sell to DTA? **Yes** - on payment of applicable duties (treated as import).
- Who approves a unit? **Unit Approval Committee** headed by Development Commissioner.
- Is SEZ part of India for other laws? Yes - deemed outside only for **customs / trade** purposes.

5.3 SEZ vs EOU

Point	SEZ unit	EOU
Location	Notified **zone**	Anywhere
Law	**SEZ Act 2005**	**FTP** (Chapter 6)
Customs status	Deemed foreign territory	Bonded; within customs territory
NFE	Positive over 5 years	Positive (5 years)
Approval	Development Commissioner (UAC)	Development Commissioner / BoA

Chapter 6: Law relating to Foreign Contribution Regulation

In this chapter: FCRA 2010 (amended 2020) · Foreign contribution & foreign source · Persons prohibited · Registration & prior permission · FCRA account · Utilisation & admin expenses · Transfer prohibition · Returns · Cancellation · Offences

6.1 Basics & prohibitions

- **Foreign contribution s.2(1)(h)**: donation / transfer of currency, article (not personal gift ≤ prescribed), security from a **foreign source**; interest earned also FC.
- **s.3 cannot accept**: election candidates, **journalists / media**, **judges, Govt servants**, MPs / MLAs, **political parties**, organisations of political nature, those in news broadcasting, public servants (2020).
- **s.4** exceptions: salary, payment for goods / services in ordinary course, **relatives** (≤ **₹10 lakh**/year without intimation) VERIFY.
- Gift from relatives abroad above limit → intimate within **3 months**.

6.2 Registration / prior permission

Person with definite **cultural, economic, educational, religious or social programme** → **Registration** (exist ≥ 3 years, spent ≥ ₹15 lakh in 3 years VERIFY) or **prior permission** (specific amount & purpose) → FC received only in **"FCRA Account" at SBI, New Delhi Main Branch** → Utilisation accounts in other banks → **Form FC-4** annual return by **31 December**

- Registration valid **5 years**; renew within **6 months** before expiry.
- Aadhaar / passport of office-bearers mandatory (2020).

6.3 Utilisation & penalties

- **Admin expenses ≤ 20%** of FC (was 50%) - **2020 amendment**.
- **s.7**: **no transfer** of FC to any other person (registered or not) - 2020.
- **s.8**: use only for purposes received; not for speculative business.
- **s.13-14**: suspension (180 + 180 days) / **cancellation** - not eligible for **3 years**.
- **Offences s.33-37**: up to **5 years** and/or fine; compounding (first offence) s.41; assets created from FC vest in Govt on cancellation.

EXAM TIP FAQ – FCRA

- Can a registered NGO transfer FC to another registered NGO? **No** - prohibited since 2020 (s.7).
- Where must FC be first received? **FCRA Account, SBI New Delhi Main Branch** only.
- Can a journalist receive foreign hospitality? With **prior permission** of Central Govt (s.6) VERIFY.
- Is salary from a foreign employer FC? **No** - payment in ordinary course of business / employment excluded (s.4).

COMMON MISTAKE FCRA traps

- Admin expenses capped at **20%** (not 50%).
- On cancellation, a person is ineligible for **3 years**.
- Registration requires existence of **3 years** & minimum spend; else **prior permission** route.

Chapter 7: Prevention of Money Laundering

In this chapter: Process of money laundering · Offence s.3 & punishment s.4 · Scheduled offences · Attachment & adjudication · Reporting entities & obligations · FIU-IND · Special Courts · Bail s.45 · Fugitive Economic Offenders Act 2018 · Benami Transactions Act 1988

7.1 Process & offence

Placement (cash into system) → **Layering** (complex transactions to disguise) → **Integration** (appears legitimate)

- **s.3 money laundering**: directly / indirectly attempting, assisting, being party to or **actually involved** in any process or activity connected with **proceeds of crime** - concealment, possession, acquisition, use, **projecting / claiming as untainted** (continuing offence).
- **s.4 punishment**: **RI 3-7 years** + fine; **10 years** if NDPS scheduled offence.
- **Scheduled offences**: Part A (various laws), Part B (customs - ≥ **₹1 crore**), Part C (cross-border).
- *Vijay Madanlal Choudhary* (2022) - upheld PMLA; **twin conditions** for bail s.45; ECIR not equal FIR.

7.2 Attachment & adjudication

Director / Dy. Director provisional attachment **s.5** - **180 days** → Complaint to **Adjudicating Authority** within 30 days → AA confirms **s.8** (after notice) → Appeal to **Appellate Tribunal s.26** (45 days) → **High Court s.42** (60 days)

- **Confiscation** on conviction by **Special Court** (s.43); restoration to claimant (s.8(8)).
- Search & seizure s.17-18; arrest s.19 with **written grounds** (*Pankaj Bansal* 2023).

7.3 Reporting entities - s.12

- Banks, FIs, intermediaries, **casinos**, real estate agents, dealers in precious metals, **VDA service providers** (2023), and **CS / CA / CMA in practice** for specified client transactions (buying / selling property, managing money, companies & LLPs creation / operation, trust services) - **May 2023** notification.
- Obligations: **KYC / client due diligence**, beneficial owner identification (**10%** threshold for companies VERIFY), maintain records **5 years**, report to **FIU-IND** - **CTR** (cash > **₹10 lakh**), **STR** within **7 days** of suspicion.
- **s.13** - Director may fine reporting entity **₹10,000 - ₹1 lakh** per failure.

7.4 FEO Act 2018 & Benami Act

Point	Fugitive Economic Offenders Act 2018	Prohibition of Benami Property Transactions Act 1988 (amended 2016)
Target	Person with **warrant** for scheduled offence ≥ **₹100 crore**, who **left India** / refuses to return	Property held by one person, consideration paid by another
Authority	**Special Court** (PMLA) declares FEO	Initiating Officer → Approving Authority → **Adjudicating Authority**
Consequence	**Confiscation** of property (even benami, abroad); **barred from civil claims**	**Confiscation** to Central Govt; **RI 1-7 years** + fine up to **25% of FMV** (s.53)
Exceptions	-	Karta / HUF, fiduciary, **spouse / child / siblings / lineal ascendants** jointly from known sources

- *UoI v. Ganpati Dealcom* (2022) - 2016 amendment **not retrospective** (later recalled for reconsideration 2024 VERIFY).

