

UNDERSTANDING NON-DISCLOSURE AGREEMENTS

The first step to protecting information is understanding its importance.



What is an
NDA?



Why is it
important?



Where is it
used?



As a young lawyer, mastering NDAs is essential—because every great deal begins with trust and confidentiality.



WHY ARE NDAs IMPORTANT?

An NDA is more than just a legal document—it is the foundation of trust and confidentiality in every professional relationship.



Protects **trade secrets** and confidential business information.



Prevents **unauthorized disclosure** by employees, consultants, vendors, and investors.



Builds **trust** during commercial negotiations.



Preserves **competitive advantage** and business value.



Provides **legal remedies** if confidentiality is breached.



Every commercial relationship starts with trust—
and an NDA makes that trust legally enforceable.



KEY CLAUSES EVERY NDA MUST INCLUDE

A well-drafted NDA covers all essential aspects of confidentiality and obligations.



Definition of Confidential Information

Clearly define what information is considered confidential.



Obligations of Receiving Party

Specify how the information must be used and protected.



Permitted Disclosures

List the circumstances where disclosure is allowed (e.g., law, regulatory bodies).



Duration of Confidentiality

Define how long the confidentiality obligations will survive.



Return / Destruction of Information

Ensure the return or secure destruction of confidential materials when needed.



Governing Law & Jurisdiction

Specify the governing law and courts for dispute resolution.



Missing even one critical clause can significantly **weaken the agreement**.



TYPES OF NON-DISCLOSURE AGREEMENTS

NDAs are not one-size-fits-all.
The right type depends on who is sharing confidential information.

01

ONE-WAY NDA

Confidential information is disclosed by one party to another.



EXAMPLES

-  Employer → Employee
-  Startup → Consultant
-  Company → Vendor
-  Lawyer → Client (in specific situations)

02

MUTUAL NDA

Both parties exchange confidential information with each other.



EXAMPLES

-  Joint Ventures
-  Business Collaborations
-  Technology Partnerships
-  Mergers & Acquisitions (during due diligence)

03

MULTILATERAL NDA

Three or more parties exchange confidential information.



EXAMPLES

-  Consortium Projects
-  Multi-party Transactions
-  Investment Deals
-  Research & Development Collaborations



Choosing the right type of NDA depends on **who is sharing confidential information.**



WHAT INFORMATION CAN BE PROTECTED?

NDA's protect confidential information that gives your business a competitive edge.



TYPES OF INFORMATION THAT CAN BE PROTECTED



Financial
Data



Source
Code



Business
Strategy



Customer
Lists



Manufacturing
Processes



Research &
Development



Business
Plans



Legal
Opinions



USUALLY NOT PROTECTED



Information that is publicly available or in the public domain.



Information that was already known to the receiving party before disclosure.



Information independently developed without using the confidential information.



Information required to be disclosed by law or valid court order.



The clearer the definition of confidential information,
the **easier it is to enforce the NDA.**



COMMON DRAFTING MISTAKES YOUNG LAWYERS SHOULD AVOID

"Most NDA disputes begin with poor drafting—not poor intentions."



❌ COMMON MISTAKES



Vague definition of confidential information

Unclear definitions create loopholes and weaken protection.



No confidentiality period

Without a defined duration, obligations become uncertain and unenforceable.



Missing return/destruction clause

Allows the receiving party to retain information after the purpose is over.



No dispute resolution mechanism

Makes enforcement difficult and increases time and costs.



Copy-pasting outdated templates

Generic NDAs may not suit the transaction or jurisdiction.



Ignoring governing law & jurisdiction

Can lead to jurisdictional challenges and unenforceability.



✅ DRAFT SMART



Define information precisely

Clearly specify what is confidential and what is not.



Include practical timelines

Set a reasonable confidentiality period based on business needs.



Add return/destruction obligations

Ensure information is returned or destroyed promptly and securely.



Specify dispute resolution

Include governing law, jurisdiction and resolution mechanism.



Tailor the NDA to the transaction

Customize terms to suit the nature of the relationship and risk involved.



Choose appropriate governing law

Select a jurisdiction where the agreement will be enforceable.



A well-drafted NDA protects more than information—
it protects **business relationships, innovation, and commercial value.**



BONUS

SPECIAL INVITATION

WANT TO MASTER NDA DRAFTING & SEE IT WORK IN REAL LIFE?

Theory is important.
But real drafting skills come with practical
understanding and expert guidance.



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