

HANDBOOK ON INTELLECTUAL PROPERTY RIGHTS IN

INDIA



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PREFACE

Intellectual property rights (IPR) have become important in the face of changing trade environment which is characterized by global competition, high innovation risks, short product cycle, need for rapid changes in technology, high investments in research and development (R&D), production and marketing and need for highly skilled human resources. Regardless of what product an enterprise makes or what service it provides, it is likely that it is regularly using and creating a great deal of intellectual property. There is an emergent need for enterprises and professionals to systematically consider the steps required for protecting, managing and enforcing intellectual property rights, so as to get the best possible commercial results from its ownership. This book provides an insight into the laws related to intellectual property and the administration of these laws.

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1. INTRODUCTION

Intellectual property Right (IPR) is a term used for various legal entitlements which attach to certain types of information, ideas, or other intangibles in their expressed form. The holder of this legal entitlement is generally entitled to exercise various exclusive rights in relation to the subject matter of the Intellectual Property. The term intellectual property reflects the idea that this subject matter is the product of the mind or the intellect, and that Intellectual Property rights may be protected at law in the same way as any other form of property. Intellectual property laws vary from jurisdiction to jurisdiction, such that the acquisition, registration or enforcement of IP rights must be pursued or obtained separately in each territory of interest.

Intellectual property rights (IPR) can be defined as the rights given to people over the creation of their minds. They usually give the creator an exclusive right over the use of his/her creations for a certain period of time.

What is Intellectual Property?

Intellectual property is an intangible creation of the human mind, usually expressed or translated into a tangible form that is assigned certain rights of property. Examples of intellectual property include an author's copyright on a book or article, a distinctive logo design representing a soft drink company and its products, unique design elements of a web site, or a patent on the process to manufacture chewing gum.

What is Intellectual Property Rights?

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Intellectual property (IP) refers to creations of the mind: inventions, literary and artistic works, and symbols, names, images, and designs used in commerce.

Categories of Intellectual Property

One can broadly classify the various forms of IPRs into two categories:

- IPRs that stimulate inventive and creative activities (patents, utility models, industrial designs, copyright, plant breeders' rights and layout designs for integrated circuits) and
- IPRs that offer information to consumers (trademarks and geographical indications).

IPRs in both categories seek to address certain failures of private markets to provide for an efficient allocation of resources

IP is divided into two categories for ease of understanding:

1. Industrial Property

2. Copyright

Industrial property, which includes inventions (patents), trademarks, industrial designs, and geographic indications of source; and

Copyright, which includes literary and artistic works such as novels, poems and plays, films, musical works, artistic works such as drawings, paintings, photographs and sculptures, and architectural designs. Rights related to copyright include those of performing artists in their performances, producers of phonograms in their recordings, and those of broadcasters in their radio and television programs

Intellectual property shall include the right relating to:

- i. Literary, artistic and scientific works;
- ii. Performance of performing artists;
- iii. Inventions in all fields of human endeavour;
- iv. Scientific discoveries;
- v. Industrial designs;
- vi. Trademarks, service marks and etc;

vii. Protection against unfair competition.

What is a property?

Property designates those things that are commonly recognized as being the possessions of an individual or a group. A right of ownership is associated with property that establishes the good as being "one's own thing" in relation to other individuals or groups, assuring the owner the right to dispense with the property in a manner he or she deems fit, whether to use or not use, exclude others from using, or to transfer ownership.

Properties are of two types - tangible property and intangible property i.e. one that is physically present and the other which is not in any physical form. Building, land, house, cash, jewellery are few examples of tangible properties which can be seen and felt physically. On the other hand there is a kind of valuable property that cannot be felt physically as it does not have a physical form. Intellectual property is one of the forms of intangible property which commands a material value which can also be higher than the value of a tangible asset or property.

Rights protected under Intellectual Property

The different types of Intellectual Property Rights are:

- i. Patents
 - ii. Copyrights
 - iii. Trademarks
 - iv. Industrial designs
 - v. Protection of Integrated Circuits layout design
 - vi. Geographical indications of goods
 - vii. Biological diversity
 - viii. Plant varieties and farmers rights
 - ix. Undisclosed information
-
- a. Intellectual Property

1. Inventions
2. Trademarks
3. Industrial design
4. Geographical indications

b. Copyright

1. Writings
2. Paintings
3. Musical works
4. Dramatics works
5. Audiovisual works
6. Sound recordings
7. Photographic works
8. Broadcast
9. Sculpture
10. Drawings
11. Architectural works etc.

IPR as Instruments of Development

- a. Key drivers of economic performance in R&D based growth models
- b. Intellectual property policies do affect the extent and nature of investments undertaken by multinational enterprises. At the same time, relative to other factors determining foreign investment decisions, IPRs seem to be of relatively minor importance.

Duration of Intellectual Property Rights in a nutshell

- 1) Term of every patent will be 20 years from the date of filing of patent application, irrespective of whether it is filed with provisional or complete specification. Date of patent is the date on which the application for patent is filed.
- 2) Term of every trademark registration is 10 years from the date of making of the application which is deemed to be the date of registration.
- 3) Copyright generally lasts for a period of sixty years.
- 4) The registration of a geographical indication is valid for a period of 10 years.
- 5) The duration of registration of Chip Layout Design is for a period of 10 years counted from the date of filing an application for registration or from the date of first commercial exploitation anywhere in India or in any convention country or country specified by Government of India whichever is earlier.
- 6) The duration of protection of registered varieties is different for different crops namely 18 years for trees and vines, 15 years for other crops and extant varieties.

Global Intellectual Property Trends

- With over 3 million applications filed per year, trademark protection is the most sought after form of IP worldwide with growth rates of a similar magnitude as those for patents.
- In 2009, one quarter of all trademark applications were filed at the China Trademark Office. When combined with the shares held by India, the Republic of Korea and Japan, these four offices located in Asia accounted for 37 percent of total trademark applications. India showed the highest five-year growth (13.5%) from 2005 to 2009, whereas China had one of the highest annual growth rates (20.8%) from 2008 to 2009.
- In 2009, China accounted for 50 percent of total industrial design filing activity while growing by 12.3 percent from 2008 to 2009. India was in the 9th place.
- In 2009, 1,41,943 trademark applications were filed, 34,287 patent applications were filed and 6,092 Industrial designs applications were filed.

Intellectual Property Trends – India

- During 2009-10, 34,287 patent applications were filed, 6069 examined and 6168 patents granted. The number of applications filed by the Indian applicants was 7044. Out of the applications filed by the Indian applicants, Maharashtra accounted for the maximum number followed by Delhi, Tamil Nadu, Karnataka, Andhra Pradesh, West Bengal etc.
- During 2009-10, 6092 design applications were filed, 6266 examined and 6025 registered. The number of applications filed by the Indian applicants was 4267. The number of registered designs in force at the end of 2009-10 was 39008.
- During 2009-10, 1,41,943 trademark applications were filed, 25875 examined and 67,490 registered. The number of applications filed by the Indian applicants was 1,34,403. The total number of registered trademarks as of 31st March, 2010 is 8,22,825.
- During 2009-10, 40 Geographical indications applications were filed and 14 were registered. A total of 120 Geographical Indications have been registered till 31st March, 2010.
- During 2009-10, 142 applications were received for access of bio-resources for research/commercial use, transfer of research results, intellectual property rights and third party transfer. Totally, 13 agreements have been signed. So far, 11 patents have been granted on the applications cleared by NBA. The NBA has also received a royalty amount of Rs.37.89 lakhs from the applicants who have exported bio-resources.
- In 2010-11, a total of 642 applications representing 28 crops were received by the Authority for seeking plant variety protection under the Act. The applications belong to new (395), extant (216), farmers' varieties (30) and essentially derived variety (1) categories.

Initiatives of Government of India towards protection of IPR

1. The Government has brought out A Handbook of Copyright Law to create awareness of copyright laws amongst the stakeholders, enforcement agencies, professional users like the scientific and academic communities and members of the public.

2. National Police Academy, Hyderabad and National Academy of Customs, Excise and Narcotics conducted several training programs on copyright laws for the police and customs officers.
3. The Department of Education, Ministry of Human Resource Development, Government of India has initiated several measures in the past for strengthening the enforcement of copyrights that include constitution of a Copyright Enforcement Advisory Council (CEAC), creation of separate cells in state police headquarters, encouraging setting up of collective administration societies and organization of seminars and workshops to create greater awareness of copyright laws among the enforcement personnel and the general public.
4. Special cells for copyright enforcement have so far been set up in 23 States and Union Territories, i.e. Andhra Pradesh, Assam, Andaman & Nicobar Islands, Chandigarh, Dadra & Nagar Haveli, Daman & Diu, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Meghalaya, Orissa, Pondicherry, Punjab, Sikkim, Tamil Nadu, Tripura and West Bengal.
5. The Government also initiates a number of seminars/workshops on copyright issues. The participants in these seminars include enforcement personnel as well as representatives of industry organizations.

2. HISTORY OF IPR IN INDIA

George Alfred DePenning is supposed to have made the first application for a patent in India in the year 1856. On February 28, 1856, the Government of India promulgated legislation to grant what was then termed as "exclusive privileges for the encouragement of inventions of new manufactures" i.e the Patents Act. On March 3, 1856, a civil engineer, George Alfred DePenning of 7, Grant's Lane, Calcutta petitioned the Government of India for grant of exclusive privileges for his invention - "An Efficient Punkah Pulling Machine". On September 2, DePenning, submitted the Specifications for his invention along with drawings to illustrate its working. These were accepted and the invention was granted the first ever Intellectual Property protection in India.

History of Copyright Law in India

Modern copyright law developed in India gradually, in a span of more than 150 years.

