

BCA DS 5 Semester

Intellectual Property Right

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UNIT- 3

TOPICS

- Procedure of Obtaining of Patents
- Concepts of a Patent Application
- Specification: Provisional, Complete, Disclosure Aspects,
- Claims: Principal, Dependant, Omnibus,
- Examination of Application, Opposition of Application,
- Sealing of Patents
- Working of Patents: Compulsory License: Commercialization of Inventions: License Terms of License Agreement, Assignments of Patents, Revocation of Patents.

Topic - Procedure of obtaining patent in India

What is a Patent?

A patent is a legal document that gives individuals or businesses the right to safeguard their inventions, preventing unauthorized import, production, or sale of their product. Inventors frequently opt to patent their creations to protect their innovative ideas from exploitation.

What is Patent Registration?

Patent Registration is a legal procedure that provides inventors with exclusive ownership and usage rights for their product, service, or technology. This means the inventor has a monopoly over their creation for as long as the patent is valid. Inventors and businesses must safeguard

their innovative ideas and stop others from using, selling, or making their inventions without permission.

What Can Be Patented in India?

In India, various types of inventions are eligible for patent protection. These include:

- **Products:** This category covers new and inventive physical items, such as machines, devices, chemicals, pharmaceuticals, and manufactured goods.
- **Processes or Methods:** Innovative methods or processes that offer a novel way of accomplishing a specific task or producing a product can be patented. This may involve manufacturing processes, industrial methods, or new field techniques.
- **Machines:** Any new and useful machines or mechanical inventions, including those with innovative mechanisms or components, can be patented.
- **Manufactured Articles:** Items created through a novel process or having unique features can be patented as manufactured articles.
- **Chemical Compounds:** New and inventive chemical compounds, including pharmaceuticals, can be patented.
- **Biotechnological Inventions:** Innovations in biotechnology, such as genetic engineering, gene sequencing, and new biotechnological processes, are eligible for patent protection.
- **Software and Computer-Implemented Inventions:** In some instances, software and computer-related inventions can be patented, provided they demonstrate novelty and an inventive step.

What Cannot Be Patented?

The Patent Act of 1970 specifies specific exclusions from patentability. Here's what cannot be patented:

- Inventions that violate natural laws.
- Inventions harmful to humans, animals, plant life, or the environment.
- Discoveries of scientific principles or abstract theories.
- Discoveries of naturally occurring living or non-living substances.

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- Inventions that are merely a known process or machine unless they result in a new product.
 - Simple mixtures that combine the properties of their components.
 - Basic arrangements or rearrangements of common devices.
 - Inventions excluded by the Patents (Amendment) Act, 2002.
 - Methods for agriculture or horticulture.
 - Processes related to medicinal, surgical, curative, diagnostic, therapeutic, or human/animal disease prevention.
 - Inventions concerning plants, animals (including seeds, varieties, species), except microorganisms.
 - Computer programs or mathematical methods.
 - Creations related to literary, dramatic, musical, or artistic works, including films and television productions.
 - Simple game-playing methods.
 - Mere information presentation.
 - Topography of integrated circuits.
 - Inventions aggregating or duplicating known properties of components traditionally known.
 - Inventions related to atomic energy (not patentable).

Importance of Patent Registration

Patent Registration holds significant importance for various reasons:

- **Legal Protection:** It provides legal protection for the patent holder. In patent infringement, the patent holder has the right to take legal action and seek damages. Without registration, legal protection cannot be enforced.
- **Transferable Rights:** Patent registration allows the patent holder to sell or transfer the patent, generating revenue.
- **20-Year Validity:** Once registered, a patent is legally protected for 20 years.
- **Competitive Advantage:** It offers a competitive edge to businesses, preventing competitors from using the patented invention for similar products.
- **Asset Creation:** A patent is an intellectual property right and an exclusive asset for a business. It can be sold, transferred, or used for commercial agreements.

Validity Period of a Registered Patent in India

A registered patent in India is valid for 20 years from when the provisional or complete patent registration application is filed. Once this 20-year term is completed, the patent falls into the public domain.