EXAM TIP FAQ - PMLA

- Can a CS be a reporting entity? **Yes** - CS in practice for specified financial transactions on behalf of clients.
- Is ED's ECIR to be supplied to the accused? **No** - not mandatory (*Vijay Madanlal*), but grounds of arrest must be given in writing.
- Time limit for provisional attachment? **180 days**, unless confirmed by AA.

Chapter 8: Competition Law

In this chapter: Competition policy · Anti-competitive agreements - horizontal & vertical · Cartels & bid rigging · Abuse of dominance · Combinations - thresholds & deal value · CCI - powers & procedure · Leniency · Settlement & commitment · Penalties · Appeals

8.1 Horizontal vs vertical agreements - s.3

Point	Horizontal s.3(3)	Vertical s.3(4)
Between	Competitors (same level)	Different levels of production chain
Examples	Price fixing, limiting output, market sharing, **bid rigging**, cartels	**Tie-in, exclusive supply, exclusive distribution, refusal to deal, resale price maintenance**
Test	**Presumed AAEC** (per se)	**Rule of reason** (s.19(3) factors)
JV exception	Efficiency-enhancing JVs	-

- **Hub-and-spoke** cartels caught (2023 amendment); IPR reasonable conditions & export cartels exempt (s.3(5)).
- **s.19(3) AAEC factors**: entry barriers, driving out, foreclosure, consumer benefit, improvements, technical / economic development.

8.2 Abuse of dominance - s.4

- **Dominant position**: strength enabling to **operate independently** of competitive forces or affect competitors / consumers (s.4 Expl.); factors s.19(4) - market share, size, resources, dependence, entry barriers.
- **Abuse**: unfair / discriminatory **price or conditions** (incl. predatory), **limiting production / technical development**, **denial of market access**, supplementary obligations, **leveraging** into another market.
- Dominance itself is **not** illegal - only abuse.
- Cases: *Google Android* (2022, ₹1,337 cr); *Meta / WhatsApp privacy* (2024) VERIFY.

8.3 Combinations - s.5 & s.6

- **Asset / turnover thresholds** (enterprise / group, India & worldwide) - revised periodically VERIFY.
- **Deal value threshold** (2023 amendment, from **10-9-2024**): transaction value > **₹2,000 crore** + target has **substantial business operations in India**.
- **De minimis** (target) exemption: assets ≤ **₹450 cr** or turnover ≤ **₹1,250 cr** VERIFY.
- Notify CCI **before consummation**; **prima facie opinion 30 days**; final within **150 days** (else deemed approved); **green channel** for no-overlap deals.
- Gun-jumping penalty up to **1%** of turnover / assets / deal value.

8.4 CCI & enforcement

- CCI: Chairperson + **2-6 members**; **DG** investigates; inquiry on information / reference / suo motu (s.19).
- **s.27 penalty**: up to **10% of average turnover / income** of last 3 years - **global turnover** (2023); cartels - **3× profit** or 10% turnover, whichever higher.
- **Leniency s.46** (100% / 50% / 30% reduction) + **leniency plus** (2023).
- **Settlement s.48A & commitment s.48B** (2023) - for s.3(4) & s.4 cases.
- Appeal to **NCLAT** (s.53A) within **60 days**; **25% penalty deposit**; then **Supreme Court** in 60 days.

EXAM TIP FAQ - Competition

- Is bid rigging a horizontal agreement? **Yes** - presumed AAEC.
- A startup buys a US tech firm for ₹2,500 cr having large Indian user base - notify? **Yes** - deal value threshold.
- Is high market share alone abuse? **No** - dominance is not prohibited.

MEMORY TRICK **Abuse of dominance "U-L-D-S-L"**

ULDSL – U Unfair price / conditions; L Limit production / development; D Denial of market access; S Supplementary obligations; L Leveraging

8.5 CCI inquiry procedure

Information / reference / **suo motu** (s.19) → **Prima facie** opinion (s.26(1)) → **DG investigation** → DG report → Hearing; objections → **Final order s.27** - cease & desist, penalty, modification → Appeal **NCLAT** (60 days) → **Supreme Court**

- Interim relief s.33; **commitment** (before DG report) / **settlement** (after DG report) - 2023.
- **Limitation**: information to be filed within **3 years** of cause of action (2023) VERIFY.

WORKED EXAMPLE **Competition case laws**

- *Excel Crop Care v. CCI* (2017) - penalty on **relevant turnover** (pre-2023; now global turnover).
- *CCI v. Bharti Airtel* (2018) - CCI jurisdiction vs sectoral regulator (TRAI first).
- *Rajasthan Cylinders* (2018) - identical bids not conclusive of cartel without plus-factors.
- *Google Android* (CCI 2022, NCLAT 2023) - abuse via pre-installation conditions.
- *Builders Association v. Cement Manufacturers* (2012) - cement cartel.

8.6 Relevant market & key definitions

- **Relevant market s.2(r)** = **relevant product market** s.2(t) (substitutable by consumers - characteristics, price, use) + **relevant geographic market** s.2(s) (homogeneous conditions of competition).
- **Enterprise s.2(h)**, **group** (26% voting / majority Board / control); **cartel s.2(c)** - association of producers / sellers limiting or controlling production, distribution, prices.
- **Predatory price** - below cost to reduce competition / eliminate competitors (s.4 Expl.).
- Competition **advocacy** s.49 - CCI opinion on policy.