Copyright law entered India in 1847 through an enactment during the East India Company's regime. According to the 1847 enactment, the term of copyright was for the lifetime of the author plus seven years post-mortem. But in no case could the total term of copyright exceed a period of forty-two years. The government could grant a compulsory licence to publish a book if the owner of copyright, upon the death of the author, refused to allow its publication. The act of infringement comprised in a person's unauthorized printing of a copyright work for (or as a part of attempt of) "sale hire, or exportation", or "for selling, publishing or exposing to sale or hire". Suit or action for infringement was to be instituted in the "highest local court exercising original civil jurisdiction." The Act provided specifically that under a contract of service copyright in "any encyclopedia, review, magazine, periodical work or work published in a series of books or parts" shall vest in the "proprietor, projector, publisher or conductor." Infringing copies were deemed to be copies of the proprietor of copyrighted work. Importantly, unlike today, copyright in a work was not automatic. Registration of copyright with the Home Office was mandatory for the enforcement of rights under the Act. However, the Act also specifically reserved the

subsistence of copyright in the author, and his right to sue for its infringement to the extent available in law other than the 1847 Act. At the time of its introduction in India, copyright law had already been under development in Britain for over a century and the provisions of the 1847 enactment reflected the learnings from deliberations during this period.

In 1914, the then Indian legislature enacted a new Copyright Act which merely extended most portions of the United Kingdom Copyright Act of 1911 to India. It did, however, make a few minor modifications. First, it introduced criminal sanctions for copyright infringement (sections 7 to 12). Second, it modified the scope of the term of copyright; under section 4 the "sole right" of the author to "produce, reproduce, perform or publish a translation of the work shall subsist only for a period of ten years from the date of the first publication of the work." The author, however, retained her "sole rights" if within the period of ten years she published or authorised publication of her work a translation in any language in respect of that language.

The 1914 Act was continued with minor adaptations and modifications till the 1957 Act was brought into force on 24th January, 1958.

History of Patent Law in India

The first legislation in India relating to patents was the Act VI of 1856. The objective of this legislation was to encourage inventions of new and useful manufactures and to induce inventors to disclose secret of their inventions. The Act was subsequently repealed by Act IX of 1857 since it had been enacted without the approval of the sovereign. Fresh legislation for granting 'exclusive privileges' was introduced in 1859 as Act XV of 1859. This legislation contained certain modifications of the earlier legislation, namely, grant of exclusive privileges to useful inventions only and extension of priority period from 6 to 12 months. The Act excluded importers from the definition of inventor. The 1856 Act was based on the United Kingdom Act of 1852 with certain departures including allowing assignees to make application in India and also taking prior public use or publication in India or United Kingdom for the purpose of ascertaining novelty.

The Act of 1859 provided protection for invention only and not for designs whereas United Kingdom had been protecting designs from 1842 onwards. To remove this lacuna, the ‘Patterns and Designs Protection Act’ (Act XIII) was passed in 1872. This Act amended the 1859 Act to include any new and original pattern or design or the application of such pattern to any substance or article of manufacture within the meaning of ‘new manufacture’. The Act XV of 1859 was further amended in 1883 by XVI of 1883 to introduce a provision to protect novelty of the invention, which prior to making application for their protection were disclosed in the Exhibitions of India. A grace period of 6 months was provided for filing such applications after the date of the opening of such Exhibition.

In 1888, new legislation was introduced to consolidate and amend the law relating to invention and designs in conformity with the amendments made in the UK law.

In 1911, the Indian Patents and Designs Act, 1911, (Act II of 1911) was brought in replacing all the previous legislations on patents and designs. This Act brought patent administration under the management of Controller of Patents for the first time. This Act was amended in 1920 to provide for entering into reciprocal arrangements with UK and other countries for securing priority. In 1930, further amendments were made to incorporate, *inter-alia*, provisions relating to grant of secret patents, patent of addition, use of invention by Government, powers of the Controller to rectify register of patent and increase of term of the patent from 14 years to 16 years. In 1945, another amendment was made to provide for filing of provisional specification and submission of complete specification within nine months.

After Independence, it was felt that the Indian Patents & Designs Act, 1911 was not fulfilling its objective. It was found desirable to enact comprehensive patent law owing to substantial changes in political and economic conditions in the country. Accordingly, the Government of India constituted a committee under the Chairmanship of Justice (Dr.) Bakshi Tek Chand, a retired Judge of Lahore High Court, in 1949, to review the patent law in India in order to ensure that the patent system is conducive to the national interest.

The Committee submitted its interim report on 4th August, 1949 with recommendations for prevention of misuse or abuse of patent right in India and for amendments to sections 22, 23 &

23A of the Patents & Designs Act, 1911 on the lines of the United Kingdom Acts of 1919 and 1949.

Based on the recommendations of the Committee, the 1911 Act was amended in 1950 (Act XXXII of 1950) in relation to working of inventions and compulsory licence/revocation.

In 1952, an amendment was made to provide compulsory licence in relation to patents in respect of food and medicines, insecticide, germicide or fungicide and a process for producing substance or any invention relating to surgical or curative devices, through Act LXX of 1952. The compulsory licence was also available on notification by the Central Government. Based on the recommendations of the Committee, a bill was introduced in the Parliament in 1953 (Bill No.59 of 1953). However, the bill lapsed on dissolution of the Lok Sabha.

In 1957, the Government of India appointed Justice N. Rajagopala Ayyangar Committee to examine the question of revision of the Patent Law and advise government accordingly. The report of the Committee, which comprised of two parts, was submitted in September, 1959. The first part dealt with general aspects of the patent law and the second part gave detailed note on the several clauses of the lapsed bill of 1953. The first part also dealt with evils of the patent system and solution with recommendations in regard to the law. The committee recommended retention of the patent system, despite its shortcomings. This report recommended major changes in the law which formed the basis of the introduction of the Patents Bill, 1965. This bill was introduced in the Lok Sabha on 21st September, 1965, which, however, lapsed.

In 1967, an amended bill was introduced which was referred to a Joint Parliamentary Committee and on the final recommendation of the Committee, the Patents Act, 1970 was passed. This Act repealed and replaced the 1911 Act so far as the patents law was concerned. However, the 1911 Act continued to be applicable to designs. Most of the provisions of the 1970 Act were brought into force on 20th April, 1972 with the publication of the Patents Rules, 1972.

This Act remained in force for about 24 years till December 1994 without any change. An ordinance effecting certain changes in the Act was issued on 31st December 1994, which ceased to operate after six months. Subsequently, another ordinance was issued in 1999. This ordinance was later replaced by the Patents (Amendment) Act, 1999 that was brought into force

retrospectively from 1st January, 1995. The amended Act provided for filing of applications for product patents in the areas of drugs, pharmaceuticals and agro chemicals though such patents were not allowed. However, such applications were to be examined only after 31st December, 2004. Meanwhile, the applicants could be allowed Exclusive Marketing Rights (EMRs) to sell or distribute these products in India, subject to fulfillment of certain conditions.

The second amendment to the 1970 Act was made through the Patents (Amendment) Act, 2002 (Act 38 Of 2002). This Act came into force on 20th May, 2003 with the introduction of the new Patents Rules, 2003 by replacing the earlier Patents Rules, 1972.

The third amendment to the Patents Act, 1970 was introduced through the Patents (Amendment) Ordinance, 2004 with effect from 1st January, 2005. This Ordinance was later replaced by the Patents (Amendment) Act, 2005 (Act 15 Of 2005) on 4th April, 2005 which was brought into force from 1st January, 2005.

History of Trademark Law in India

While some form of proprietary protection for marks in India dates back several millennia, India's statutory Trademarks Law dates back to 1860. Prior to 1940 there was no official trademark Law in India. Numerous problems arose on infringement, law of passing off etc and these were solved by application of section 54 of the Specific Relief Act, 1877 and the registration was obviously adjudicated by obtaining a declaration as to the ownership of a trademark under Indian Registration Act 1908.

To overcome the aforesaid difficulties the Indian Trademarks Act was passed in 1940, this corresponded with the English Trademarks Act. After this there was an increasing need for more protection of Trademarks as there was a major growth in Trade and Commerce. The replacement to this act was the Trademark and Merchandise Act, 1958. This Act was to provide for registration and better protection of Trademarks and for prevention of the use of fraudulent marks on merchandise. This Law also enables the registration of trademarks so that the proprietor of the trademark gets legal right to the exclusive use of the trademark. The objective of this act was easy registration and better protection of trademarks and to prevent fraud.

The repeal of the Trademarks and Merchandise Act gave rise to the Trademark Act 1999; this was done by the Government of India so that the Indian Trademark Law is in compliance with the TRIPS obligation on the recommendation of the World Trade Organisation. The object of the 1999 Act is to confer the protection to the user of the trademark on his goods and prescribe conditions on acquisition, and legal remedies for enforcement of trademark rights

3. OVERVIEW OF LAWS RELATED TO INTELLECTUAL PROPERTY RIGHTS IN INDIA

The Rules and Laws governing Intellectual Property Rights in India are as follows:

1. The Copyright Act, 1957, The Copyright Rules, 1958 and International Copyright Order, 1999
2. The Patents Act, 1970 The Patents Rules, 2003, The Intellectual Property Appellate Board (Patents Procedure) Rules, 2010 and The Patents (Appeals and Applications to the Intellectual Property Appellate Board) Rules, 2011
3. The Trade Marks Act, 1999, The Trade Marks Rules, 2002, The Trade Marks (Applications and Appeals to the Intellectual Property Appellate Board) Rules, 2003 and The Intellectual Property Appellate Board (Procedure) Rules, 2003
4. The Geographical Indications of Goods (Registration and Protection) Act, 1999 and The Geographical Indications of Goods (Registration and Protection) Rules, 2002
5. The Designs Act, 2000 and The Designs Rules, 2001
6. The Semiconductors Integrated Circuits Layout-Design Act, 2000 and The Semiconductors Integrated Circuits Layout-Design Rules, 2001
7. The Protection of Plant varieties and Farmers' Rights Act, 2001 and The Protection of Plant varieties and Farmers Rights' Rules, 2003
8. The Biological Diversity Act, 2002 and The Biological Diversity Rules, 2004
9. Intellectual Property Rights (Imported Goods) Rules, 2007

4. COPYRIGHT

4.1. What is Copyright?

Copyright is the set of exclusive rights granted to the author or creator of an original work, including the right to copy, distribute and adapt the work. Copyright lasts for a certain time period after which the work is said to enter the public domain. Copyright gives protection for the expression of an idea and not for the idea itself. For example, many authors write textbooks on physics covering various aspects like mechanics, heat, optics etc. Even though these topics are covered in several books by different authors, each author will have a copyright on the book written by him / her, provided the book is not a copy of some other book published earlier.