Documents Required

- Application for Patent Registration in Form-1.
- Complete specifications in Form-2. If these are not available, a provisional specification can be used.
- Statement and Undertaking in Form-3.
- A declaration from the inventor regarding inventorship in Form-5.
- Proof from the inventor demonstrating the right to file a Patent Registration application.
- If a patent application is filed by a patent agent or attorney, a power of authority in Form-26 is required.
- For convention applications (under the Paris Convention) or PCT (Patent Cooperation Treaty) national phase applications, submitting priority documents either with the initial application or within 18 months from the priority date is essential.
- If the application relates to biological material obtained from India, permission from the National Biodiversity Authority is necessary.

Process for Patent Registration in India

The patent registration process involves several stages, starting with Patent Search and ending with issuing a Patent Registration Certificate. Here's a detailed explanation of the Patent Registration process in India:

Step 1: Indian Patent Search

The first step in the Patent Filing process in India is conducting a worldwide search to determine the uniqueness of your invention. It's generally recommended to perform patent searches before applying for a patent. If your invention is found in prior art or closely resembles existing inventions, the novelty of your invention could be challenged by the Indian

Patent Office. Therefore, conducting prior patent searches is crucial to assess the likelihood of your patent being approved.

Step 2: Drafting Patent Specification

After conducting comprehensive global searches, you need to draft a patent specification. This specification is written in technical and legal language and may or may not include the inventor's claims. If it doesn't include claims, it's a provisional specification; if it does, it's considered a complete specification. The specification delineates the scope of the invention, providing an in-depth description of the invention along with practical examples and the optimal method for utilizing it. Legal protection for the patent is conferred when the specification is crafted with the inventor's claims and is comprehensive. Legal protection for the patent is granted when the specification is drafted with the inventor's claims and is complete.

Step 3: Patent Application Filing

Following the drafting of the Patent Specification, you can initiate the process of filing a Patent Application in India. As mentioned earlier, patent applications can be provisional or complete, depending on the specifications drafted. The provisional or complete specification is filed in Form 2, while the Patent Application form is filed in Form 1, as per the Indian Patent Act. If a provisional patent specification is filed, a complete specification with the inventor's claims must be filed within 12 months of the initial filing. There are six types of Patent Application forms, each serving different purposes, depending on the applicant's needs.

Step 4: Patent Publication for Public Opposition

After the patent application process, the patent is published in an official journal and available for public viewing and inspection. This allows the general public to raise objections to the patent on valid grounds.

Step 5: Requesting Patent Examination

Examination of the patent application occurs only when a request for examination has been filed. This request must be submitted within 48 months of the patent filing date or the priority date. The patent examiner reviews the application and issues an examination report containing

objections raised by the examiner. Responding to the examination report must be filed within 12 months of issuance. The examiner can call the applicant or agent for a show-cause hearing to resolve objections if necessary. This phase is also known as patent prosecution.

Step 6: Grant of a Patent

After all objections in the examination report have been addressed and the examiner is satisfied with the applicant's response, the patent application is prepared for the grant of a Patent Registration. This marks the end of the patent registration process. However, if the examiner is not satisfied with the response and arguments from the applicant, they can reject the patent application. In such a case, the applicant must repeat the entire patent procedure in India to seek patent protection again.

Patent Renewal and How to Apply for It?

To maintain the validity of a patent, it must be renewed annually. Failure to renew a patent results in its expiration and becomes part of the public domain. In India, patent renewal can be done by the patentee for one year by submitting a renewal application with the required fees.

The patent renewal fee becomes due at the end of the 2nd year from the date of patent registration. The patent retains its effect if the renewal fees are paid within the specified time. To reinstate a patent after it has lapsed, one can file a restoration application using the prescribed Form-15 within 18 months from the date the patent lost its effect.

TOPIC -Provisional & Complete Patent application in India

A provisional patent application in India is a preliminary filing with the Indian Patent Office (IPO) to determine an early filing date for your invention. It provides a rights for 12 months, allowing you to develop your idea further while securing priority rights. Unlike a complete application, it requires a less detailed description, making it a cost-effective way to get time and assess the commercial potential of your invention before investing in full patent protection.

Benefits of Provisional Patent Application

The following benefits you can get as a result of obtaining a provisional patent for your invention,

- **Establish Priority Date:** The most significant advantage of a provisional application is securing the priority date of your invention. This date becomes crucial if someone else files a patent application for a similar invention later. Priority rights are obtained based on the earliest filing date, ensuring your claim.
- **Having Time for Development:** A provisional application provides a 12-month to develop, test, and refine your invention. This valuable time allows you to gather market research and assess commercial viability and strategies for a complete patent application with a more comprehensive description and claims.
- **Cost-Effective Option:** Compared to a complete patent application, filing a provisional application is significantly cheaper. This cost-effectiveness is especially helpful for startups and individual inventors with limited resources.
- **Attract Investors and Collaborators:** A provisional patent application demonstrates your commitment to protecting your invention and can be a valuable asset when seeking funding or attracting potential collaborators.