8.7 MRTP Act vs Competition Act

Point	MRTP Act 1969	Competition Act 2002
Focus	**Size** / concentration of power	**Conduct** & effects (AAEC)
Dominance	Per se bad	**Abuse** prohibited
Combinations	Pre-1991 approvals	Regulated by thresholds
Penalties	Weak	Up to 10% turnover; leniency

Chapter 9: Law relating to Consumer Protection

In this chapter: Consumer Protection Act 2019 - consumer, rights, unfair trade practice, misleading ads · CCPA · Commissions - jurisdiction, complaints, appeals · Product liability · Mediation · E-commerce Rules 2020 · Direct Selling Rules 2021 · Dark patterns

9.1 Key definitions

- **Consumer s.2(7)**: buys goods / hires services for consideration - **offline or online**; **excludes** resale / commercial purpose (except **self-employment** livelihood).
- **Consumer rights s.2(9)**: safety, information, choice, be heard, **redressal**, consumer awareness.
- **Unfair trade practice s.2(47)**: false representation, misleading ads, not issuing bill, refusal to take back defective goods (30 days), disclosing personal info.
- **Product liability s.2(34)**: manufacturer / service provider / **seller** liable for harm by defective product / deficient service.
- **E-commerce** & **electronic service provider** - s.2(16)-(17).

9.2 Commissions - jurisdiction & appeal

Commission	Value of goods / services	Appeal
District	Up to **₹50 lakh**	State - **45 days** (deposit **50%** or ₹25,000)
State	₹50 lakh - **₹2 crore**	National - 30 days (50% or ₹35,000)
National	Above **₹2 crore**	**Supreme Court** - 30 days (50% or ₹50,000)

- Complaint where complainant **resides / works** (s.34); **e-filing** (e-Daakhil); **limitation 2 years** (s.69).
- Decide within **3 months** (no testing) / **5 months** (testing).
- **Mediation** s.74-81 - consumer mediation cells; settlement not appealable.

9.3 CCPA & misleading ads

- **Central Consumer Protection Authority s.10**: protects **class** of consumers; investigates (DG), recalls goods, discontinues UTP, **class action**.
- **Misleading ads s.21**: manufacturer / endorser penalty up to **₹10 lakh** (repeat **₹50 lakh**); **endorser ban 1 year** (repeat 3 years); due diligence defence for endorser.
- **Offence s.89**: false / misleading ad - up to **2 years + ₹10 lakh** (repeat 5 years + ₹50 lakh).
- **Guidelines for Prevention of Dark Patterns 2023** - 13 patterns (false urgency, basket sneaking, drip pricing...) VERIFY.

9.4 E-commerce Rules 2020 & Direct Selling Rules 2021

E-commerce entity duties	Direct selling
Incorporated / foreign co with India office; **nodal officer**; grievance officer - acknowledge **48 hours**, resolve **1 month**	Direct selling entity - incorporate, **no pyramid / money circulation** schemes
Display seller details, return, refund, warranty, **country of origin**	Direct seller - ID card, prior appointment, no misleading claims
No **manipulation of price**; no fake reviews; no **flash sales** fraud	Buy-back of unsold goods; cooling-off period
Inventory model - liability for warranty	Grievance mechanism; registration with State VERIFY

EXAM TIP FAQ - Consumer

- A company buys a computer for office use - consumer? **No** - commercial purpose (unless self-employment).
- Can complaint be filed where the complainant lives? **Yes** (s.34(2)(d)).
- Patient vs hospital - deficiency of service? **Yes** (*Indian Medical Association v. V.P. Shantha*) - unless free service for all.
- Who can be liable for a defective product sold online? Manufacturer, **product seller** & service provider (s.84-86).

9.5 Consumer complaint procedure

Complaint (e-Daakhil) with fee → **Admissibility** within **21 days** (deemed admitted) → Notice to opposite party - reply in **30 (+15) days** → Mediation (if consented) → Evidence & hearing → Order - **3 / 5 months** → Appeal

WORKED EXAMPLE Consumer case laws

- *Indian Medical Association v. V.P. Shantha* (1995) - medical services covered.
- *Lucknow Development Authority v. M.K. Gupta* (1993) - housing construction is a service; compensation for harassment.
- *Laxmi Engineering Works* (1995) - "commercial purpose" vs self-employment.
- *Bar of Indian Lawyers v. D.K. Gandhi* (2024) - **advocates' services not under CPA** VERIFY.

Chapter 10: Legal Metrology

In this chapter: Legal Metrology Act 2009 - standard weights & measures · Inspection, search & seizure · Improvement notice (2026) · Registration · Declarations on pre-packaged commodities · Offences & penalties (revised 2026) · Compounding · Packaged Commodities Rules 2011

10.1 Basics & improvement notice

- **Standard units** - **metric system** (SI); s.10 standards of weights & measures; s.11 no non-standard units in quotations / publications.
- **s.15 inspection, search, seizure**: Director / Controller / LMO with reason to believe - enter, search, inspect, seize; perishable goods disposed; deemed lawful warrant if under written authorisation.
- **Improvement Notice s.15(6)** NEW (defined s.2(ea)): states grounds, failures, measures & **reasonable period** to comply; failure → **registration / approval suspended or revoked** (after hearing).
- **s.23**: no manufacture / repair / sale of weight or measure without **registration certificate** from Controller.