Copyright ensures certain minimum safeguards of the rights of authors over their creations, thereby protecting and rewarding creativity. Creativity being the keystone of progress, no civilized society can afford to ignore the basic requirement of encouraging the same. Economic and social development of a society is dependent on creativity. The protection provided by copyright to the efforts of writers, artists, designers, dramatists, musicians, architects and producers of sound recordings, cinematograph films and computer software, creates an atmosphere conducive to creativity, which induces them to create more and motivates others to create.

4.2. Copyright law in India

The Copyright Act of 1957, The Copyright Rules, 1958 and the International Copyright Order, 1999 governs the copyright protection in India. It came into effect from January 1958. The Act has been amended in 1983, 1984, 1992, 1994 and 1999. Before the Act of 1957, copyright protection was governed by the Copyright Act of 1914 which was the extension of British Copyright Act, 1911.

The Copyright Act, 1957 consists of 79 sections under 15 chapters while the Copyright Rules, 1958 consists of 28 rules under 9 chapters and 2 schedules.

4.3. Meaning of copyright

According to Section 14 of the Act, “copyright” means the exclusive right subject to the provisions of this Act, to do or authorise the doing of any of the following acts in respect of a work or any substantial part thereof, namely:-

- (a) in the case of a literary, dramatic or musical work, not being a computer programme, -
 - (i) to reproduce the work in any material form including the storing of it in any medium by electronic means;
 - (ii) to issue copies of the work to the public not being copies already in circulation;
 - (iii) to perform the work in public, or communicate it to the public;
 - (iv) to make any cinematograph film or sound recording in respect of the work;
 - (v) to make any translation of the work;
 - (vi) to make any adaptation of the work;
 - (vii) to do, in relation to a translation or an adaptation of the work, any of the acts specified in relation to the work in sub-clauses (i) to (vi);
- (b) in the case of a computer programme,-
 - (i) to do any of the acts specified in clause (a);
 - (ii) to sell or give on commercial rental or offer for sale or for commercial rental any copy of the computer programme:
Provided that such commercial rental does not apply in respect of computer programmes where the programme itself is not the essential object of the rental.
- (c) in the case of an artistic work,-
 - (i) to reproduce the work in any material form including depiction in three dimensions of a two dimensional work or in two dimensions of a three dimensional work;
 - (ii) to communicate the work to the public;
 - (iii) to issue copies of the work to the public not being copies already in circulation;
 - (iv) to include the work in any cinematograph film;
 - (v) to make any adaptation of the work;
 - (vi) to do in relation to an adaptation of the work any of the acts specified in relation to the work in sub-clauses (i) to (iv);

(d) In the case of cinematograph film, -

- (i) to make a copy of the film, including a photograph of any image forming part thereof;
- (ii) to sell or give on hire, or offer for sale or hire, any copy of the film, regardless of whether such copy has been sold or given on hire on earlier occasions;
- (iii) to communicate the film to the public;

(e) In the case of sound recording, -

- (i) to make any other sound recording embodying it;
- (ii) to sell or give on hire, or offer for sale or hire, any copy of the sound recording regardless of whether such copy has been sold or given on hire on earlier occasions;
- (iii) to communicate the sound recording to the public.

Explanation : For the purposes of this section, a copy which has been sold once shall be deemed to be a copy already in circulation.

4.4. Classes of works for which copyright protection is available

Indian Copyright Act affords separate and exclusive copyright protection to the following 7 clauses of work:

1. Original Literary Work

2. Original Dramatic Work

3. Original Musical Work

4. Original Artistic Work

5. Cinematograph Films

6. Sound recording

7. Computer Programme

Copyright will not subsist in any cinematograph film if a substantial part of the film is an infringement of the copyright in any other work or in any sound recording made in respect of a literary, dramatic or musical work, if in making the sound recording, copyright in such work has

been infringed. In case of work of architecture, copyright will subsist only in the artistic character and design and will not extend to processes or methods of construction.

4.5. Ownership of Copyright

The author of the work will be the first owner of the copyright in the following instances:

- i. In the case of a literary, dramatic or artistic work made by the author in the course of his employment by the proprietor of a newspaper, magazine or similar periodical under a contract of service or apprenticeship, for the purpose of publication in a newspaper, magazine or similar periodical, the said proprietor will, in the absence of any agreement to the contrary, be the first owner of the copyright in the work in so far as the copyright relates to the publication of the work in any newspaper, magazine or similar periodical, or to the reproduction of the work for the purpose of its being so published, but in all other respects the author will be the first owner of the copyright in the work.
- ii. In the case of a photograph taken, or a painting or portrait drawn, or an engraving or a cinematograph film made, for valuable consideration at the instance of any person, such person will, in the absence of any agreement to the contrary, be the first owner of the copyright therein.
- iii. In the case of a work made in the course of the author's employment under a contract of service or apprenticeship, the employer will, in the absence of any agreement to the contrary, be the first owner of the copyright therein.
- iv. In the case of any address or speech delivered in public, the person who has delivered such address or speech or if such person has delivered such address or speech on behalf of any other person, such other person will be the first owner of the copyright therein notwithstanding that the person who delivers such address or speech, or, as the case may be, the person on whose behalf such address or speech is delivered, is employed by any other person who arranges such address or speech or on whose behalf or premises such address or speech is delivered.
- v. In the case of a government work, government in the absence of any agreement to the contrary, will be the first owner of the copyright therein.

- vi. In the case of a work made or first published by or under the direction or control of any public undertaking, such public undertaking in the absence of any agreement to the contrary, will be the first owner of the copyright therein.
- vii. In case of any work which is made or first published by or under the directions or control of any international organisation, such international organisation will be the first owner of the copyright therein.

4.6. Assignment of copyright

Sec.18 of the Copyright Act, 1957 deals with assignment of copyright. The owner of the copyright in an existing work or the prospective owner of the copyright in a future work may assign to any person the copyright either wholly or partially and either generally or subject to limitations and either for the whole term of the copyright or any part thereof.

The mode of assignment should be in the following manner:

- Assignment should be given in writing and signed by the assignor or by his duly authorized agent.
- The assignment should identify the work and specify the rights assigned and the duration and territorial extent of such assignment.
- The assignment should also specify the amount of royalty payable, if any, to the author or his legal heirs during the currency of the assignment and the assignment may be subject to revision, extension or termination on terms mutually agreed upon by the parties.
- Where the assignee does not exercise the rights assigned to him within a period of one year from the date of assignment, the assignment in respect of such rights will be deemed to have lapsed after the expiry of the said period unless otherwise specified in the assignment.

The period of assignment will be deemed to be 5 years from the date of assignment unless specifically mentioned. If the territorial extent of assignment of the rights is not specified, it will be presumed to extend within India.

If any dispute arises with respect to the assignment of any copyright the Copyright Board may, on receipt of a complaint from the aggrieved party and after holding such inquiry as it considers necessary, pass such order as it may deem fit including an order for the recovery of any royalty payable, provided that the Copyright Board may not pass any order to revoke the assignment unless it is satisfied that the terms of assignment are harsh to the assignor, in case the assignor is also the author, provided further that no order of revocation of assignment, be made within a period of five years from the date of such assignment.

4.7. Transmission of copyright by testamentary disposition

Where under a bequest a person is entitled to the manuscript of a literary, dramatic or musical work, or to an artistic work, and the work was not published before the death of the testator, the bequest can, unless the contrary intention is indicated in the testator's will or any codicil thereto, be construed as including the copyright in the work in so far as the testator was the owner of the copyright immediately before his death. Manuscript means the original document embodying the work, whether written by hand or not.

4.8. Relinquish copyright

The author of a work can relinquish all or any of the rights comprised in the copyright in the work by giving notice in Form I to the Registrar of Copyrights and thereupon such rights will cease to exist from the date of the notice. On receipt of notice the Registrar of Copyrights will publish it in the Official Gazette and in such other manner as he may deem fit. The relinquishment of all or any of the rights comprised in the copyright in a work will not affect any rights subsisting in favour of any person on the date of the notice given to the Registrar.

4.9. Term of copyright

Section 22 to 29 of the Copyright Act, 1957 deals with the term of copyright. Copyright generally lasts for a period of sixty years.

- ✓ In the case of literary, dramatic, musical or artistic works, the sixty year period is counted from the year following the death of the author.
- ✓ In the case of cinematograph films, sound recordings, photographs, posthumous publications, anonymous and pseudonymous publications, works of government and public undertakings and works of international organisations, the 60-year period is counted from the date of publication.
- ✓ In case of Broadcast reproduction right - 25 years from the beginning of the calendar year next following the year in which the broadcast is made.
- ✓ In case of Performers right - 25 years from the beginning of the calendar year next following the year in which the performance is made.

4.10. Rights of Broadcasting Organisation and of Performers

Every broadcasting organisation will have a special right to be known as 'broadcast reproduction right' in respect of its broadcasts. The broadcast reproduction right will subsist until twenty-five years from the beginning of the calendar year next following the year in which the broadcast is made.

