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SAFEGUARDING INNOVATION IN BEAUTY: A CRITICAL STUDY OF IPR FRAMEWORK IN THE INDIAN COSMETIC BUSINESS

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INTRODUCTION

Driven by expanding consumer demand, growing disposable incomes, and a changing cultural scene that values personal hygiene and appearance, the cosmetic sector is among the fastest-growing industries in India. Driven by the growing tendency for luxury, organic, and sustainable products, India's beauty and personal care business is predicted to keep fast expanding, with a market estimated in the billions. Companies in this sector are therefore always inventing in order to keep ahead of the competition. In the beauty sector, innovation spans creating fresh product compositions, implementing cutting-edge packaging techniques, and implementing new marketing plans to make use of digital channels for focused consumer involvement.

But with invention comes the difficulty of protecting these fresh ideas and innovations. Securing inventions and enabling companies to defend their research, design, and branding initiatives from illegal copying depend much on intellectual property rights (IPR). The IPR system in India is set up to safeguard several kinds of intellectual property including copyrights, patents, trademarks, and industrial designs. Though these safeguards are readily available, many Indian cosmetic enterprises struggle to fully use them because of things like lack of awareness, poor enforcement, and the difficulty of negotiating the legal terrain.¹

With an eye towards its efficacy in preserving inventions, this research article aims to critically review the current IPR framework in the Indian cosmetic market. It looks at how the legal system may be strengthened to better meet the needs of the cosmetic company operating in India, thereby

¹Rocca, Roberto et al., *Sustainability Paradigm in the Cosmetics Industry: State of the Art*, 3 Cleaner Waste Systems 100057 (2022).

fostering development, safeguarding of ideas, and keeping customer confidence². Essential in ensuring that the ideas and products of Indian cosmetic enterprises are sufficiently safeguarded from counterfeiting and infringement, the paper emphasises various elements of IPR protection, including patent laws, trademarks, design rights, and trade secrets.

The article also explores the difficulties cosmetic firms confront, particularly in a fast-changing industry marked by both local counterfeit tactics and worldwide competition. It will also examine how treaties from around the world, including the TRIPS Agreement³, affect India's IPR policy in respect to the worldwide beauty sector. Furthermore, discussed in the presentation will be how growing consumer knowledge, the emergence of e-commerce and digital marketing, and IP protection are altering the field of cosmetic product marketing and protection.

This study ultimately seeks to offer a critical evaluation of the IPR systems in place and propose ways in which they might be strengthened to support innovation, improve the competitive edge of Indian cosmetic companies, and protect consumer interests in face of rising counterfeit activities. The last chapter will provide practical suggestions on how the Indian IPR structure may change to satisfy the expanding needs of this vibrant and competitive sector.

SCOPE OF STUDY

This research examines the role of IPR in the Indian cosmetic industry with the following objectives:

- To analyze the different types of IPR (patents, trademarks, designs, trade secrets) applicable to cosmetics and their role in fostering innovation.
- To explore the strengths and weaknesses of India's IPR framework, with a particular focus on its application to the cosmetic sector.

²Singh, Sapna, *Unconventional Trademark Protection in the Cosmetic Industry: Insights from the US, Europe, and Lessons for India*, (March 21, 2024).

³Matthews, Duncan, *Globalising Intellectual Property Rights: The TRIPS Agreement* (Routledge, 2003).

- To identify the unique challenges faced by cosmetic companies in protecting their intellectual property, including issues related to counterfeiting, online infringement, and enforcement delays.
- To review the impact of IPR protection on business growth, brand value, and consumer trust, using case studies of both Indian and global cosmetic companies.
- To offer policy recommendations to improve IPR practices and enforcement mechanisms in India, facilitating a more innovation-driven and competitive cosmetic industry.

By addressing these objectives, the paper provides a comprehensive analysis of the IPR framework in India and its effectiveness in safeguarding innovation within the beauty industry.

FINDINGS & DISCUSSION

Understanding Innovation in the Cosmetic Sector

In the cosmetic sector, innovation covers numerous spheres: new product compositions, packaging design, manufacturing techniques, and marketing plans. Cosmetic innovation today comprises sophisticated scientific research and development in the fields of skin care, hair care, personal hygiene, and even biotechnology, transcending mere colour variation of lipstick or smell.⁴

Product Innovation

On the cosmetic sector, product innovation consists on fresh formulas including anti-aging creams, serums, or lotions with sophisticated active components. Natural and plant-based formulations as well as goods including biotechnology or genetically modified components are becoming increasingly popular. Consumer desire for safer, more efficient products in line with present health and environmental concerns drives this innovation most of the time.