10.2 Revised penalties - Jan Vishwas 2026

Section	Contravention	1st	2nd	Subsequent
s.25	Use non-standard weight / measure	**Improvement notice**	≤ ₹1 lakh	₹2-5 lakh
s.26	Tampering / altering standards	≤ ₹50,000	≤ ₹1 lakh	**6 months-1 yr** / fine
s.27	Make / sell non-standard weight	Notice	≤ ₹1 lakh	₹2-4 lakh
s.28 / 29	Non-standard transaction / units	Notice	≤ ₹50,000	₹1-2 lakh
s.30	Short delivery / excess receipt	≤ ₹10,000	≤ ₹20,000	≤ 1 yr / fine
s.31 / 35	Non-production of documents / non-standard services	Notice	≤ ₹25,000	₹50,000-1 lakh
s.36(1)	Non-conforming **pre-packages** (incl. **e-commerce**)	Notice	**≤ ₹5 lakh**	**₹25-50 lakh**
s.36(2)	Error in net quantity	₹10,000-1 lakh	≤ ₹5 lakh	≤ ₹50 lakh / 1 yr
s.45	Manufacture without registration	Notice	≤ ₹20,000	₹2-5 lakh

10.3 Compounding & packaged commodities

- **s.48 compounding** (before / after prosecution): s.25-39, 41, 45-47 & rules - by **Director** (central matters) / **Controller** (State) or authorised LMO; sum ≤ **maximum fine**; no further proceedings once compounded.
- Cognizance only on **written complaint** by Director / Controller / authorised officer.
- **Packaged Commodities Rules 2011** declarations: name & address of manufacturer / packer / importer, **country of origin**, common / generic name, **net quantity**, **MRP (incl. all taxes)**, month & year of manufacture / import, **unit sale price**, consumer care details; e-commerce must display same.
- Registration of manufacturer / packer / importer of pre-packaged commodities (Rule 27).

EXAM TIP FAQ - Legal Metrology

- What is an Improvement Notice? Notice under **s.15(6)** specifying failures & measures to be taken within a reasonable period (Jan Vishwas 2026).
- Can e-commerce platforms be penalised for non-conforming packages? **Yes** - s.36(1) expressly covers **digital modes / online marketplaces**.
- Who compounds a State-level offence? **Controller** or authorised LMO (s.48(3)).
- Does compounding bar prosecution? **Yes** - no further proceedings (s.48(4)).

MEMORY TRICK Package declarations "N-C-N-M-D-U-C"

NCNMDUC – N Name & address; C Country of origin; N Net quantity; M MRP; D Date of manufacture / import; U Unit sale price; C Consumer care

Chapter 11: Real Estate Regulation & Development Law

In this chapter: RERA 2016 - definitions · Registration of projects · Real estate agents · Functions & duties of promoter · Rights & duties of allottees · RERA authority · Appellate Tribunal · Offences & penalties

11.1 Registration & promoter duties

- **s.3 registration** of project with RERA before advertising / selling - exempt if land **≤ 500 sq m** or **≤ 8 apartments**, or completion certificate received before Act VERIFY; renovation not involving marketing.
- **s.4(2)(l)(D)**: **70%** of amounts from allottees in **separate bank account** - withdrawals for land & construction, certified by **engineer, architect & CA**; accounts audited annually.
- **s.9** real estate agents must register; **s.11** promoter duties - website updates, sanctioned plans, **conveyance deed** to allottee, form association.
- **s.13**: **≤ 10%** advance without **registered agreement for sale**.
- **s.14(3)** structural defects - rectify within **30 days**, liability **5 years** from possession.

11.2 Allottee rights & remedies

- **s.18**: delay / failure → **refund with interest** + compensation, or interest for every month of delay if allottee stays.
- **s.19** allottee rights - information, possession, documents; duties - pay on time (interest for delay), participate in association.
- **Carpet area s.2(k)** - net usable floor area excluding external walls, service shafts, balcony.
- *Newtech Promoters v. State of UP* (2021) - RERA applies to **ongoing projects**; refund is unconditional right.

11.3 Penalties & appeals

Default	Penalty
Non-registration s.59	Up to **10%** of project cost; continued - **3 years** / further 10%
False information s.60	Up to **5%** of project cost
Other contravention by promoter s.61	Up to **5%**
Agent default s.62	**₹10,000/day** up to 5% of cost of plot / apartment
Allottee default s.67	Up to 5% of cost

- **Appellate Tribunal** - within **60 days**; promoter deposits **30%** of penalty / **full amount** to allottee before appeal (s.43(5)); **High Court** - 60 days (s.58).
- Disputes decided within **60 days** by Authority (s.29) VERIFY.

11.4 RERA complaint route

Allottee / promoter / agent files complaint (s.31) → **Authority** (s.35 inquiry) or **Adjudicating Officer** (compensation s.71) → Order within **60 days** VERIFY → **Appellate Tribunal** - 60 days (pre-deposit by promoter) → **High Court** - 60 days

- RERA bars civil court jurisdiction (s.79); consumer forum remedy also available (*Imperia Structures* 2020).

EXAM TIP FAQ – RERA

- Can a promoter take 20% advance before agreement? **No** - max **10%** without registered agreement (s.13).
- Who certifies withdrawals from the 70% account? **Engineer, architect & practising CA**.
- Structural defect after 3 years of possession? Promoter liable - **5-year** liability (s.14(3)).

Chapter 12: Intellectual Property Rights

In this chapter: Concept & types of IPR · International framework - WIPO, TRIPS, Paris, Berne, PCT, Madrid · IP administration in India · Tribunals Reforms Act 2021 · IP valuation & commercialisation

12.1 Types of IPR at a glance

IPR	Law	Term	Registry
Patent	Patents Act 1970	**20 years** from filing	Controller General of Patents, Designs & TM (CGPDTM)
Trade mark	TM Act 1999	**10 years**, renewable indefinitely	TM Registry
Copyright	Copyright Act 1957	Life + **60 years**	Copyright Office (registration optional)
Design	Designs Act 2000	**10 + 5 = 15 years**	Patent Office (Kolkata)
GI	GI Act 1999	**10 years**, renewable	GI Registry (Chennai)
Plant variety	PPV&FR Act 2001	15-18 years	PPV&FR Authority
Semiconductor layout	SICLD Act 2000	10 years	Registry

- Trade secrets / know-how - protected by **contract & equity** (no statute in India).

12.2 International framework

- **Paris Convention 1883** - industrial property; **priority 12 months** (patents) / 6 months (TM, designs); national treatment.
- **Berne Convention 1886** - copyright; automatic protection.
- **TRIPS (WTO 1995)** - minimum standards; **compulsory licensing**, Doha Declaration (public health).
- **PCT** - single international patent application (30 / 31 months national phase).
- **Madrid Protocol** - international TM registration (India joined 2013).
- **WIPO** - administers treaties; **Hague** (designs - India not member VERIFY).