This would prevent any person other than the broadcasting organisation from:

- i) Re-broadcasting what has already been broadcasted
- ii) Causing the broadcast to be seen or heard by the public on payment of charges
- iii) Making any sound/visual recording of the broadcast
- iv) Making any reproduction of such sound recording or visual recording where such initial recording was done without licence or, where it was licensed, for any purpose not envisaged by such licence
- v) Selling or hiring or offering to sell or hire sound/visual recordings.

Where any performer appears or engages in any performance, he will have a special right known as the 'performer's right' in relation to such performance. The performer's right will subsist until

fifty years from the beginning of the calendar year next following the year in which the performance is made. These rights are:

- i) No person may make a sound/visual recording of the performer's performances
- ii) Reproduce a sound/visual recording
- iii) Broadcast the performance
- iv) Communicate to the public otherwise than by broadcast

4.11. Intellectual Property Rights (IPR) of Computer Software

In India, the Intellectual Property Rights (IPR) of computer software is covered under the Copyright Law. Accordingly, the copyright of computer software is protected under the provisions of Indian Copyright Act 1957. Major changes to Indian Copyright Law were introduced in 1994 and came into effect from 10 May 1995. These changes or amendments made the Indian Copyright law one of the toughest in the world.

The amendments to the Copyright Act introduced in June 1994 were, in themselves, a landmark in the India's copyright arena. For the first time in India, the Copyright Law clearly explained:

- The rights of a copyright holder
- Position on rentals of software
- The rights of the user to make backup copies

Since most software is easy to duplicate, and the copy is usually as good as original, the Copyright Act was needed.

Some of the key aspects of the law are:

- According to section 14 of this Act, it is illegal to make or distribute copies of copyrighted software without proper or specific authorization.

- The violator can be tried under both civil and criminal law.
- A civil and criminal action may be instituted for injunction, actual damages (including violator's profits) or statutory damages per infringement etc.
- Heavy punishment and fines for infringement of software copyright.
- Section 63 B stipulates a minimum jail term of 7 days, which can be extended up to 3 years

4.12. Copyright Infringements

Some of the commonly known acts involving infringement of copyright:

- Making infringing copies for sale or hire or selling or letting them for hire;
- Permitting any place for the performance of works in public where such performance constitutes infringement of copyright;
- Distributing infringing copies for the purpose of trade or to such an extent so as to affect prejudicially the interest of the owner of copyright ;
- Public exhibition of infringing copies by way of trade; and
- Importation of infringing copies into India.

Civil Remedies for Copyright Infringement

A copyright owner can take legal action against any person who infringes the copyright in the work. The copyright owner is entitled to remedies by way of injunctions, damages and accounts.

The Criminal Offence

Any person who knowingly infringes or abets the infringement of the copyright in any work commits criminal offence under Section 63 of the Copyright Act. The minimum punishment for infringement of copyright is imprisonment for six months with the minimum fine of Rs. 50,000/-

. In the case of a second and subsequent conviction the minimum punishment is imprisonment for one year and fine of Rs. one lakh.

4.13. International Copyright

Copyrights of works of the countries mentioned in the International Copyright Order are protected in India, as if such works are Indian works. Copyright of nationals of countries who are members of the Berne Convention for the Protection of Literary and Artistic Works, Universal Copyright Convention and the TRIPS Agreement are protected in India through the International Copyright Order. The list of such countries is mentioned in the schedule of the International Copyright Order, 1999.

4.14. Licences

Provisions with regard to licences are detailed in Chapter VI of the Copyright Act, 1957.

Copyright Licence is granted by the owner of the copyright in any existing work or the prospective owner of the copyright in any future work in writing signed by him or by his duly authorized agent. In the case of a licence relating to copyright in any future work, the licence will take effect only when the work comes into existence. Where a person to whom a licence relating to copyright in any future work is granted dies before the work comes into existence, his legal representatives, in the absence of any provision to the contrary in the licence, will be entitled to the benefit of the licence.

Any person can apply for the grant of copyright licence in Form II to produce and publish translation of a literary or dramatic work in any language in general use in India after a period of three years from the publication of such work, if such translation is required for the purpose of teaching, scholarship or research.

The Copyright Board after holding an enquiry may direct the registrar to grant copyright licence to the person to publish the work or translation thereof in the language mentioned in the

application. The applicant should deposit the amount of royalty as specified by the Copyright Board in the account of the original owner of the work.

The copyright licence will be terminated at any time after the granting of a licence to produce and publish the translation of a work in any language, if the owner of the copyright in the work or any person authorized by him publishes a translation of such work in the same language and which is substantially the same in content at a price reasonably related to the price normally charged in India for the translation of works of the same standard on the same or similar subject.

No termination will take effect until after the expiry of a period of three months from the date of service of a notice in Form IIB on the person holding such licence by the owner of the right of translation intimating the publication of the translation as aforesaid.

4.15. Registration of a work under the Copyright Act, 1957

Copyright comes into existence as soon as a work is created and no formality is required to be completed for acquiring copyright. However, facilities exist for having the work registered in the Register of Copyrights maintained in the Copyright Office of the Department of Education. The entries made in the Register of Copyrights serve as *prima-facie* evidence in the court of law.

Procedure for registration of a work is covered under Chapter VI of the Copyright Rules, 1958

Procedure for registration

- a. Application for registration is to be made on Form IV (Including Statement of Particulars and Statement of Further Particulars) as prescribed in the first schedule to the Rules ;
- b. Separate applications should be made for registration of each work;
- c. Each application should be accompanied by the requisite fee prescribed in the second schedule to the Rules ; and
- d. The applications should be signed by the applicant or the advocate in whose favour a Vakalatnama or Power of Attorney has been executed. The Power of Attorney signed by the party and accepted by the advocate should also be enclosed.

The following Statement of Further Particulars should be submitted in triplicate along with the Application for Registration of Copyright (Form IV) -

1. Is the work is to be registered

- a. an original work?
- b. a translation of a work in the public domain?
- c. A translation of a work in which Copyright subsists?
- d. an adaptation of a work in the public domain?
- e. an adaptation of a work in which Copyright subsists?

2. If the work is a translation or adaptation of a work in which Copyright subsists:

- a. Title of the original work
- b. Language of the original work
- c. Name, address and nationality of the author of the original work and if the author is deceased, the date of decease
- d. Name, address and nationality of the publisher, if any, of the original work
- e. Particulars of the authorization for a translation or adaptation including the name, address and nationality of the party authorizing.

Second schedule to the Copyright Rules, 1958 - Fee payable under the Copyright Act, 1957

For a licence to republish a Literary, Dramatic, Musical or Artistic work (Section 31, 31-A and 32-A)	Rs. 400/- per work
For licence to republish a Cinematograph Film (Section 31)	Rs. 600/- per work
For a licence to republish a sound recording (Section 31)	Rs. 400/-

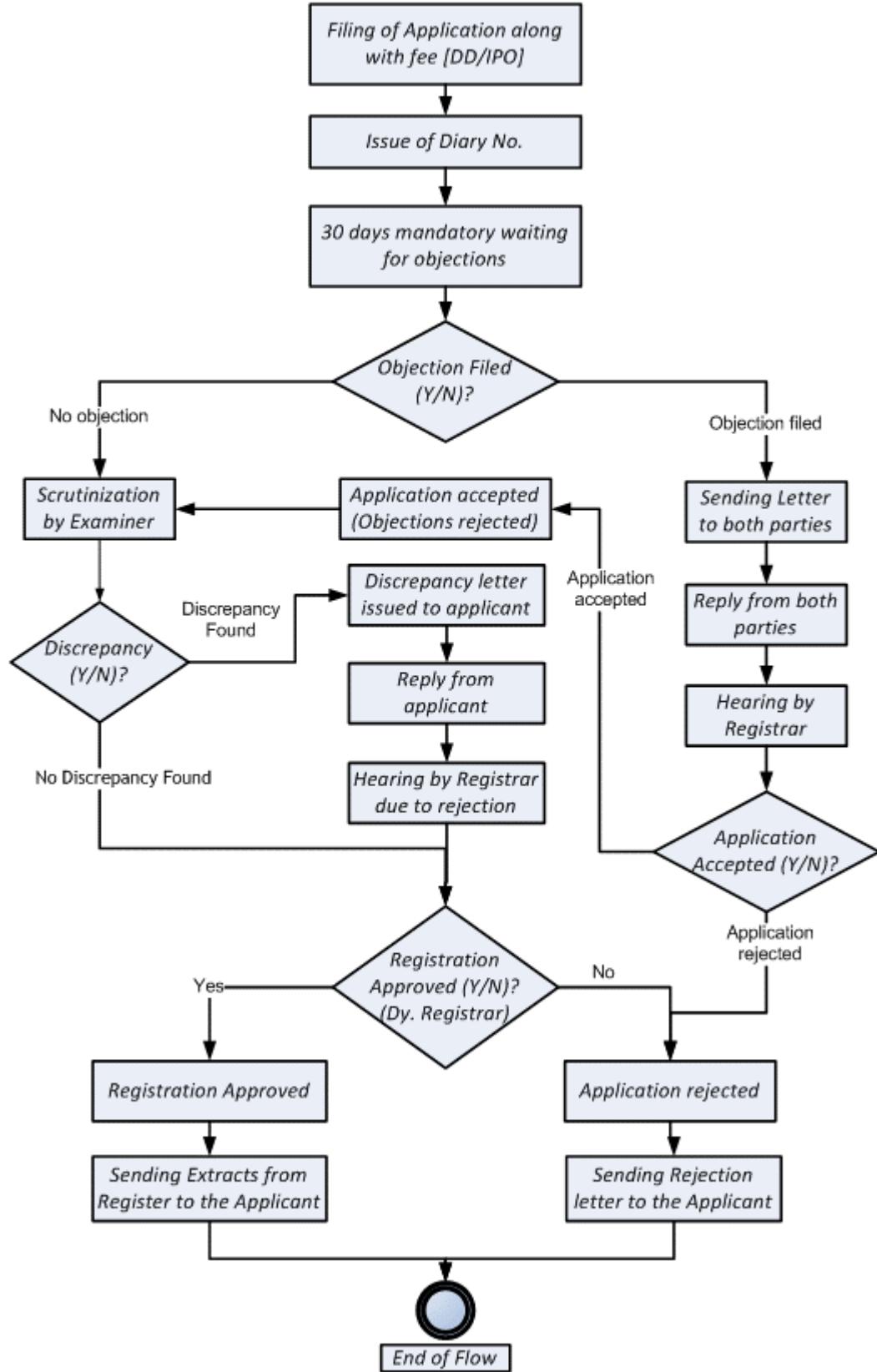
		per work
For a licence to perform an Indian work in public or to communicate the work to the public by Broadcast (Section 31)	Rs. 200/- per work	
For an application for a licence to produce and publish a translation of a Literary or Dramatic work in any Language) (Section 32 & 32-A	Rs. 200/- per work	
For an application for registration of copyright in a:		
Literary, Dramatic, Musical or Artistic work	Rs. 50/- per work	
Provided that in respect of a Literary or Artistic work which is used or is capable of being used in relation to any goods (Section 45)	Rs. 400/- per work	
For an application for change in particulars of copyright entered in the Register of Copyrights in respect of a:-		
Literary, Dramatic, Musical or Artistic work	Rs. 50/- per work	
Provided that in respect of a literary or Artistic work which is used or is capable of being used in relation to any goods (Section 45)	Rs. 200/- per work	
For an application for registration of Copyright in a Cinematograph Film (Section 45)	Rs. 600/- per work	
For an application for registration of change in particulars of copyright entered in the Register of Copyrights in respect of Cinematograph film (Section 45)	Rs. 400/- per work	
For an application for registration of copyright in a Sound Recording (Section 45)	Rs. 400/- per work	
For an application for registration of changes in particulars of copyright	Rs. 200/-	