Difference between Provisional Patent and Complete Patent Application

Feature	Provisional Patent Application	Complete Patent Application
Purpose	Establish priority date, secure temporary protection (12 months)	Full patent grant, detailed description and claims for protection

Examination	Not examined	Examined by the Indian Patent Office (IPO)
Content	Simpler descriptions, drawings and claims optional	Comprehensive description, drawings, and well-defined claims are required
Cost	Lower filing fees	Higher filing fees due to complexity
Deadlines	No deadline for filing a complete application on its own	Must be filed within 12 months of the provisional application filing date
Duration of Protection	It provides protection for 12 months	Grants exclusive rights to the invention for 20 years from the date of filing the application
Confidentiality	Not published, remains confidential	Published by the IPO, invention details become public
Disclosure Level	Less detailed, allows for further development	Detailed disclosure required for patentability assessment

Market Research	Useful for securing funding or conducting market research without full disclosure	Limited use for market research due to public disclosure
Legal Support	May not require legal assistance	Often recommended to have legal support for a complete application due to the complexity.

Eligibility Requirements for Provisional Patent

Some eligibility is required to file a provisional patent application. This includes inventiveness, novelty, description, etc. Here are the key eligibility requirements to obtain a provisional patent.

- **Novelty:** The invention must be entirely new and not publicly known before the filing date of the provisional application. This includes any disclosures through publications, presentations, sales, or public use.
- **Utility:** The invention must possess a practical application and be useful. Abstract ideas or purely scientific principles generally do not qualify.
- **Description:** The provisional application description should be sufficient for someone skilled in the relevant field to understand how to build and use the invention. This includes details on the invention's components, functionality, and assembly.
- **Inventiveness:** The invention cannot be an obvious advancement from existing knowledge within the same field. It should represent a significant inventive step beyond what would be expected by a skilled person.

What can be included in the Provisional Patent?

While a complete patent application requires a detailed description, claims, drawings, and other technical information, a provisional application allows for more flexibility. Here's what you can typically include:

- **Title of the Invention:** Clearly and concisely describe your invention.
- **Technical Field:** Specify the technological domain to which your invention belongs.
- **Background:** Briefly explain the existing problems or limitations addressed by your invention.
- **General Description:** Provide a broad overview of your invention, including its purpose, functionality, and main components. Drawings or sketches can be helpful for visual representation (optional).

What cannot be included in the Provisional Patent?

- **Detailed Description:** In contrast to a complete application, a provisional application does not require a highly detailed technical description. Focus on the core concept rather than intricate specifics.
- **Claims:** Claims, which define the legal scope of your invention's protection are not mandatory for a provisional application.
- **Formal Drawings:** Detailed technical drawings are not required at this stage.

Documents Required to File a Provisional Patent

To file a provisional patent, you must submit several documents. These documents form the basis of the patent grant process and determine the invention's scope and use. Here are the documents required to apply for a patent with provisional specification,

- **Form 1:** Application for Grant of Patent
- **Form 2:** Provisional Specification
- **Form 5:** Declaration of Inventorship
- **Form 26:** Power of Attorney for Patent Attorney/Agent (optional)

How to file a Provisional Patent Application in India?

Follow these steps to apply for a provisional patent and secure intellectual property rights,

Step 1 – Conducting Preliminary Research

Conduct thorough research to ensure your invention is novel and inventive before starting the application process. This involves reviewing registered and published patents, literature, and databases to assess novelty and patentability. This practice of research helps increase the chance of your application being approved.

Step 2 – Drafting the Patent Description and Specification

Draft a detailed description of your invention with all its unique features, functionalities, and aspects. Include drawings and diagrams to illustrate the structure and operation of your invention. Outline the technical details of your invention in your provisional specification document. Provide a clear description of your invention's novelty, inventiveness, and utility.