Mamaearth, an Indian beauty company, for example, has gained recognition for its toxin-free, natural formulations using bio-based components such turmeric, neem, and activated charcoal. These developments challenge intellectual property protection since such compositions must be

⁴DefreitasPedroso Gonzalez, InayaraValéria, *The Management of Challenges Related to the Innovation Process: A Multi-Case Study in Industries of the Cosmetic Sector*, 13 Brazilian Journal of Management/Revista de Administração da UFSM (2020)

legally protected via patents or trade secrets, therefore satisfying the increasing market need for sustainable beauty goods⁵.

Packaging Innovation

The cosmetic business depends much on packaging. Apart from drawing customers, distinctive, useful, and aesthetically appealing packaging designs help to define company identity. For instance, the luxury Ayurvedic items from Forest Essentials exhibit their dedication to conserving India's cultural legacy by combining traditional yet contemporary styles. The designs themselves have been patented to stop rivals from copying their unique appeal⁶.

Process Innovation

In cosmetics, process innovation is the introduction of fresh manufacturing techniques enhancing efficiency, sustainability, or customer appeal. Businesses are giving environmentally friendly manufacturing techniques—including the utilisation of renewable energy sources and waste reduction—increasing priority.

New patents for delivery systems, such microencapsulation, which guarantees that active components in cosmetic products are delivered gradually for more effective long-term outcomes, also often follow from innovations in manufacturing.

Importance of IPR in Beauty Business

Protection of the investment companies make in creating new goods and services depends mostly on intellectual property rights. Strong IPR protection is crucial in the cosmetic sector, as consumer trends are fast changing and imitation is common to keep competitive advantage.⁷

Patents

In the cosmetic business, patents are absolutely essential for safeguarding new product formulas, production techniques, and delivery systems. For instance, a corporation can safeguard its original recipe for anti-aging products or a unique approach for extracting a rare plant-based substance by means of patents.

⁵Mamaearth: A Digital First Brand Venturing Offline, 14(2) Emerald Emerging Markets Case Studies 1–38 (2024)

⁶Biswas, Soumyajit et al., *Inventorization of Some Ayurvedic Plants and Their Ethnomedicinal Use in Kakrajhore Forest Area of West Bengal*, 197 Journal of Ethnopharmacology 231–241 (2017)

⁷Sen, Sinjini & Niharika Bhattacharya, *Innovating Beauty: Unveiling the Role of Patents in the Cosmetic Industry*, 30(3) Journal of Intellectual Property Rights (JIPR) 383–396 (2025).

In India, though, the patent application process is sometimes drawn out and difficult. The Patents Act's Section 3(d) forbids the patenting of newly discovered versions of recognised compounds unless they exhibit increased potency. Although meant to stop "evergreening" of patents, this clause can make it difficult for cosmetic firms looking for protection for small advances enhancing current formulations.

Trademarks

In the very competitive beauty industry, brand distinctiveness depends on trademarks. A registered trademark guarantees that consumers may find the source of a product and that businesses may stop others from unfairly profiting from their brand recognition, therefore safeguarding logos, brand names, packaging, even product shape. For instance, Nykaa has effectively registered its brand name and emblem, which in the Indian cosmetic market have come to represent dependability and excellence⁸.

Designs

Design rights help to safeguard the cosmetic items' visual features, especially their packaging. Apart from their practical advantage, distinctive packaging designs are a main weapon for marketing. Trademarks and designs may complement each other; trademarks guard logos and design rights, therefore preserving the physical appearance of a good. To keep a competitive edge in the market, Lakmé, for example, has effectively guarded its packaging designs.⁹

Trade Secrets

Trade secrets in the cosmetics sector guard proprietary formulations, ingredients, and production techniques giving a brand a competitive edge. Through non-disclosure agreements (NDAs) and confidentiality restrictions with suppliers, manufacturers, even staff members, companies frequently protect their trade secrets.