entered in the Register of Copyrights in respect of Sound Recording (Section 45)	per work
For taking extracts from the indexes (Section 47)	Rs. 20/- per work
For taking extracts from the Register of Copyrights (Section 47).	Rs. 20/- per work
For a certified copy of an extract from the Register of Copyrights of the indexes (Section 47)	Rs. 20/- per work
For a certified copy of any other public document in the custody of the Register of Copyright or the Copyright Board	Rs. 20/- per work
For an application for prevention of importation of infringing copies (Section 53) per place of entry	Rs. 400/- per work

Time taken for registration

After filing application and receiving diary number the applicant should wait for a mandatory period of 30 days so that no objection is filed in the Copyright office against the claim that particular work is created by the applicant. If such objection is filed it may take another one month time to decide as to whether the work could be registered by the Registrar of Copyrights after giving an opportunity of hearing the matter from both the parties. If no objection is filed the application goes for scrutiny from the examiners. If any discrepancy is found the applicant is given 30 days time to remove the same. Therefore, it may take 2 to 3 month's time for registration of any work in the normal course. The cooperation of the applicant in providing necessary information is the key for speedy disposal the matter. Any person aggrieved by the final decision or order of the Registrar of Copyrights may, within three months from the date of the order or decision, appeal to the Copyright Board.

Copyright Registration Workflow



4.16. Copyright Board

The Copyright Board, a quasi-judicial body, was constituted in September 1958. The jurisdiction of the Copyright Board extends to the whole of India. The Board is entrusted with the task of adjudication of disputes pertaining to copyright registration, assignment of copyright, grant of Licenses in respect of works withheld from public, unpublished Indian works, production and publication of translations and works for certain specified purposes. It also hears cases in other miscellaneous matters instituted before it under the Copyright Act, 1957. The meetings of the Board are held in five different zones of the country. This facilitates administration of justice to authors, creators and owners of intellectual property including IP attorney's near their place of location or occupation.

Powers of the Copyright Board

The Copyright Board consists of a Chairman and two or more, but not exceeding fourteen, other members for adjudicating certain kinds of copyright cases. The Chairman of the Board is of the level of a judge of a High Court. The Board has the power to:

- i. hear appeals against the orders of the Registrar of Copyright;
- ii. hear applications for rectification of entries in the Register of Copyrights;
- iii. adjudicate upon disputes on assignment of copyright;
- iv. grant compulsory licences to publish or republish works (in certain circumstances);
- v. grant compulsory licence to produce and publish a translation of a literary or dramatic work in any language after a period of seven years from the first publication of the work;
- vi. hear and decide disputes as to whether a work has been published or about the date of publication or about the term of copyright of a work in another country;

- vii. fix rates of royalties in respect of sound recordings under the cover-version provision; and
- viii. fix the resale share right in original copies of a painting, a sculpture or a drawing and of original manuscripts of a literary or dramatic or musical work.

4.17. Copyright Enforcement Advisory Council (CEAC)

The Government has set up on November 6, 1991 a Copyright Enforcement Advisory Council (CEAC) to review the progress of enforcement of Copyright Act periodically and to advise the Government regarding measures for improving the enforcement of the Act.

4.18. The Copyright (Amendment) Bill, 2012

The Copyright (Amendment) Bill, 2010 was introduced in the Rajya Sabha on 19th April, 2010. In pursuance of Rule 270 relating to Department-related Parliamentary Standing Committees, the Chairman, Rajya Sabha, referred the Bill to the Standing Committee on Human Resource Development on 23rd April, 2010 for examination and report. The Standing Committee headed by Mr.Oscar Fernandes submitted its 227th report on ‘The Copyright Amendment Bill of 2010’ on November 23rd 2010.

Pursuant to the recommendations of the Standing Committee, the Copyright Amendment Bill of 2012 was passed by the Rajya Sabha on 17th May 2012.

Some of the changes made in the Bill, 2012 pursuant to the recommendations of the Committee are –

- i. Definition given in the Bill of 2010 has been retained but an additional paragraph for explanation has been added. *"Commercial rental" does not include the rental, lease or lending of a lawfully acquired copy of a computer programme, sound recording, visual recording or cinematograph film for nonprofit purposes by a non-profit library or non-profit educational institution. Explanation.—For the purposes of this clause, a "non-profit library or nonprofit educational institution" means a library or educational*

institution which receives grants from the Government or exempted from payment of tax under the Income-Tax Act, 1961.

- ii. Amendment to Section 11 and 12 of the Copyright Act, 1957 has been added.
- iii. The provisions with regard to joint ownership of copyright of principal director along with the producer have been deleted in the Bill of 2012.
- iv. Amendment of Section 18 allowed composers and lyricists to retain their rights over the work which may have been incorporated into a cinematograph work. Thus although the producer of the movie is the first owner with respect to the music when it is used as part of the cinematograph work, the lyricist or the composer will be considered first owner for all other purposes. On the basis of the recommendation of the committee, the following provisos have also been added to Section 18 in the Bill of 2012 –

Provided also that the author of the literary or musical work included in a cinematograph film shall not assign or waive the right to receive royalties to be shared on an equal basis with the assignee of copyright for the utilisation of such work in any form other than for the communication to the public of the work along with the cinematograph film in a cinema hall, except to the author's legal heirs or to a copyright society for collection and distribution and any agreement to contrary shall be void.

Provided also that the author of the literary or musical work included in the sound recording but not forming part of any cinematograph film shall not assign or waive the right to receive royalties to be shared on an equal basis with the assignee of copyright for any utilization of such work except to the legal heirs of the authors or to a collecting society for collection and distribution and any assignment to the contrary shall be void.

- v. Section 19 that deals with mode of assignment has been modified in the Bill of 2012 as follows –

No assignment of copyright in any work to make a cinematograph film shall affect the right of the author of the work to claim an equal share of royalties and consideration payable in case of utilization of the work in any form other than for the communication to the public of the work, along with the cinematograph film in a cinema hall.

No assignment of the copyright in any work to make a sound recording which does not form part of any cinematograph film shall affect the right of the author of the work to

claim an equal share of royalties and consideration payable for any utilization of such work in any form.

- vi. Additional clause has been added in Section 19A wherein the Copyright Board has to pass the final order in case of complaints with regard to assignment of copyright within 6 months from the date of receipt of the complaint and reasons for any delay in compliance of the same should be recorded in writing.
- vii. Amendment made to Section 26 has been deleted in Bill of 2012. In bill of 2010, proviso with regard to rights of principal director was added with regard to term of copyright in cinematograph films.
- viii. New sections 31B, 31C and 31D had been inserted in the Bill of 2010 also. Some modifications have been made to the same. For example – clause 5 given in Bill, 2010 has been deleted in Bill, 2012. Clause 3 has been added in Section 31D in Bill, 2012.
- ix. Section 33 deals with registration of copyright societies. Amendments made to sec.33 under the Bill of 2010 have been modified in Bill of 2012. New clause 3A has been added wherein the registration granted to a copyright society shall be for a period of 5 years and be renewed from time to time before the end of every five years on a request in the prescribed form and the Central Government may renew the registration after considering the report of Registrar of Copyrights on the working of the copyright society under section 36. Provided that the renewal of the registration of a copyright society shall be subject to the continued collective control of the copyright society being shared with the authors of works in their capacity as owners of copyright or of the right to receive royalty. Provided further that every copyright society already registered before the coming into force of the copyright (Amendment) Act, 2012 shall get itself registered under this Chapter within a period of one year from the date of commencement of the Copyright (Amendment) Act, 2012.
- x. Section 35 deals with control over the copyright society by the owner of rights. Additional sub sections have been added in Bill of 2012 – *Every copyright society shall have a governing body with such number of persons elected from among the members of the society consisting of equal number of authors and owners of work for the purpose of the administration of the society as may be specified. All members of copyrights society*

shall enjoy equal membership rights and there shall be no discrimination between authors and owners of rights in the distribution of royalties.