Step 3 – Submission of Provisional Patent Forms

Complete the required application forms, Form 1 for patent application and Form 2 for provisional specification. Ensure that you provide accurate information and attach all the necessary documents. File the required provisional patent application forms with the appropriate patent office. Pay the filing fees and any associated fees to complete the application process.

Topic-Claims: Principal, Dependant, Omnibus,

What is a Patent Claim?

A patent claim is indisputably the most important part of a patent specification. It defines the boundary of the patent. To break it down, a claim accurately describes what the invention claims and what is sought to be protected. It lays down what the patent does and does not cover.

Simply put, the extent of protection conferred by a patent is defined by the claims. Notably, a claim is usually expressed as a statement of technical facts expressed in legal terms, outlining the scope of the invention sought to be protected.

Parts of a patent claim

A patent claim comprises three essential parts: the preamble, transitional phrases, and body of the claim.

The preamble

This part states the category of the invention for the patent seeks protection. The inventor should ensure to keep the preamble consistent with the invention title. For example, if the applicant applies to patent a device, his preamble would start with 'A device for...'. Similarly, if he is applying for a composition of a drug, then his preamble would be 'A composition for....'

Transitional phrases

They are usually open-ended phrases that bring out an understanding that the claim is limited only to the listed elements or includes other processes with additional features. The word 'comprising' is a common open-ended phrase that portrays a broad claim and will cover elements not given in the claim. Some inventors prefer close-ended phrases such as 'consisting of,' which signifies a more specific and narrower claim. The close-ended phrase will cover only the elements listed in the claim.

The claim body

This part of the claim includes all limitations and elements of the claim and explains the relationship between them.

Punctuations in the claim

Generally, we separate the preamble from the transitional phrase with a comma. We always use a colon to separate the transitional phrase and the body. Furthermore, we divide the elements from each other with a semi-colon.

Antecedents in the patent claim

We must use the appropriate antecedents while [drafting a patent](#) claim. We use indefinite articles such as 'a' or 'an' when introducing an element. Meanwhile, we use the definite article 'the' while we refer to the element in subsequent places.

Types of patent claims

There are different types of patent claims based on the drafting, types of inventions, the field of inventions, and the structure of the claim.

Claims on a drafting basis

1. Independent claims

They are also known as principal claims that give a clear definition of the novel feature, product, or device. Moreover, one should characterize the invention concerning the prior art and define all technicalities of the invention in an independent claim. One can also draft multiple independent claims.

Independent claims are 'stand-alone' claims that do not bear reference to any other claim. It contains a preamble and all the elements necessary to define the invention..

Independent claims may be of three types:

1. A claim for a thing;
2. A claim for a method of making a thing;

3. A claim for a method of using a thing.

2. Dependent claims

These claims have a relatively narrow scope than independent claims. Dependent claims, as the name suggests, will depend on a single or several other claims. Usually, the claims following independent claims are categorized as dependent claims.

Dependent Claims always refer to an earlier claim or independent claim and limit their scope. Dependent claims are, therefore, relatively narrow as they limit the scope of a previous claim. Further, dependent claims refine the scope of protection sought for an invention. Sometimes, it may contain known features and even the minute aspects and optional features of the invention.

3. Omnibus claims

The drawings or descriptions of a claim are called omnibus claims. We can use omnibus only if we have already mentioned the invention statement in the specification. However, only some patent offices accept omnibus claims.

Topic - Examination of Application

According to Section 11B of the Act, the applicant or any other person interested shall make a request for examination of the application in the prescribed manner within the prescribed time period. If no such request is made, then the application shall be treated as withdrawn by the applicant. After the request is made, the Controller by virtue of Section 12 refers the application to an examiner to make a report. The examiner shall investigate, for the purpose of the application the following:

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- Whether the claim of complete specification has been anticipated by any publication published before the filing of the complete specification by the applicant and dated on or after 1st January 1912;
 - Whether the claim claimed by the applicant is the claim of any other complete specification published on or after the date of application made by the applicant and the priority date of which is or is claimed to be earlier than the date of the application made by the applicant;
 - Whether the invention so claimed has been ascertained by a publication or any other document before filing of the applicant's complete specification.

If the Controller has objections regarding the application made by the applicant, he shall communicate the same to the applicant. On being satisfied that the application or any other document does not comply with the provisions of the Act, the Controller may refuse the application or require it to be amended to his satisfaction before proceeding further. As per Section 17, after amendment, if the Controller directs, the application or the specification or any document shall be deemed to be made on the date it was so amended or on the date it was refiled after being returned to the applicant.