⁸Kim, Yong-Jeong et al., *Developing Sustainable Competitive Strategies in the Beauty Service Industry: A SWOT-AHP Approach*, 13(19) Sustainability 10852 (2021).

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⁹Landau, Ingrid, *Human Rights Due Diligence and the Risk of Cosmetic Compliance*, 20 Melbourne Journal of International Law 221 (2019)

India has a specific trade secret law, hence trade secrets there are only indirectly safeguarded. Given the growing popularity of e-commerce platforms and digital marketing channels, many businesses thus run the danger of having their unique formulations hacked or disclosed.

IPR Framework in India

Over time, India's IPR system has changed to coincide with international agreements including the TRIPS Agreement under the World Trade Organisation. The Patents Act (1970), Trademarks Act (1999), Designs Act (2000), and Copyright Act (1957) are the key legislative clauses pertaining to IPR in India. Still, even with the structure in place, implementation and enforcement of it remain difficult, especially in relation to the cosmetic business.

Patents Act, 1970 (Amended 2005)

Novel, non-obvious, and industrially useful innovations are protected under the Patents Act. Maintaining creative production techniques and product compositions in the cosmetics industry depends on it. But as was already said, Section 3(d) of the Patents Act restricts patent protection for cosmetic inventions involving small changes of existing components or formulations, therefore affecting gradual improvements. Cosmetic firms looking for protection for their innovative formulations have found this to be a topic of conflict¹⁰.

Trademarks Act, 1999

The Trade Marks Act lets logos, brand names, and packaging among other trademarks be registered. With the Trade Marks Registry providing protection for up to ten years, renewed forever, the Indian trademark procedure is rather simple. The registration process can be long, though, which causes delays in getting protection.

Designs Act, 2000

The Designs Act safeguards the visual features of goods, particularly the distinctive look of cosmetic packaging. It provides protection for ten years, with a further five year extension possible. This clause helps Indian cosmetic companies—especially those with luxury goods—by ensuring their packaging designs resist imitation and counterfeiting¹¹.

¹⁰Yapar, EvrenAlgin. "Intellectual property and patent in cosmetics." *Marmara Pharmaceutical Journal* 21.3 (2017): 419-424.

¹¹Cesareo, Ludovica, Alberto Pastore, and Patti Williams. *Counterfeiting Luxury Goods*. Handbook of Research on Counterfeiting and Illicit Trade, 193-222. Edward Elgar Publishing, 2017

Challenges in the Indian Cosmetic Industry

Despite having a legal framework to safeguard intellectual property, the Indian cosmetic industry faces several key challenges in protecting its innovations and intellectual assets¹².

1. Lack of Awareness Among Small and Medium Enterprises (SMEs)

Effective IPR protection in the Indian cosmetic sector is hampered mostly by ignorance, especially among small and medium-sized businesses (SMEs). Many tiny cosmetic producers have little idea why IPR is valuable or how to defend their creations. Many companies so ignore registering trademarks, patents, or designs, so allowing replication of their products. Moreover, many times there is insufficient internal legal knowledge to negotiate the complexity of IPR legislation.¹³

2. Cost and Complexity of Patent Filing

While under the Startup India program India provides some financial support to entrepreneurs, filing patents, trademarks, and designs can still be expensive and administratively taxing. Getting a patent calls for lots of documentation, legal counsel, and sometimes several rounds of evaluation. The time and financial expenses involved in registering intellectual property discourage many cosmetic companies—especially startups. For businesses with limited means, the exorbitant prices for prior-art searches, legal consultations, and patent filings can be intolerable.¹⁴

3. Counterfeiting and Infringement

Still a major problem in the Indian cosmetic market is counterfeiting. The prevalence of fake goods joining the market rises along with the growing need for cosmetics. Usually copying the packaging, design, and even the branding of reputable companies, these products cause major losses of income for the genuine producers. For instance, fake versions of well-known brands like Maybelline and L'Oréal have proliferated the Indian market and caused customer uncertainty and mistrust of original goods.