5. PATENTS

5.1. What is Patent?

Patent is a grant for an invention by the Government to the inventor in exchange for full disclosure of the invention. A patent is an exclusive right granted by law to applicants / assignees to make use of and exploit their inventions for a limited period of time (generally 20 years from filing). The patent holder has the legal right to exclude others from commercially exploiting his invention for the duration of this period. In return for exclusive rights, the applicant is obliged to disclose the invention to the public in a manner that enables others, skilled in the art, to replicate the invention. The patent system is designed to balance the interests of applicants / assignees (exclusive rights) and the interests of society (disclosure of invention).

5.2. Meaning of ‘Invention’ under Patent Law

Sec.2(1)(J) - “Invention” means a new product or process involving an inventive step and capable of industrial application

5.3. What is not an ‘Invention’?

According to Sec 3 of the Patent Act, 1970

- Frivolous inventions
- Inventions contrary to well established natural laws
- Commercial exploitation or primary use of inventions,
 - which is contrary to public order or morality
 - which causes serious prejudice to health or human, animal, plant life or to the environment
- **Mere Discovery of a Scientific Principle or**
- **Formulation of an Abstract Theory or**
- **Discovery of any living thing or**
- **Discovery of non-living substance occurring in nature**

- Mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus, *unless such known process results in a new product or employs at least one new reactant.*
- Substance obtained by mere admixture resulting only in the aggregation of the properties of the components thereof or a process for producing such substance
- Mere arrangement or re-arrangement or duplication of known devices, each functioning independently of one another in a known way
- Method of Agriculture or Horticulture
- Any process for medicinal, surgical, curative, prophylactic, diagnostic, therapeutic or other treatment of human beings *or* a similar treatment of animals to render them free of disease *or* to increase their economic value or that of their products
- Plants & animals in **whole or any part thereof** other than micro- organisms, but including seeds, varieties and species and essentially biological process for production or propagation of plants & animals
- mathematical method or
- business method or
- algorithms or
- computer programme *per se*
- A literary, dramatic, musical or artistic work or any other aesthetic creation including cinematographic work and television productions
- **Presentation of information**
- Topography of integrated circuits.
- **Inventions which are Traditional Knowledge or an aggregation or duplication of known properties of traditionally known component or components**

5.4. What is meant by ‘New’?

The invention to be patented must not be published in India or elsewhere, or in prior public knowledge or prior public use with in India or claimed before in any specification in India

A feature of an invention that involves technical advance as compared to the existing knowledge or have economic significance or both and makes the invention not obvious to a person skilled in the art.

5.5. What can be patented?

Any invention concerning with composition, construction or manufacture of a substance, of an article or of an apparatus or an industrial type of process.

5.6. What cannot be patented?

Inventions falling within Section 20(1) of the Atomic Energy Act, 1962

5.7. Who are the beneficiaries of the patent grant?

1. The inventor is secure from competition and can exploit the invention for his gain.
2. For the public the invention becomes public knowledge. The technology is freely available after expiry of patent and cheaper and better products become available.

5.8. Patent System In India

The Patent System in India is governed by the Patents Act, 1970 as amended by the Patents (Amendment) Act, 2005 and the Patents Rules, 2003, as amended by the Patents (Amendment) Rules 2006 effective from 05-05-2006.

5.8.1. Administration

Patent system in India is administered under the superintendence of the Controller General of Patents, Designs, Trademarks and Geographical Indications.

The Office of the Controller General functions under the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry. There are four patent offices in India. The Head Office is located at Kolkata and other Patent Offices are located at Delhi, Mumbai and Chennai. The Controller General delegates his powers to Sr. Joint Controller, Joint Controllers, Deputy Controllers and Assistant Controllers. Examiners of patents in each office discharge their duties according to the direction of the Controllers.

The Patent Information system (PIS) at Nagpur has been functioning as patent information base for the users. The PIS maintains a comprehensive collection of patent specification and patent related literature, on a world-wide basis and provides technological information contained in patent or patent related literature through search services and patent copy supply services to various users of R&D establishments, Government offices, private industries, business, inventors and other users within India.

Hierarchy of Officers in Patent office

- Controller General of Patents, Designs, Trademarks & GI
- Examiners of Patents & Designs
- Assistant Controller of Patents & Designs
- Deputy Controller of Patents & Designs
- Joint Controller of Patents & Designs
- Senior Joint Controller of Patents & Designs

Jurisdiction of Patent offices in India

An applicant or first mentioned applicant in case of joint applicants can file application for patent at the appropriate Patent Office under whose jurisdiction he normally resides or has his domicile or has a place of business or the place from where the invention actually originated. For the applicant, who is non-resident or has no domicile or has no place of business in India, the

address for service in India or place of business of his patent agent determines the appropriate patent office where applications for patent can be filed.

Office	Territorial Jurisdiction
Patent Office Branch, Mumbai	The States of Maharashtra, Gujarat, Madhya Pradesh, Goa and Chhattisgarh and the Union Territories of Daman and Diu & Dadra and Nagar Haveli
Patent Office Branch, Chennai	The States of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and the Union Territories of Pondicherry and Lakshadweep.
Patent Office Branch, New Delhi	The States of Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand, Delhi and the Union Territory of Chandigarh.
Patent Office, Kolkata	The rest of India.

5.8.2. Types Of Patent Applications

- 1) Ordinary Application
- 2) Application for Patent of Addition (granted for Improvement or Modification of the already patented invention, for an unexpired term of the main patent).
- 3) Divisional Application (in case of plurality of inventions disclosed in the main application).
- 4) Convention application, claiming priority date on the basis of filing in Convention Countries.
- 5) National Phase Application under PCT.

5.8.3. Who can apply for Patent?

The inventor may make an application, either alone or jointly with another, or his/their assignee or legal representative of any deceased inventor or his assignee.

5.8.4. How is a patent obtained?

- File an application for patent
- With one of the patent offices based on territorial jurisdiction of the place of office or residence of the applicant /agent
- Pay the required fee
- Information concerning application form and details of fee available at www.ipindia.nic.in
- Guidelines for applicants also available on this website

The Patent Office then

- Conducts searches to ascertain the prerequisites
- Publishes the application
- Conducts in-depth examination
- Raises objection to the application
- Grants the patent

5.8.5. General precautions for an applicant

The first to file system is employed, in which, among persons having filed the same invention, first one is granted a patent, therefore, a patent application should be filed promptly after conceiving the invention. It is common experience that through ignorance of patent law, inventors act unknowingly and jeopardize the chance of obtaining patents for their inventions. The most common of these indiscretions is to publish their inventions in newspapers or scientific and technical journals, before applying for patents. Publication of an invention, even by the inventor himself, would (except under certain rare circumstances) constitute a bar for the subsequent patenting of it. Similarly, the use of the invention in Public, or the commercial use of the invention, prior to the date of filing patent application would be a fatal objection to the grant of a patent for such invention, thereafter. There is, however, no objection to the secret working of

the invention by way of reasonable trial or experiment, or to the disclosure of the invention to others, confidentially.

Another mistake, which is frequently made by the inventors, is to wait until their inventions are fully developed for commercial working, before applying for patents. It is, therefore, advisable to apply for a patent as soon as the inventor's idea of the nature of the invention has taken a definite shape.

It is permissible to file an application for a patent accompanied by a "Provisional Specification" describing the invention. The application may, therefore, be made even before the full details of working of the invention are developed. The filing of an application for a patent disclosing the invention would secure priority date of the invention, and thereby, enable the inventor to work out the practical details of the invention and to file complete specification within 12 months from the date of filing of provisional specification.

5.8.6. What is meant by patentable invention?

A new product or process, involving an inventive step and capable of being made or used in an industry. It means the invention to be patentable should be technical in nature and should meet the following criteria –

- Novelty: The matter disclosed in the specification is not published in India or elsewhere before the date of filing of the patent application in India.
- Inventive Step: The invention is not obvious to a person skilled in the art in the light of the prior publication/knowledge/ document.
- Industrially applicable: Invention should possess utility, so that it can be made or used in an industry.

5.8.7. What is not patentable?

The following are Non-Patentable inventions within the meaning of Section 3 of Patents Act, 1970 -

(a) an invention which is frivolous or which claims anything obviously contrary to well established natural laws;

- (b) an invention the primary or intended use or commercial exploitation of which could be contrary to public order or morality or which causes serious prejudice to human, animal or plant life or health or to the environment; (For e.g. process of making brown sugar will not be patented.)
- (c) The mere discovery of a scientific principle or the formulation of an abstract theory (or discovery of any living thing or non-living substances occurring in nature);
- (d) the mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance or the mere discovery of any new property or mere new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant;
- (e) a substance obtained by a mere admixture resulting only in the aggregation of the properties of the components thereof or a process for producing such substance;
- (f) the mere arrangement or re-arrangement or duplication of known devices each functioning independently of one another in a known way;
- (g) a method of agriculture or horticulture; (For e.g. the method of terrace farming cannot be patented.)
- (h) any process for the medicinal, surgical, curative, prophylactic, diagnostic, therapeutic or other treatment of human beings or any process for a similar treatment of animals to render them free of disease or to increase their economic value or that of their products; (For e.g. any new technique of hand surgery is not patentable)
- (i) plants and animals in whole or any part thereof other than micro-organisms but including seeds, varieties and species and essentially biological processes for production or propagation of plants and animals;
- (j) a mathematical or business method or a computer programme per se or algorithms;
- (k) a literary, dramatic, musical or artistic work or any other aesthetic creation whatsoever including cinematographic works and television productions;
- (l) a mere scheme or rule or method of performing mental act or method of playing game; (m) a presentation of information;
- (n) topography of integrated circuits;

(o) an invention which in effect, is traditional knowledge or which is an aggregation or duplication of known properties of traditionally known component or components.

(p) Inventions relating to atomic energy and the inventions prejudicial to the interest of security of India.