According to Section 18, if the claim of complete specification as filed by the applicant has been claimed in any other complete specification, then the Controller may refuse the application unless:

- The applicant shows that the priority date is not later than the date on which the other document was published;
- If the applicant amends the application up to the satisfaction of the Controller;
- If the applicant's claim of complete specification is claimed in any other complete specification, on the discretion of the Controller, a reference to the other complete specification may be inserted in the applicant's complete specification by way of notice to the public.

According to Section 19, if the Controller considers that there is a risk of potential risk of an infringement of claim of any other patent, then he may also direct to insert a reference of that patent in the applicant's complete specification by a notice to the public. Such reference may not be required to be inserted if:

- The applicant establishes reasonable grounds to contest the claims of the other patent;
- The applicant amends the complete specification up to the satisfaction of the Controller.

The Controller may remove the reference to the other patent, if inserted, in the following cases:

- If the other patent is revoked or ceases to be in force;
- The relevant claim is deleted from the complete specification of the other patent;
- If the Controller is convinced that the claim of the other patent is invalid or is not infringed by the working of the applicant's invention.

According to Section 21 of the Act, the applicant has to comply with all the requirements as imposed by the Controller in relation to the application, complete specification or any other documents within the period specified by the Controller, failure of which would result in the abandonment of the application.

Topic - Opposition proceedings in India

The Indian Patent Act, 1970 provides a mechanism that allows the public to raise objections against the grant of a patent by filing an opposition with the Patent office. There are 2 types of opposition proceedings in place depending on the stage of grant of the patent:

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1. **Pre-grant opposition:** Where the opponent can challenge a pending application prior to the grant of a patent.
 2. **Post-grant opposition:** Where the opponent challenges the validity of a patent that has already been granted.

Before 2005, only the 'pre' grant opposition system prevailed and there was no way of challenging a patent once it had been granted. However, the Indian patent system underwent a significant transformation on 1st January 2005 in pursuance of the TRIPS agreement (Trade-Related Aspects of Intellectual Property Rights). In order to comply with the International agreement, India amended its Patent Act and a post-grant opposition system was introduced in Section 25 of the Act.

Pre-grant opposition in India

Section 25(1) of the Indian Patent Act, 1970 along with Rule 55 of Patents Rules, 2003 lays down the law relating to pre-grant opposition in India. The opposition can be filed by any person in writing, any time after the publication of the patent application and before it is granted. It is necessary to obtain the complete specification from the official website as opposition cannot be made solely based on the abstract. The purpose of this mechanism is to act as a defensive shield that verifies the validity of the application before the actual grant of patent rights. The opposition is known as making a "representation."

Grounds for pre-grant opposition

Section 25(1) clauses (a) to (k) of the Patent Act lays down an exhaustive list of the grounds based on which the patent application can be opposed. These grounds are:

1. **Wrongful obtainment:** The invention or any part thereof was wrongfully obtained from the opponent.

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2. **Prior publication:** The invention was published before the priority date (earliest filing date which discloses the invention). This objection is subject to Section 29 of the Act, which talks about situations where the publication does not constitute an anticipation of the product or process.
 3. **Prior claim:** The invention was previously claimed in another Indian patent application, which was published on or after the priority date of the applicant's claim but whose priority date is earlier than that of the applicant.
 4. **Prior knowledge or use:** The invention is known or used by the public before the priority date. In the case of a process that is being patented, it is deemed to have been publicly known or used if a product made by that process was imported in India, before the first date of filing of the application.
 5. **Obviousness:** The invention is obvious and does not involve any inventive step. This means that no advancements have been to the existing use or literature on the subject.
 6. **Non-patentable subject matter:** The subject of the application is not considered to be an invention under the Patent Act or falls in the category of "non-patentable inventions".
 7. **Insufficient description:** The patent specification does not properly explain the invention or the method of performing it.
 8. **Non-disclosure:** The applicant has failed to disclose all the details which were required under Section 8 of the Act.
 9. **False disclosure:** The applicant has provided materially false information.
 10. **Time limit:** The conventional application was not filed within the specified period of 12 months from the date of the first patent application made in a conventional country.
 11. **Biological material:** The specification failed to disclose the origin or source of the biological material, if any, used in making the invention or has mentioned the incorrect source.
 12. **Traditional knowledge:** The invention was anticipated taking into consideration the knowledge possessed by indigenous communities anywhere in the world.