12.3 IP administration & enforcement

- **IPAB abolished** by **Tribunals Reforms Act 2021** - appeals to **High Courts**; **IP Division** of Delhi HC (2021) & Madras HC.
- **Commercial Courts Act** - IP disputes are **commercial disputes**.
- Remedies: injunction (incl. **Anton Piller**, John Doe / dynamic injunctions), damages / account of profits, delivery up; criminal remedies under TM & Copyright.
- IP commercialisation - **assignment, licensing, franchising**; valuation - cost, market, income approach.

EXAM TIP **FAQ – IPR basics**

- Which IPR needs **no registration**? **Copyright** (automatic), trade secrets; unregistered TM via **passing off**.
- Where do IP appeals lie now? **High Court** (IPAB abolished 2021).
- Is a trade secret protected by statute in India? **No** - contract (NDA), equity & breach of confidence.

MEMORY TRICK **IPR terms "20-10-60-15-10"**

2010601510 – 20 Patent years; 10 Trade mark (renewable); 60 Copyright (life plus); 15 Design max; 10 GI (renewable)

Chapter 13: Law relating to Patents

In this chapter: Patentable inventions · Non-patentable inventions s.3 & s.4 · Application & specification · Publication & examination · Opposition · Grant & term · Rights of patentee · Compulsory licence · Working · Revocation · Infringement & remedies · Patents (Amendment) Rules 2024

13.1 Patentability

- **Invention s.2(1)(j)**: new product / process involving **inventive step** & capable of **industrial application**.
- **Inventive step s.2(1)(ja)**: technical advance / economic significance + **not obvious** to person skilled in the art.
- **s.3 not inventions**: frivolous / contrary to natural laws; immoral; **discovery** of scientific principle / living thing; **mere new form / new use** of known substance without enhanced **efficacy** - **s.3(d)** (*Novartis v. UoI* 2013); admixture; **mathematical / business method, computer programme per se, algorithms**; literary / artistic work; **mere scheme / mental act**; presentation of info; topography of ICs; **plants & animals** (except micro-organisms), essentially biological processes; **method of agriculture / horticulture / treatment**; **traditional knowledge**.
- **s.4**: inventions relating to **atomic energy** - no patent.

13.2 Patent procedure

File application (Form 1) with **provisional** / **complete specification** - complete within **12 months** of provisional → **Publication** after **18 months** (early on request) s.11A → **Request for examination** within **31 months** of priority (2024 Rules) VERIFY → FER - reply / place in order in **6 months** (+3) → **Pre-grant opposition s.25(1)** (any time before grant) → **Grant** → **Post-grant opposition s.25(2)** within **1 year** of grant publication

- **Term 20 years** from date of filing (s.53); **renewal fees** annually from 3rd year.
- **Expedited examination** - startups, MSMEs, women applicants, Govt entities.

13.3 Rights, compulsory licence & remedies

- **s.48 rights**: product - make, use, sell, import; process - use process & products obtained directly.
- **s.84 compulsory licence** after **3 years** of grant - reasonable requirements of public not satisfied, not available at **reasonably affordable price**, **not worked in India** (*Natco v. Bayer* 2012); **s.92** national emergency / extreme urgency; **s.92A** export of pharma.
- **Working statement Form 27** - once in **3 financial years** (2024 Rules) VERIFY.
- **s.107A Bolar exemption** - regulatory testing; **parallel imports** allowed.
- **Revocation s.64** (HC / counter-claim); **infringement suit** in **District Court** (not below) - injunction, damages / account of profits.
- **Certificate of inventorship** & **grace period 12 months** (2024 Rules) VERIFY.

EXAM TIP FAQ – Patents

- Is a new use of aspirin patentable? **No** - s.3(d) mere new use.
- Software patent? Only if **technical effect / contribution** beyond computer programme per se (CRI Guidelines 2017 / 2025 VERIFY).
- Can anyone file pre-grant opposition? **Yes** - any person; post-grant - **person interested**.
- Who is the "Controller"? **Controller General of Patents, Designs & Trade Marks**.

MEMORY TRICK Patentability "N-I-I"

NII – N Novelty; I Inventive step (non-obvious); I Industrial application

WORKED EXAMPLE **Patent case laws**

- *Novartis AG v. UoI* (2013) - s.3(d): efficacy = **therapeutic efficacy**.
- *Bayer v. Natco* (2012) - first **compulsory licence** (Nexavar) - price unaffordability.
- *Ferid Allani v. UoI* (Del HC 2019) - CRIs with **technical effect** patentable.
- *Monsanto v. Nuziveedu* (SC 2019) - Bt cotton patent restored for trial.

13.4 CL grounds - s.84 vs s.92

Point	s.84	s.92
When	**3 years** after grant	**National emergency / extreme urgency / public non-commercial use**
Applicant	Any interested person	On CG notification
Grounds	Public needs unmet, unaffordable price, not worked in India	Notification by CG

Chapter 14: Law relating to Trade Marks

In this chapter: Meaning of trade mark · Well-known marks · Absolute & relative grounds of refusal · Classification · Registration procedure · Opposition · Term & renewal · Infringement · Passing off · Assignment & licensing · Collective & certification marks · Madrid Protocol · Offences

14.1 Concept & grounds of refusal

- **Trade mark s.2(1)(zb)**: mark **capable of graphical representation** & of **distinguishing** goods / services - includes **shape, packaging, combination of colours**, sound marks.
- **Well-known mark s.2(1)(zg) & s.11(6)-(9)**: protected across classes; Registrar may determine (Rule 124).
- **Absolute grounds s.9**: lacks distinctiveness, **descriptive** (kind, quality, purpose, origin), **customary / generic**; deceptive; hurts religious sentiments; prohibited under Emblems Act; shape from nature of goods. **Acquired distinctiveness** is an exception.
- **Relative grounds s.11**: identical / similar to **earlier mark** for similar goods → confusion; well-known mark dilution.