India's systems of counterfeiting enforcement still show flaws. The Customs Department has set procedures for stopping fake products from getting onto the market, although enforcement is

¹²DefreitasPedroso Gonzalez, InayaraValéria. *The Management of Challenges Related to the Innovation Process: A Multi-Case Study in Industries of the Cosmetic Sector*. 13 Brazilian Journal of Management/Revista de Administração da UFSM (2020)

¹³Nkwabi, J., and L. Mboya. *A Review of Factors Affecting the Growth of Small and Medium Enterprises (SMEs) in Tanzania*. 11.33 European Journal of Business and Management (2019)

¹⁴D'Adamo, Elisa. *The Strategic Role of Patent Oppositions in the Cosmetic Sector*. 2023

uneven and underfunded. Particularly in digital and e-commerce environments, local enforcement agencies sometimes lack the ability to monitor and handle IP infractions.

4. Weak Enforcement of IPR Laws

India's legal system, while comprehensive, faces significant delays in the adjudication of intellectual property disputes. In many cases, IPR violations go unaddressed for years, reducing the deterrent effect of intellectual property laws. Additionally, the capacity of law enforcement agencies to investigate and prosecute IPR violations is often limited. The Indian Judiciary frequently faces backlogs, leading to delays in hearings and judgments.

Moreover, the absence of specialized courts or tribunals dedicated to IPR disputes further exacerbates delays in legal proceedings. While the IPR Appellate Board exists to hear appeals related to patent and trademark disputes, it too suffers from delays and administrative inefficiency.

5. Digital IPR Infringement and E-Commerce Challenges

The rise of e-commerce platforms has led to a dramatic increase in online counterfeiting and intellectual property violations. Counterfeiters can easily set up websites or online stores that mimic the branding and products of legitimate companies. Platforms like Amazon, Flipkart, and Snapdeal host numerous counterfeit cosmetics, making it difficult for consumers to distinguish genuine products from fakes.¹⁵

Companies struggle to protect their brands online due to the sheer volume of content and products on digital platforms. Although some companies have entered into agreements with e-commerce platforms to address counterfeit goods, enforcement remains a significant challenge. Digital marketing strategies, such as influencer marketing, also pose risks to brands, as influencers may unknowingly promote counterfeit or unregistered products.

¹⁵Покровская, АннаВладимировна. *Infringement of AI Intellectual Property Rights and Legal Liability on E-Commerce Marketplaces: New Challenges*. 7.2 Society and Security Insights (2024)

Case Studies

Case Study 1: Forest Essentials – A Model for IPR Protection

Leading luxury Ayurvedic skincare business in India, Forest Essentials, is one instance of how well IPR management supports brand expansion. With its distinctive name and emblem, Forest Essentials has aggressively filed its trademarks¹⁶. Drawing on traditional Indian designs, the brand's product packaging is likewise covered under design rights, so preventing rivals from copying its unique feel and appearance.

The business also uses patents to safeguard exclusive compositions and methods of constituent extraction. Early in its existence, Forest Essentials developed an IPR plan, which not only protected its ideas but also improved its standing as a luxury, scientifically supported skincare brand.

Case Study 2: Nykaa – Strategic Trademark Protection

One of India's biggest beauty e-commerce sites, Nykaa has deliberately used trademark protection to shield its brand. Product names, logo, and website design of the platform are all trademarked, therefore safeguarding Nykaa's online presence from infringement. Nykaa has also effectively safeguarded the trademark of its own range of beauty goods.¹⁷

Nykaa has run against difficulties, too, with fake products marketed under its name on internet stores. Notwithstanding these difficulties, the brand has been aggressive in ensuring that counterfeiters are taken off the site and legal action is taken by closely collaborating with sites like Amazon.

Case Study 3: Patanjali Ayurveda – Missed Opportunities in IPR

Though among the fastest-growing FMCG businesses in India, Patanjali Ayurveda has had trouble safeguarding intellectual property. Patanjali has had various trademark conflicts, mostly related to the names of its products, notwithstanding its popularity on the market. Lack of sufficient

¹⁶Myking, Tor, Morten WalløeTvedt, and Bo Karlsson. *Protection of Forest Genetic Resources by Intellectual Property Rights—Exploring Possibilities and Conceivable Conflicts*. 32.7 Scandinavian Journal of Forest Research (2017)

¹⁷Basu, Rituparna, and NeenaSondhi. *Nykaa: Retailing Decisions in an Emerging Market*. 13.2 Emerald Emerging Markets Case Studies (2023)

protection for products like Dant Kanti and Amla Hair Oil results in uncertainty on the market¹⁸. Patanjali finds it challenging to guard its formulations and stop imitation without early IPR approach. This case emphasises the need of aggressive IPR management, particularly for firms entering competitive markets and experiencing fast development.