5.8.8. Appropriate office for filing an application & for other Proceedings

Application is required to be filed according to the territorial limits where the applicant or the first mentioned applicant in case of joint applicants, for a patent normally resides or has domicile or has a place of business or the place from where the invention actually originated. If the applicant for the patent or party in a proceeding having no business place or domicile in India, the appropriate office will be according to the address for service in India given by the applicant or party in a proceeding . The appropriate office once decided in respect of any proceedings under the Act shall not ordinarily be changed. The four patent offices are located at Kolkatta, Mumbai, Delhi & Chennai.

From 20th July, 2007 the Indian Patent Office has put in place an online filing system for patent application.

5.8.9. Publication and Examination of Patent Applications

Publication:

All the applications for patent, except the applications prejudicial to the defence of India or abandoned due to non-filing of complete specification within 12 months after filing the provisional or withdrawn within 15 months of filing the application, are published in the Patent Office Journal just after 18 months from the date of filing of the application or the date of priority whichever is earlier. The publication includes the particulars of the date of the application, application number, name and address of the applicant along with the abstract. The applications for patent are not open for public inspection before publication. After the date of publication of the application, as stated above, the complete specification along with provisional and drawing, if any, abstract , application on any form or on plain paper and any correspondence

between the office and applicant may be inspected at the appropriate office by making a written request to the Controller in the prescribed manner and on the payment of prescribed fee.

Request for examination

An application for patent will not be examined if no request is made by the applicant or by any other interested person in Form-18 with prescribed fee of Rs.2,500/- or Rs.10,000/- for natural person and other than natural person respectively, within a period of 48 months from the date of priority of the application or from the date of filing of the application, whichever is earlier. Where no request for examination of the application for patent has been filed within the prescribed period, the aforesaid application will be treated as withdrawn and, thereafter, application cannot be revived.

Examination

Application for patent, where request has been made by the applicant or by any other interested person, will be taken up for examination, according to the serial number of the requests received on Form 18. A First Examination Report (FER) stating the objections/requirements is communicated to the applicant or his agent according to the address for service ordinarily within six (06) months from the date of request for examination or date of publication whichever is later. Application or complete specification should be amended in order to meet the objections/requirements within a period of 12 months from the date of First Examination Report (FER). No further extension of time is available in this regard. If all the objections are not complied with within the period of 12 months, the application shall be deemed to have been abandoned. When all the requirements are met the patent is granted, after 6 months from the date of publication, the letter patent is issued, entry is made in the register of patents and it is notified in the Patent Office, Journal.

5.8.10. Withdrawal of patent application

The application for patent can be withdrawn at least 3 (Three) months before the first publication which will be 18 (Eighteen) months from the date of filing or date of priority whichever is earlier. The application can also be withdrawn at any time before the grant of the patent. The

application withdrawn after the date of publication cannot be filed again as it is already laid open for public inspection. However, application withdrawn before the publication can be filed again provided it is not opened to public otherwise.

5.8.11. Opposition proceedings to grant of patents

Where an application for a patent has been published but a patent has not been granted, any person may, in writing represent by way of opposition to the Controller against the grant of any Patent. The representation shall be filed at the appropriate office and shall include a statement and evidence, if any, in support of the representation and a request for hearing if so desired.

The above representation may be made on the following grounds

- (a) that the applicant for the patent or the person under or through whom he claims, wrongfully obtained the invention or any part thereof from him or from a person under or through whom he claims;
- (b) that the invention so far as claimed in any claim of the complete specification has been published before the priority date of the claim—
 - (i) in any specification filed in pursuance of an application for a patent made in India on or after the 1st day of January, 1912; or (ii) in India or elsewhere, in any other document: Provided that the ground specified in sub-clause (ii) shall not be available where such publication does not constitute an anticipation of the invention by virtue of sub-section (2) or sub-section (3) of section 29;
- (c) that the invention so far as claimed in any claim of the complete specification is claimed in a claim of a complete specification published on or after the priority date of the applicant's claim and filed in pursuance of an application for a patent in India, being a claim of which the priority date is earlier than that of the applicant's claim;
- (d) that the invention so far as claimed in any claim of the complete specification was publicly known or publicly used in India before the priority date of that claim.

Explanation —For the purposes of this clause, an invention relating to a process for which a patent is claimed shall be deemed to have been publicly known or publicly used in India before the priority date of the claim if a product made by that process had already been imported into

India before that date except where such importation has been for the purpose of reasonable trial or experiment only;

- (e) that the invention so far as claimed in any claim of the complete specification is obvious and clearly does not involve any inventive step, having regard to the matter published as mentioned in clause (b) or having regard to what was used in India before the priority date of the applicant's claim;
- (f) that the subject of any claim of the complete specification is not an invention within the meaning of this Act, or is not patentable under this Act;
- (g) that the complete specification does not sufficiently and clearly describe the invention or the method by which it is to be performed;
- (h) that the applicant has failed to disclose to the Controller the information required by section 8 or has furnished the information which in any material particular was false to his knowledge;
- (i) that in the case of convention application, the application was not made within twelve months from the date of the first application for protection for the invention made in a convention country by the applicant or a person from whom he derives title;
- (j) that the complete specification does not disclose or wrongly mentions the source or geographical origin of biological material used for the invention;
- (k) that the invention so far as claimed in any claim of the complete specification is anticipated having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere, but on no other ground.

The Controller shall, if requested by such person for being heard, hear him and dispose of such representation. If the opposition is decided in favour of the applicant, the patent is granted and the grant of Patent is published in the Patent Office Journal thereby opening the application, specification and other related documents for public inspection on payment of prescribed fee.

Post grant opposition - Any interested person can file notice of opposition (along with written statement and evidence, if any) anytime after the grant of Patent but before the expiry of a period of one year from the date of publication of grant of a Patent in the Patent Office Journal .The above notice under Section 25(2) should be filed on Form-7 along with a fee of Rs. 1500/ or Rs.

6000/- for natural person and other than natural person respectively, in duplicate at the appropriate office. The grounds of opposition under section 25 (2) are the same as given before in case of pre grant opposition. The post grant opposition is decided by an *Opposition Board* followed by a hearing and the reasoned decision by the Controller.

5.8.12. Grant of Patent

When all the requirements are met or in case of opposition under section 25(1), if the opposition is decided in favour of the applicant, the patent is granted, after 6 months from the date of publication under section 11 A, the letter patent is issued, entry is made in the register of patents and it is notified in the Patent Office, Journal, thereafter opening the application, specification and other related documents for public inspection on payment of prescribed fee.

5.8.13. Term and Date of Patent

Term of every patent will be 20 years from the date of filing of patent application, irrespective of whether it is filed with provisional or complete specification. Date of patent is the date on which the application for patent is filed. The term of patent in case of International applications filed under the Patent Cooperation Treaty designating India, will be 20 years from the International filing date accorded under the Patent Cooperation Treaty. A patent will have cease to effect on the expiration of the period prescribed for the payment of any renewal fee, if that fee is not paid within the prescribed period.

5.8.14. Renewal and restoration

To keep the patent in force, Renewal fee is to be paid every year. The first renewal fee is payable for the third year and must be paid before the expiration of the second year from the date of patent. If the patent has not been granted within two years the renewal fees may be accumulated and paid immediately after the patent is granted, or within three months of its record in Register of Patents or within extended period of 9 months, by paying extension fees of six month on Form 4, from the date of record. If the renewal fee is not paid within the prescribed time, the patent will cease to have effect. However, provision to restore the patent is possible provided application is made within eighteen months from the date of cessation.

Renewal fee is counted from the date of filing of the Patent application. Six month's grace time is available with extension fee for payment of renewal fee. No renewal fees is payable on Patents of Addition, unless the original patent is revoked and if the Patent of Addition is converted into an independent patent; renewal fee, then, becomes payable for the remainder of the term of the main patent. Application for restoration of a patent that lapses due to non-payment of renewal fees must be made within 18 months of lapse. The application is to be filed in the appropriate office according to the jurisdiction.

5.8.15. What are the documents required for filing a Patent application?

- 1) Application form in duplicate (**Form 1**).
- 2) Provisional or complete specification in duplicate. If the provisional specification is filed, it must be followed by the complete specification within 12 months. (**Form 2**).
- 3) Drawing in duplicate (if necessary).
- 4) Abstract of the invention in duplicate.
- 5) Information & undertaking listing the number, filing date & current status of each foreign patent application in duplicate (**Form 3**).
- 6) Priority document (if priority date is claimed) in convention application, when directed by the Controller.
- 7) Declaration of inventorship where provisional specification is followed by complete specification or in case of convention/PCT national phase application (**Form 5**).
- 8) Power of attorney (if filed through Patent Agent).
- 9) Fee (to be paid in cash/by cheque/by demand draft) (Schedule I).

(The cheque or demand draft should be payable to the "Controller of Patents" drawn on any schedule bank at a place where the appropriate office is situated).

Request for permission to file abroad:

If any application is to be filed abroad ,without filing in India ,it should be made only after taking a written permission from the Controller .The request for permission for making patent application outside India shall be made in **Form-25** along with a fee of Rs 1000/- or Rs 4000/- for natural person and other than natural person respectively. A gist of invention should also be filed along with the Form-25.

Specifications

Provisional specification - Application for patent may be accompanied by the provisional specification. It should contain the description of invention with drawing, if required. It is not necessary to include Claim. However, the complete specification should be fairly based on the matter disclosed in the provisional specification and should be filed within 12 months. If the complete specification is not filed within 12 months the application is deemed to have been abandoned. Usually a provisional specification is filed to establish priority of the invention in case the disclosed invention is only at a conceptual stage and a delay is expected in submitting full and specific description of the invention. Although, a patent application accompanied with provisional specification does not confer any legal patent rights to the applicants, it is, however, a very important document to establish the earliest ownership of an invention.