14.2 Registration procedure

Search & application **Form TM-A** (one / multi-class) → Examination - **examination report** → Reply / hearing → Acceptance & **publication in TM Journal** → **Opposition** within **4 months** (s.21) → Counter-statement 2 months → Registration certificate (s.23) - effective from **date of application**

- **Term 10 years**, renewable every 10 years (s.25) - renewal **6 months** before expiry; restoration within 1 year.
- **Nice classification** - **45 classes** (1-34 goods, 35-45 services).
- **Removal for non-use s.47** - **5 years 3 months** of non-use.

14.3 Infringement vs passing off

Point	Infringement (s.29)	Passing off
Basis	**Statutory** - registered mark	**Common law** - goodwill (registered or not)
Proof	Use of identical / deceptively similar mark	Goodwill + **misrepresentation** + damage
Defence	Use of own name, prior use (s.34)	-
Test	Mark-to-mark comparison	*Cadila Health Care v. Cadila Pharma* (2001) - 7 factors

- Remedies: injunction, damages / profits, delivery up (s.135); **criminal s.103-104** - **6 months-3 years** + ₹50,000-2 lakh.
- **Assignment s.37-45** - with / without goodwill; **registered user** / licence; **certification marks** (ISI, Agmark) & **collective marks**.

EXAM TIP FAQ – Trade Marks

- Can "Best" be registered for cakes? **No** - laudatory / descriptive (s.9(1)(b)) unless acquired distinctiveness.
- Is a sound mark registrable? **Yes** (e.g., Yahoo yodel - first in India 2008).
- Does registration under Companies Act protect a TM? **No** - company name ≠ trade mark; but **s.16** rectification if identical to registered TM.

MEMORY TRICK TM timeline "4-10-5y3m"

410 – 4 months opposition; 10 years term & renewal; 5 years 3 months non-use removal

WORKED EXAMPLE **Trade mark case laws**

- *Cadila Health Care v. Cadila Pharmaceuticals* (2001) - deceptive similarity test (strict for medicines).
- *Yahoo! Inc. v. Akash Arora* (1999) - **domain names** protected as TMs.
- *Toyota Jidosha v. Prius Auto* (2017) - **territoriality** - trans-border reputation must be proved in India.
- *Daimler Benz v. Hybo Hindustan* (1994) - "Benz" for undergarments - well-known mark.
- *Whirlpool v. N.R. Dongre* (1996) - trans-border reputation.

Chapter 15: Law relating to Copyright

In this chapter: Meaning of copyright · Works protected · Rights - economic & moral · Ownership · Term · Registration · Assignment & licensing · Fair dealing · Infringement & remedies · International copyright · Copyright Board

15.1 Works & rights

- **s.13**: original **literary, dramatic, musical, artistic** works; **cinematograph films**; **sound recordings** (computer programmes = literary work).
- **Idea-expression dichotomy** - only expression protected (*R.G. Anand v. Delux Films*); originality - **skill & judgment** (*Eastern Book Co. v. D.B. Modak* 2008).
- **s.14 economic rights**: reproduce, issue copies, perform, communicate, adapt, translate; **s.57 moral rights** - paternity & integrity (even after assignment).
- **s.17 ownership**: author first owner; **employment / contract of service** → employer; journalist - newspaper; Govt work - Govt.

15.2 Term of copyright

Work	Term
Literary, dramatic, musical, artistic (published in lifetime)	**Life + 60 years**
Anonymous / pseudonymous	60 years from publication
Posthumous	60 years from publication
Photographs (post-2012)	Life + 60 years VERIFY
Cinematograph film, sound recording	**60 years** from publication
Govt / international org work	60 years from publication

- Term counted from beginning of **calendar year** following the event.
- **Performer's right** - 50 years; **broadcast reproduction right** - 25 years.

15.3 Assignment, fair dealing & remedies

- **Assignment s.18-19**: in **writing**; if period not stated - **5 years**; territory not stated - **India**; lapses if not exercised in **1 year**.
- **Registration s.45** - optional; prima facie evidence (s.48).
- **Fair dealing s.52**: private use incl. research, criticism / review, reporting current events, **education** (*Chancellor, Oxford University v. Rameshwari Photocopy* 2016), judicial proceedings.
- **Infringement s.51**; civil remedies s.55; **criminal s.63** - **6 months-3 years** + **₹50,000-2 lakh**; computer programme s.63B.
- **Copyright Board** → IPAB (2017) → **abolished 2021** - functions to **Commercial Court / HC**.
- **Design-copyright overlap s.15(2)**: design capable of registration loses copyright once reproduced **> 50 times** by industrial process.

EXAM TIP FAQ - Copyright

- A software developer creates code during employment - owner? **Employer** (s.17(c)) unless contrary agreement.
- Is copyright registration necessary to sue? **No** - registration is optional (*Dhiraj Dharamdas Dewani* 2012 Bom HC) VERIFY.
- Assignment silent on duration? Deemed **5 years**; territory - India (s.19).
- Photocopying course packs for students? Fair dealing for **education** (DU photocopy case).

WORKED EXAMPLE **International copyright & neighbouring rights**

- **s.40 International Copyright Order** - works of Berne / UCC countries protected in India.
- **Performers' rights s.38** - **50 years**; **broadcasting reproduction right s.37** - **25 years**.
- **Statutory licence for broadcasting s.31D**; **compulsory licence s.31** for withheld works.
- **Digital rights management** - s.65A (TPM circumvention), s.65B (RMI).

Chapter 16: Law relating to Geographical Indications of Goods

In this chapter: Meaning of GI · Registrable & prohibited GIs · Application & registration · Registered proprietor & authorised user · Term & renewal · Infringement · Additional protection · Offences

16.1 GI essentials

- **GI s.2(1)(e)**: indication identifying goods (agricultural, natural, manufactured, **handicraft**, foodstuff) as **originating in a territory**, where a **quality, reputation or characteristic** is essentially attributable to that origin.
- **Applicant**: **association of persons / producers** / organisation representing producers' interest (s.11).
- **Authorised user** - producer registers separately (s.17); **registered proprietor** - association.
- **Term 10 years**, renewable for 10 years (s.18).
- First Indian GI - **Darjeeling Tea** (2004); others - Mysore silk, Kanchipuram silk, Basmati VERIFY.