Global Comparison

United States

The USPTO (United States Patent and Trademark Office) provides a highly evolved intellectual property protection mechanism in the United States. Cosmetic firms can patent logos, formulas, even packaging ideas. The U.S. system is very robust in terms of enforcement since quick court cases and strict fines for counterfeiting define it. The United States also boasts specialised IP courts capable of fast and effective dispute resolution.

Using hundreds of patents yearly, companies like Estée Lauder and L'Oréal heavily rely on intellectual property protection. They also deal with U.S. Customs and Border Protection to stop fake goods from being imported.

European Union

For trademark and design protection throughout all EU members, the European Union Intellectual Property Office (EUIPO) offers a consistent framework. Strong anti-counterfeiting policies, simplified registration procedures, and harmonised standards help EU cosmetic industries. For instance, Lush Cosmetics, well-known for its environmentally friendly and ethical beauty products, has effectively registered trademarks for its original creations and packaging. Lush aggressively battles counterfeiting throughout the EU, and its robust intellectual property portfolio supports its market position protection¹⁹.

Japan

Japan has a strong IPR system, mostly geared at patents and designs. Especially for innovations in the cosmetics and biotechnology sectors, the Japan Patent Office (JPO) is well-known for its fast-

¹⁸Chandra, Harsh, and AbhinavAakash. *A Marketing Model to Analyse Disruptive Growth—The Case of Patanjali*. 9.12 Brazilian Journal of Development (2023)

¹⁹Gasimova, Chinara. *Domain Name and Trademark Infringement (Cybersquatting) in the Digital Age*. Available at SSRN 4344891 (2022)

tracked patent processing. Furthermore, Japanese law provides robust protection for trade secrets—a crucial area for businesses creating proprietary cosmetic products.

To keep a competitive edge in the worldwide market, Japanese companies like as Shiseido and SK-II depend on a mix of patents, trademarks, and trade secret protections²⁰.

Impact of IPR Protection on Consumer Trust

The beauty business is special in that buying decisions mostly rely on customer confidence. By guaranteeing real goods, IPR protection helps to foster this confidence. In economies like India, where fake products abound, the presence of trademarks and patents gives consumers a sense of comfort they are buying real, useful things.

When consumers buy a branded cosmetic product, for instance, they expect a particular degree of quality and potency. By keeping knockoff goods off the market, IPR protection guarantees that these standards are satisfied. This closely ties with consumer loyalty since people are more likely to buy again from companies they trust.

Innovation and Sustainability in Cosmetics

One area of great innovation in the cosmetic sector is sustainability. Companies are concentrating more on environmentally friendly products, recyclable packaging, and cruelty-free testing techniques as knowledge of environmental problems grows. Strong IPR protection is therefore essential for these developments so that businesses may profit from their environmental initiatives.²¹

For example, patentable improvements in biodegradable packaging help to stop illegal replication. Likewise, trade secrets and patents help to guard formulas created from sustainably derived ingredients. In the Indian setting, where environmental issues are taking the stage, such inventions are absolutely essential.

The Role of IPR in International Expansion

Protection of intellectual property becomes even more crucial when Indian cosmetic enterprises grow internationally. Lotus Herbals and Biotique, for example, have worked to reach other

²⁰Roll, Martin. *Aspiring Asian Brand Cases*. In *Asian Brand Strategy (Revised and Updated): Building and Sustaining Strong Global Brands in Asia*, 183-221. Palgrave Macmillan UK, 2015

²¹Pereira de Carvalho, André, and José Carlos Barbieri. "Innovation and sustainability in the supply chain of a cosmetics company: a case study." *Journal of technology management & innovation* 7.2 (2012): 144-156.

countries, and maintaining their brands in foreign nations depends on having a strong IPR plan. Global development sometimes entails negotiating challenging IPR systems since different nations have varied needs and policies of enforcement.²²

Indian businesses wishing to grow in areas like the European Union or the United States must make sure their intellectual property rights are correctly safeguarded by international agreements including the Madrid Protocol for trademarks and the Patent Cooperation Treaty (PCT). These international treaties simplify corporate search for intellectual property protection across several countries.