Procedure for pre-grant opposition

The procedure for filing the opposition is given in Rule 55 of the Patent Rules. The rule states that all representations for opposition must be made in accordance with Form 7A of the Act to the Controller General of Patents. The Indian legislature has intentionally made a provision that prohibits the grant of patents until a period of 6 months from the date of publication has gone by. This gives a sufficient window to third parties who wish to oppose the patent. If the examiner believes that the arguments put forth in the statement of opposition are without merit, he will reject the opposition by passing a speaking order. On the other hand, if the statement is found to have merit, the Examiner shall send a notice to the applicant. The applicant is then required to submit his own statement and evidence, if any, within a 3-month time frame from the date of the notice. The Controller considers the statements and issues a speaking order, which may:

- Grant the patent,
- Refuse the patent, and
- Require the amendment of the patent specification or other documents after which the patent can be granted.

Post-grant opposition in India

Once the patent has been granted, there is still a way for third parties to oppose the grant. This was done by way of a 'notice of opposition'. The notice has to be filed with the Controller of the appropriate patent office at any time within 12 months from the date on which the grant of the patent was published in the Indian Patent Journal.

Unlike pre-grant opposition, this type of opposition can only be filed by an "interested party". Section 2(1)(t) of the Patent Act, 1970 gives an inclusive definition of the term "person interested. " It includes an individual involved in or promoting research in the

field to which the patent pertains. It may also refer to an entity that has a manufacturing, trading, or financial interest in the patented goods.

Grounds for post-grant opposition

Under the Act, there is no difference in the grounds on which pre-grant and post-grant oppositions can be made. Section 25(2) specifies the same grounds which were listed in subsection 1 of the provision. Nevertheless, there are substantial differences in the procedures of both the oppositions, which will be discussed in the following sections.

Procedure for post-grant opposition

Rules 55A to 70 of Patent Rules, 2003 lay down the procedure for a post-grant opposition. The notice of opposition under Section 25(2) has to be filed with the Controller of the appropriate office in accordance with Form 7.

Constitution of the board

[Rule 56](#) provides that once the Controller receives the notice of opposition, he shall establish an 'Opposition Board' comprising 3 members. The duty of the board is to examine the notice filed, along with statements and evidence of both parties, and issue a report with reasons regarding each ground challenged by the opponent.

Hearing

[Rule 62](#) states that any party who wishes to be heard must send a notice and the prescribed fees to the Controller. After hearing both parties and taking into

consideration the recommendation made by the Opposition Board, the Controller shall decide the case.

Appeal

The Controller's decision of both pre and post-grant opposition can be appealed to the IPAB (Intellectual Property Appellate Board) with a period of 3 months from the date of order. However, if the Controller grants a patent after refusing a pre-grant opposition, an appeal can only be made to the High Court and not to IPAB.

. **Topic - Meaning of compulsory license**

Compulsory licensing is a concept that enables a third party to manufacture a patented product in certain exceptional circumstances. However, only people who have been granted the compulsory license by the controller, can do so. A compulsory license is granted by the controller upon an application made by a person seeking the license and upon satisfaction of certain conditions and reasons for the grant of the license.

Origin of compulsory licensing

Compulsory license can be understood as a license granted by the government or an authorized agency in an intellectual property, particularly copyright or patents, to a third party without the consent of the owner or creator for better utilization and affordability of such products. The history of compulsory license can be traced back to the Statute of Monopolies, 1624 in the United Kingdom, which prevented monopolies in patents. The concept further gained popularity during anti-patent movements in the country. These movements aimed at

reducing the impact of patents because of which people in need were not able to access and reap the benefits of patented products and inventions.

Types of license

License can further be divided into two categories:

- Voluntary license
- Compulsory license

Voluntary license

A voluntary license is a written permission or authority given by the patentee or owner of the patented invention to any other person to make, use, sell, etc., the patented product in such a manner and on terms and conditions provided in the license. This kind of license is given by the owner or patentee directly. There is no role of the controller or government in granting the license in any manner. Thus, it is known as a voluntary license.