16.2 Prohibition, infringement & protection

- **s.9 not registrable**: likely to deceive / confuse, contrary to law, scandalous / obscene, hurts religious sentiments, **generic names**, not protected in country of origin.
- **Homonymous GIs** - registrable with clear distinction.
- **s.22 infringement** - unauthorised use indicating false origin; unfair competition (Paris Art. 10bis).
- **Additional protection** (s.22(2)) for notified goods - **wines & spirits** (TRIPS Art. 23) even with "kind / type / style".
- Offences s.39-40 - **6 months-3 years** + ₹50,000-2 lakh; GI **can't be assigned / licensed** (s.24).

EXAM TIP FAQ – GI

- Can an individual register a GI? **No** - only association of producers; individual can be **authorised user**.
- Is GI transferable? **No** - inalienable (public property of producers).
- GI vs TM? GI - **collective**, origin-based; TM - individual source, transferable.

16.3 GI registration procedure

Application by **association of producers** (Form GI-1) with statement of origin, map, inspection body → Preliminary scrutiny & **Consultative Group** examination → Acceptance & **publication in GI Journal** → Opposition within **3 months** (+1) → Registration → **Authorised users** register (Form GI-3)

- Renewal every **10 years**; Registry at **Chennai**.

Chapter 17: Law relating to Designs

In this chapter: Meaning of design · Registrable designs · Prohibitions s.4 · Application & registration · Classification · Term & renewal · Cancellation · Piracy & remedies · Design vs copyright vs trade mark

17.1 Design essentials

- **Design s.2(d)**: features of **shape, configuration, pattern, ornament or composition of lines or colours** applied to an **article** by industrial process, judged **solely by the eye**.
- Excludes: **mode / principle of construction**, mechanical device, **trade mark**, property mark, **artistic work** (Copyright s.2(c)).
- **s.4 prohibitions**: not **new or original**; **disclosed to public** anywhere before filing (prior publication); **not significantly distinguishable** from known designs; **scandalous / obscene**.
- **Locarno classification** (32 classes) - adopted 2021 VERIFY.

17.2 Procedure, term & remedies

- Application to **Controller** (Patent Office, Kolkata) - examination → registration → publication in Patent Office Journal.
- **Term: 10 years** from registration (= filing / priority date), **extendable once by 5 years** → **max 15 years**.
- **Cancellation s.19** - any interested person on grounds: prior registration, prior publication, not new / original, not a design.
- **Piracy s.22**: up to **₹25,000** per contravention, **max ₹50,000** per design (as contract debt); or suit for damages & injunction (District Court; transfer to HC on cancellation plea).
- **Priority** - 6 months under Paris Convention.

EXAM TIP FAQ – Designs

- Is a design disclosed at an exhibition registrable? Yes, if filed within **6 months** of a notified exhibition (s.21) VERIFY.
- Can a functional shape be a design? **No** - mode / principle of construction excluded.
- Piracy remedy amount? Up to **₹25,000** per contravention, max **₹50,000** for one design.

17.3 Design vs copyright vs trade mark

Point	Design	Copyright	Trade mark
Protects	**Appearance** of article	Original expression	**Source identifier**
Registration	**Mandatory** for protection	Optional	Optional (registered rights)
Term	10 + 5 years	Life + 60	10 years, renewable forever
Overlap	> 50 reproductions → copyright lost (s.15(2) CA)	-	Shape may be TM if distinctive

Quick Revision – Numbers & Forms

In this chapter: Timelines · Thresholds · Terms of IPR

Part I numbers

Item	Number
Export realisation	15 months (2025)
Advance vs shipment	3 years
FC-GPR / FC-TRS	30 / 60 days
Allotment to non-resident	60 days (refund 15)
FLA return	15 July
ODI limit	400% of net worth
LRS	USD 2,50,000
EPCG obligation	6× duty in 6 years
FCRA admin expenses	20%
FCRA validity	5 years
PMLA attachment	180 days
CTR / STR	₹10 lakh / 7 days
Deal value threshold	₹2,000 crore
CCI prima facie / final	30 / 150 days
Consumer forums	50 lakh / 2 crore
RERA exemption	500 sq m / 8 units
RERA account	70%

Part II terms

IPR	Key numbers
Patent	20 yrs; publication 18 m; RFE 31 m; CL after 3 yrs
Trade mark	10 yrs renewable; opposition 4 m; non-use 5 y 3 m
Copyright	Life + 60; assignment default 5 yrs
Design	10 + 5 years; piracy ₹25,000 / 50,000
GI	10 yrs renewable; not assignable
Priority (Paris)	Patent 12 m; TM & design 6 m

COMMON MISTAKE Last-minute traps

- Export realisation is now **15 months** (not 9).
- **Press Note 3** applies to **beneficial owners** too.
- Dominance itself isn't illegal - **abuse** is.
- FCRA: **no transfer** of FC to another NGO.
- Copyright registration **optional**; design registration **essential**.
- Computer programme **per se** - not patentable; protected as **literary work**.
- Legal Metrology first-time lapses → **Improvement Notice**, not fine.