Evolving Market Trends and the Role of IPR

Particularly with the advent of internet platforms and a move towards wellness-oriented beauty products, the Indian cosmetic business has been seeing notable change. Natural ingredients, sustainability, and cruelty-free choices are rising in importance to consumers. The cosmetic business will find it difficult to create new formulas while this trend lasts, usually needing significant R&D expenses. Patents, trademarks, and design rights must all shield these breakthroughs from illegal use and imitation.

Ensuring that these developments are protected and that businesses may profit from their expenditures in research and development depend on IPR. For instance, the rise of organic cosmetics has driven businesses to create fresh formulas using natural components. Should intellectual property rules not shield these inventions, rivals may readily copy them, creating unfair competition and market saturation.²³

Online beauty firms are likewise giving digital content protection top priority as e-commerce sites take front stage as the main sales channel. This covers copyrights for product photographs, trademarks reflecting their online brand presence, and patents for their secret formulae. Key actors in this field are also beauty influencers, whose cooperation with cosmetic companies calls for

²²Doanh, Nguyen Khanh, Nguyen Thi Gam, and Yoon Heo. *The Impact of Intellectual Property Rights Protection on Trade: The Role of a "Third Country" in Market Power and Market Expansion Effects*. 46.1 Economic Systems (2022)

²³Fonseca-Santos, Bruno, Marcos Antonio Corrêa, and MarlusChorilli. *Sustainability, Natural and Organic Cosmetics: Consumer, Products, Efficacy, Toxicological and Regulatory Considerations*. 51.1 Brazilian Journal of Pharmaceutical Sciences (2015)

explicit agreements safeguarding the intellectual property connected with social media material and promotions.²⁴

Moreover, one must overlook how globalisation influences Indian cosmetics. Indian cosmetic companies encounter varying IPR criteria and regimes as they enter other countries. Complying with international IPR standards is mandated by the TRIPS agreement, Trade-Related Aspects of Intellectual Property Rights. To safeguard their trademarks, designs, and patents across several countries, Indian businesses must thus become conversant with the worldwide scene of IPR protection.

The Growing Importance of Consumer Data and Its Relationship with IPR

Consumer data has evolved into a new battleground for intellectual property issues as the beauty sector welcomes technology. Data analytics is increasingly used by many cosmetic companies to grasp consumer preferences and project trends in the beauty industry. Products can be customised using this information; future sales can be forecast; marketing plans can be improved.²⁵ One wonders—who controls this data? Regarding Indian cosmetic companies, who owns the information gathered from consumer contacts, buying behaviour, and product comments? Usually a competitive advantage, this material should be kept under protection as a trade secret or proprietary information source. The present Indian Data Protection Law, however, does not offer unambiguous rules on customer data ownership and protection.

Indian cosmetic companies have to make sure their intellectual property strategies change to fit this new kind of intangible asset as worldwide rivals are often aware of similar consumer data. To guarantee data integrity and ownership, brands can, for example, investigate blockchain solutions or data encryption technologies. Furthermore, cosmetic companies should think about patenting techniques applied for consumer data analysis and interpretation, therefore safeguarding their market edge.

²⁴Leung, Polly PL, et al. *Enhancing Online-to-Offline Specific Customer Loyalty in the Beauty Industry*. 13.3 Enterprise Information Systems (2019)

²⁵Borg, Erik A. *Knowledge, Information and Intellectual Property: Implications for Marketing Relationships*. 21.8 Technovation (2001)

The Impact of International Treaties on IPR Protection in India

Participating in the World Trade Organisation (WTO), India is obliged by the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement. This accord requires that every WTO member—including India—align their own intellectual property rules with global norms. For the cosmetic sector, this has meant tougher fines for IPR infringement and more protection for trademarks, patents, and designs.²⁶

The TRIPS Agreement seeks to balance consumer interests with innovative ones. It guarantees strong protection, which fosters creativity; it also guarantees that the general population may continue to afford access to necessary goods like cosmetics. This has resulted in more attention on generic versions of foreign cosmetic products in India since laws guaranteeing respect of patents on key formulations and ingredients help to focus this area.²⁷

India also member to the Paris Convention for the Protection of Industrial Property, therefore streamlining the trademark registration process across several nations. Under this convention, Indian businesses can register trademarks in other signatory nations, so safeguarding their intellectual property worldwide.