Compulsory license

It is a license through which a third person is authorized by the government or controller to make, sell or use a patented product or patented process. In simple terms, compulsory licenses are authorisations given to a third-party by the government to make, use, or sell a particular product or use a particular process which has been patented without the need of the permission of the patent owner. The provisions regarding compulsory licenses are given in the Indian Patents Act, 1970 and in the TRIPS Agreement at the international level.

There are certain pre-requisite which need to be fulfilled if the government wants to grant a compulsory license in favor of someone. A compulsory license is granted by the Controller and is specifically dealt with under Chapter XVI, [Section 84–94](#) of the Patents Act, 1970.

Purpose of granting compulsory license

[Section 89](#) provides that the purpose of granting a compulsory license is:

- To get the patented invention to work commercially in the country without any undue delay to the fullest extent to be called as a reasonable practice.
- To prevent unfair prejudice with respect to the interests of any person who is working or developing an invention in India and is protected by a patent.

Grounds for compulsory license

Section 84 of the Act deals with compulsory licenses. According to the Section, any person interested can make an application to the Controller for the grant of a compulsory license after expiry of 3 years from the time when the patent was granted. Application for grant of compulsory license can be made on the following grounds:

- Requirements of the public are not satisfied with respect to patented inventions.

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- The patented invention is not available at affordable prices to the public.
 - The invention is not working in the country.

Any person can make an application under this Section, irrespective of the fact that he is a holder of a license and alleges the above-mentioned grounds in the application. The application will also contain a statement stating the nature of interest of applicants and other particulars as prescribed. If the controller is satisfied with the above-mentioned grounds, he/she may grant a license with the necessary terms. While considering the application, the controller must consider (Section 84(6)):

- Nature of invention, time elapsed since the sealing of patent, and measures taken by patentee or licensee to use the invention.
- Ability of the applicant to use an invention for the benefit of the public.
- Capacity to undertake risk if the application is granted.
- Efforts made by the applicant to obtain a license from the patentee and such efforts have been successful.

Section 84(7) provides that reasonable requirements of the public will not be considered as satisfied if:

- Due to the refusal to grant a license by patentee –
 - A trade or industry already existing or the establishment of new trade or industry in India is prejudiced.
 - There is not much demand for the patented product.

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- There is prejudice with respect to the establishment or development of commercial activities in the country.
 - There is no supply or development of the market for the export of patented products.
 - There is prejudice with respect to the use of patented products or processes, the manufacture, use, or sale of materials that are not protected, or the establishment of any trade or industry due to conditions imposed by the patentee on the grant of a licence.
 - The patentee imposed a condition to provide an exclusive grant back and to prevent challenges to the validity of the patent or licensing of coercive packaging.
 - The invention is not commercially used in India to an adequate extent or fullest extent, which can be considered as a reasonable practice.
 - The commercial use of patented invention is prevented or obstructed by importation of the patented product from any foreign country by:
 - Patentee or any person claiming under him.
 - Persons who are purchasing the product from the patentee directly or indirectly.
 - Any other person against whom no proceedings for infringement have been initiated by the patentee.

Procedure for the grant of compulsory license

[Section 87](#) of the Act provides the procedure for the grant of compulsory licenses. The license is granted by the controller under the Act. The section provides that when an application for compulsory licensing is made and the

controller is satisfied with the grounds, the applicant will be asked to serve a notice to the patentee or any other person interested in the patent. The application will then be published in the official journal.

In case of any objection, the patentee or any other interested person may give the notice of such opposition or objection to the controller within the time prescribed by the controller. The notice of opposition must contain the grounds of objection with respect to the application made by the applicant for grant of a compulsory license. The controller is under an obligation to notify the applicant about such opposition and is given an opportunity to be heard by both the parties i.e., the applicant and the opponent, before deciding the application.

Revocation of patents

[Section 85](#) of the Act deals with the revocation of patents by the controller due to non-working. Any person interested or the central government makes an application to the controller to revoke the patent, after the expiration of 2 years from the date when the first compulsory license was granted, on the following grounds:

- The patented invention is not worked on or used in the country.
- Requirements of the public are not satisfied with respect to the patented invention.
- It is not available to the public at a reasonable and affordable price.

The application must also contain other particulars as prescribed and the nature of interest of applicants if made by any person other than the Central Government. If the controller is satisfied with the above-mentioned grounds, he may grant the

order to revoke the patent. The section also provides that every application made in this regard must be decided within one year from the date when it is presented before the Controller.