Case-law & Comparison Bank

In this chapter: Economic law case laws · PMLA vs FEMA vs FEOA · Descriptive questions · IPR remedies & filing offices · Copyright, design & GI case laws · Part II traps

WORKED EXAMPLE **Economic law cases**

Case	Principle
J. Sri Nisha v. Special Director, ED (2026)	**s.37A FEMA** seizure is preventive; CA's review substantive NEW
Vijay Madanlal Choudhary (2022)	PMLA upheld; s.45 twin conditions
Pankaj Bansal v. UoI (2023)	Grounds of arrest under PMLA **in writing**
Noel Harper v. UoI (2022)	FCRA 2020 amendment (no transfer, SBI account) **valid**
Newtech Promoters (2021)	RERA applies to ongoing projects; refund right
Imperia Structures v. Anil Patni (2020)	Consumer forum & RERA remedies concurrent

WORKED EXAMPLE **Comparison – PMLA vs FEMA vs FEOA**

Point	PMLA	FEMA	FEOA
Nature	Criminal	**Civil**	Civil-cum-confiscatory
Agency	**ED**	**ED / RBI**	ED → Special Court
Key power	Attachment s.5, arrest s.19	Penalty s.13, seizure s.37A	Declaration & confiscation
Appeal	Appellate Tribunal (SAFEMA)	Special Director / AT	High Court

EXAM TIP **Descriptive questions to practise**

- Distinguish **current & capital account** transactions with examples (FEMA s.5-6).
- Explain the **2025 export realisation** & advance-payment rules (Regs 9 & 15).
- Discuss **Press Note 3** & routes for FDI with sectoral caps.
- Explain **leniency** & **settlement / commitment** under the Competition Act (2023).
- Product liability of manufacturer, seller & service provider under **CPA 2019**.
- **Improvement Notice** & revised penalties under Legal Metrology (2026).
- **s.3(d)** & **compulsory licensing** with case laws.
- **Infringement vs passing off**; well-known marks.

IPR remedies & offences compared

IPR	Civil remedy	Criminal offence
Patent	Injunction, damages / profits (s.108) - District Court	None for infringement (only false claims s.120)
Trade mark	Injunction, damages, delivery up (s.135)	**6 months-3 yrs + ₹50,000-2 lakh** (s.103)
Copyright	Injunction, damages, accounts (s.55)	**6 months-3 yrs + ₹50,000-2 lakh** (s.63)
Design	₹25,000 / max 50,000 or damages (s.22)	None
GI	Injunction, damages	**6 months-3 yrs + ₹50,000-2 lakh** (s.39)

Filing forms & offices

IPR	Application	Office
Patent	**Form 1** (+ Form 2 specification, Form 18 RFE)	Patent Offices - Kolkata (HQ), Delhi, Mumbai, Chennai
Trade mark	**TM-A**; opposition TM-O; renewal TM-R	TM Registry - Mumbai (HQ)
Copyright	Form XIV	Copyright Office, New Delhi
Design	Form 1	Patent Office, **Kolkata**

IPR	Application	Office
GI	GI-1	GI Registry, **Chennai**

WORKED EXAMPLE **Copyright, design & GI cases**

- *R.G. Anand v. Delux Films* (1978) - **idea not protected**; substantial similarity test.
- *Eastern Book Co. v. D.B. Modak* (2008) - **modicum of creativity** standard.
- *IPRS v. Eastern India Motion Pictures* (1977) - film producer owns music in film (now authors' royalty rights 2012).
- *Microfibres v. Girdhar* (2009 Del HC) - **s.15(2)** design-copyright overlap.
- *Carlsberg v. Somnath Beverages* (2018 Del HC) - design infringement & passing off **combined** suit allowed.
- *Tea Board v. ITC* (2011) - Darjeeling GI vs hotel lounge name - **not** infringement.

COMMON MISTAKE **Part II traps**

- Patent term runs from **filing**, not grant.
- TM registration is effective from **date of application**.
- Copyright assignment must be **in writing**; oral assignment invalid.
- **GI cannot be assigned**, licensed or mortgaged.
- Design registration lost value if article **published before filing**.
- Infringement suits (patent / TM / copyright) - **not below District Court**.

Descriptive Case Scenarios (model answers)

In this chapter: 6 case studies with structured answers

WORKED EXAMPLE Case 1 – FDI route

- **Facts**: A Singapore fund whose 30% beneficial owner is a Chinese resident wants 20% in an Indian EV maker.
- **Rule**: NDI Rules; **Press Note 3 (2020)**; FC-GPR.
- **Answer**: Beneficial owner from land-border country → **Government route** despite automatic sector; after approval, allot in 60 days & file **FC-GPR in 30 days**.

WORKED EXAMPLE Case 2 – Cartel

- **Facts**: Five cement makers meet and agree to cut output; one approaches CCI first.
- **Rule**: s.3(3) presumed AAEC; s.27 penalty (3× profit / 10% turnover); s.46 leniency.
- **Answer**: Horizontal **cartel**; first discloser may get **up to 100%** reduction; others penalised; leniency plus for disclosing another cartel.

WORKED EXAMPLE Case 3 – Misleading ad

- **Facts**: A celebrity endorses a hair oil claiming "regrowth in 7 days"; claim false.
- **Rule**: CPA 2019 s.21; due diligence defence.
- **Answer**: CCPA may order discontinuation; manufacturer & endorser penalty up to **₹10 lakh**; endorser **banned up to 1 year** unless due diligence shown.

WORKED EXAMPLE Case 4 – Patent new use

- **Facts**: Pharma company seeks patent on a crystalline form of a known drug with better stability only.
- **Rule**: s.3(d) - enhanced **therapeutic efficacy** needed (*Novartis*).
- **Answer**: Mere physical-property improvement isn't efficacy → **not patentable**; opposition s.25(1) possible.

WORKED EXAMPLE Case 5 – Short weight online

- **Facts**: An e-commerce seller sells packs not carrying MRP & net quantity declarations - first instance.
- **Rule**: LM Act s.36(1) (as amended 2026); s.15(6) improvement notice.
- **Answer**: First offence → **Improvement Notice** to rectify; second - penalty up to **₹5 lakh**; subsequent **₹25-50 lakh**; may compound under s.48.

WORKED EXAMPLE Case 6 – RERA refund

- **Facts**: Project delayed 2 years; buyer wants exit.
- **Rule**: RERA s.18; *Newtech Promoters* (2021).
- **Answer**: **Unconditional right to refund** with interest + compensation; complaint to Authority / Adjudicating Officer; promoter must deposit before appeal.