Although these international accords have surely improved India's IPR system, the nation still struggles with IPR enforcement particularly in rural areas where fake cosmetics are somewhat common. Given these difficulties, India must make investments in bettering its IPR enforcement systems if it is to fully reap the advantages of foreign collaboration.

CONCLUSION

Driven by innovation in formulations, product designs, and marketing techniques, the Indian cosmetic sector is finally set for major expansion. But without enough protection of intellectual property, this expansion cannot be maintained. Although India's IPR system offers a basic legal

²⁶Kumar, Rajender, Sunil Kumar Yadav, and Saurabh Verma. *Intellectual Property Rights Protection and Foreign Direct Investment: A Study of BRICS Countries*. 14.6 World Review of Entrepreneurship, Management and Sustainable Development (2018)

²⁷Shokeen, Tripty, and Pravin Kumar Bhoyar. *Effects of Country of Origin on Imported Cosmetics and Skincare Products in India*. 25 Cardiometry (2022).

framework for design protection, trademarking, and patenting, there are various areas where it may be strengthened to more suit the cosmetic industry's needs.

From weak IPR law enforcement to counterfeiting, cosmetic industries in India face formidable difficulties ranging from Still, there plenty of room for development. By means of more effective legal procedures, improved enforcement policies, and more awareness campaigns for SMEs, the Indian cosmetic sector can be better positioned to safeguard its inventions and propel next development.

Businesses that value proactive IPR management include Nykaa and Forest Essentials. Along with securing their market place, their efforts to guard their trademarks, product designs, and formulae have built customer confidence. On the other hand, the difficulties of businesses like Patanjali Ayurveda highlight the need of early-stage intellectual property protection in stopping market dilution by imitation.

At last, it is abundantly evident that IPR is not only a legal instrument but also a fundamental component of the cosmetic industry's corporate plan. Companies in India have to use IPR to guarantee they can compete successfully in both home and foreign markets as worldwide competitiveness gets more intense.

SUGGESTIONS

Implementation of Fast-Track IP Courts:

The Indian judicial system faces significant delays in resolving IPR disputes. To expedite this process, specialized IP Courts could be established in major metropolitan cities. These courts would be tasked with handling IP-related cases promptly, allowing companies to enforce their rights more effectively and avoid long delays.²⁸

Government-Supported IP Awareness Campaigns:

The Indian government, along with industry bodies, should invest in campaigns to raise awareness about the importance of IPR, especially targeting startups and SMEs. These campaigns should educate businesses about the process of patenting, trademarking, and registering designs. The

²⁸ Upadhyay, Nihshank. *Fast Track Courts and the Right to a Fair Trial Under Article 21*. 4 Indian Journal of Law & Legal Research, Issue 3 (2022)

Startup India initiative could include dedicated IP support services, including subsidies for the costs of patent applications and consultations.

Collaboration with E-Commerce Platforms:

As online sales continue to grow, e-commerce platforms must collaborate with brands to enforce IPR protection. Platforms like Amazon and Flipkart should take more responsibility in proactively identifying counterfeit products. This can be achieved through better monitoring of product listings, easier reporting channels for IP violations, and faster removal of infringing products.²⁹

Strengthening Trade Secret Protection:

While trade secrets are a vital aspect of the cosmetic industry, India lacks comprehensive legal protection for them. The introduction of a Trade Secrets Protection Act would allow companies to safeguard proprietary formulations and manufacturing processes more effectively. This could be supplemented by increased penalties for corporate espionage and unauthorized disclosure of trade secrets.

IPR Integration with Corporate Strategy:

Cosmetic companies should integrate IPR management with their broader business strategies³⁰. This means involving legal teams from the earliest stages of product development, ensuring that innovations are protected before they are introduced to the market. Moreover, companies should consider licensing their IP to other businesses or markets, which could be an additional revenue stream.

²⁹ Lakshmi, P., et al. *Research on Collaborative Innovation of E-Commerce Business Model for Commercial Transactions*. 32.3 Turkish Journal of Physiotherapy and Rehabilitation (2020)

³⁰ Tanaka, Yoshitoshi. *How Can We Integrate IP Strategy with Corporate Strategy? Combining IP Strategy with Management Strategy Making Process*. 6.1–2 International Journal of Intellectual Property Management (2013)