Complete specification - The complete specification is an essential document in the filing of patent application along with the drawing to be attached according to the necessity. Complete specification should fully describe the invention with reference to drawing, if required, disclosing the best method known to the applicant and end with Claim/Claims defining the scope of protection sought.. The specification must be written in such a manner that person of ordinary skill in the relevant field, to which the invention pertains, can understand the invention. Normally, it should contain the following matter-

- 1) Title of invention,
- 2) Field of invention,
- 3) Background of invention with regard to the drawback associated with known art,
- 4) Object of invention,
- 5) Statement of invention,
- 6) A summary of invention,

- 7) A brief description of the accompanying drawing,
- 8) Detailed description of the invention with reference to drawing/examples,
- 9) Claim(s),
- 10) Abstract.

The specification must start with a short title, which describes the general nature of invention. The title should not contain anyone's name, a fancy name and trade name or personal name or any abbreviation etc.

5.8.16. Rights of the Patentee (Sec.48 of Patents Act, 1970)

Where a patent covers a product, the grant of patent gives the patentee the exclusive right to prevent others from performing, without authorisation, the act of making, using, offering for sale, selling or importing that product for the above purpose.

Where a patent covers a process, the patentee has the exclusive right to exclude others from performing, without his authorisation, the act of using that process, using and offering for sale, selling or importing for those purposes, the product obtained directly by that process in India.

Where a patent is granted to two or more persons, each of those persons will be entitled to an equal undivided share in the patent unless there is an agreement to the contrary.

5.8.17. Restoration of lapsed patents

Where a patent has ceased to have effect due to failure to pay the renewal fee within the prescribed period, the patentee or his legal representative can within 18 months from the date on which the patent ceased to have effect make an application in Form 15 for restoration of the patent. If the Controller is satisfied that failure to pay the renewal fee was unintentional and that there has been no undue delay in the making of the application, then the patent will be restored.

5.8.18. Compulsory Licence

Compulsory Licensing (CL) allows governments to license third parties (that is, parties other than the patent holders) to produce and market a patented product or process without the consent of patent owners.

Chapter XVI i.e. Sections 82 to 94 of the Patents act, 1970 deals with ‘Working of Patents, Compulsory Licenses and Revocation’. Chapter XVII also deals with use of inventions for the purpose of government and acquisition of inventions by Central Government.

Chapter XIII i.e. Rules 96 to 102 of Patents Rules, 2003 deals with ‘compulsory licence and revocation of patent’.

Sec.84 of Patents Act, 1970 deals with general Compulsory Licences to be issued by the Controller on application.

Any time after three years from date of sealing of a patent, application for compulsory licence can be made, provided

- a) reasonable requirements of public have not been satisfied;
- b) patented invention is not available to public at a reasonably affordable price or
- c) patented invention is not worked in India.

Applicant’s capability including risk taking, ability of the applicant to work the invention in public interest, nature of invention, time elapsed since sealing, measures taken by patentee to work the patent in India will be taken into account by the Controller of Patents before granting licence. In case of national emergency or other circumstances of extreme urgency or public non commercial use or an establishment of a ground of anti competitive practices adopted by the patentee, the above conditions will not apply.

Section 92 of Patents Act, 1970 deals with special provision for compulsory licences on notifications issued by Central Government. If the Central Government is satisfied in respect of any patent in force, in case of national emergency or extreme urgency or in case of public non-commercial use, then compulsory licences can be granted at any time to work the invention and make a declaration in this regard in the Official Gazette.

Section 92A of Patents Act, 1970 provides for compulsory licensing of patents relating to the manufacture of pharmaceutical products for export to countries with public health problems. This section is an "enabling provision" for export of pharmaceutical products to any country having insufficient or no manufacturing capacity in the pharmaceutical sector in certain exceptional circumstances, to address public health problems. Such country has either to grant compulsory licence for importation or issue a notification for importation into that country.

The general purpose for granting compulsory licence is that –

- a. that patented inventions are worked on a commercial scale in India without undue delay and to the fullest extent that is reasonably practicable;
- b. that the interests of any person for the time being working or developing an invention in India under the protection of a patent are not unfairly prejudiced.

While settling the terms and conditions of compulsory licences, the Controller should endeavour to secure –

- that the royalty and other remuneration, if any, reserved to the patentee or other person beneficially entitled to the patent, is reasonable, having regard to the nature of the invention, the expenditure incurred by the patentee in making the invention or in developing it and obtaining a patent and keeping it in force and other relevant factors;
- that the patented invention is worked to the fullest extent by the person to whom the licence is granted and with reasonable profit to him;
- that the patented articles are made available to the public at reasonably affordable prices;
- that the licence granted is a non-exclusive licence;
- that the right of the licensee is non-assignable;
- that the licence is for the balance term of the patent unless a shorter term is consistent with public interest;
- that the licence is granted with a predominant purpose of supply in the Indian market and that the licensee may also export the patented product if required;

- that in the case of semi-conductor technology, the licence granted is to work the invention for public non-commercial use;
- that in case the licence is granted to remedy a practice determined after judicial or administrative process to be anti-competitive, the licensee shall be permitted to export the patented product, if need be.

Compulsory licence under Paris convention

The Paris Convention is an international convention for promoting trade among the member countries, devised to facilitate protection of industrial property simultaneously in the member countries without any loss in the priority date. All the member countries provide national treatment to all the applications from the other member countries for protection of industrial property rights. The convention was first signed in 1883. Since then the Convention has been revised several times; in 1900 at Brussels, in 1911 at Washington, in 1925 at the Hague, in 1934 at London, in 1958 at Lisbon and in 1967 at Stockholm. The last amendment took place in 1979. India became a member of the Paris Convention on December 7, 1998.

The principal features of the Paris Convention are:

- National treatment
- Right of priority
- Independence of patents
- Parallel importation
- Protection against false indications and unfair competition

The Paris convention recognized that non working of registered patents may amount to abuse of the patent system.

- Article 5A (2) permits members of Paris union to “take legislative measures for the grant of compulsory licenses, to prevent the abuses which might result from the exercise of exclusive rights conferred by the patent. For example - failure to work.

- According to Article 5A (3) persistent inaction on the part of the patent holder may even be remedied by forfeiture, of the patent right, but not before the expiration of two years from the grant of a first compulsory license.
- According to Article 5A (4) however insufficient working shall not result in compulsory license before the expiration period of 4 years from the date of filing of patent application or 3 years from the date of grant of patent, whichever period expires last. The patent holder is allowed to justify his inactions by legitimate reasons stemming from “the existence of legal, economic, technical obstacles to exploitation, or more intensive exploitation of the patent in the country”.

Compulsory licence under TRIPS

The Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) is an international agreement administered by the World Trade Organization (WTO) that sets down minimum standards for many forms of intellectual property (IP) regulation as applied to nationals of other WTO Members. It was negotiated at the end of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) in 1994. (The Uruguay Round was the 8th round of multilateral trade negotiations (MTN) conducted within the framework of the General Agreement on Tariffs and Trade (GATT), spanning from 1986-1994 and embracing 123 countries as “contracting parties”. The Round transformed the GATT into the World Trade Organization.)

The TRIPS agreement introduced intellectual property law into the international trading system for the first time and remains the most comprehensive international agreement on intellectual property to date.

According to the TRIPS agreement patent protection must be available for inventions for at least 20 years. Patent protection must be available for both products and processes, in almost all fields of technology. Governments can refuse to issue a patent for an invention if its commercial exploitation is prohibited for reasons of public order or morality. They can also exclude diagnostic, therapeutic and surgical methods, plants and animals (other than microorganisms),

and biological processes for the production of plants or animals (other than microbiological processes).

The agreement describes the minimum rights that a patent owner must enjoy. But it also allows certain exceptions. A patent owner could abuse his rights, for example by failing to supply the product on the market. To deal with that possibility, the agreement says governments can issue “compulsory licences” (Article 31) for allowing a competitor to produce the product or use the process under licence. But this can only be done under certain conditions aimed at safeguarding the legitimate interests of the patent-holder.

5.8.19. Procedure to check if invention is already patented

The person concerned can perform a preliminary search on Patent Office website in the Indian patent data base of granted patent or Patent Office journal published every week or by making search in the documents kept in the Patent Office Search and Reference Room, which contains Indian patents arranged according to international patent classification system as well in serial number. It is open to the general public from Monday to Friday, except Gazetted holidays. The public can also conduct search free of charge on the website of Patent Office. The person concerned can also make a request for such information under section 153 of the Act.

5.8.20. Patent Agent

A Patent agent is a registered person with Indian Patent Office whose name is entered in the patent agent register after being declared qualified the patent agent examination conducted by the patent office and who is entitled—

- (a) to practice before the Controller; and
- (b) to prepare all documents, transact all business and discharge such other functions as may be prescribed in connection with any proceeding before the Controller under this Act.

Eligibility conditions for registration as patent agents are below.-

A person shall be qualified to have his name entered in the register of patent agents if he fulfills the following conditions, namely—

- (a) he is a citizen of India;
- (b) he has completed the age of 21 years;
- (c) he has obtained a degree in science, engineering or technology from any university established under law for the time being in force in the territory of India or possesses such other equivalent qualifications as the Central Government may specify in this behalf and, in addition,—
 - (i) has passed the qualifying examination prescribed for the purpose; or
 - (ii) has, for a total period of not less than ten years, functioned either as an examiner or discharged the functions of the Controller under section 73 or both, but ceased to hold any such capacity.

It is not necessary under the patent law to engage a registered patent agent for filing an application for patent. The applicant is free to file an application by himself or through the patent agent. However, an applicant who is not a resident of India is required to file either through the registered patent agent or must give an address for service in India.

5.8.21. Infringement of Patents

Infringement of a patent consists of the unauthorized making, importing, using, offering for sale or selling any patented invention within the India.

Remedies against infringement of a patented invention

1. Interlocutory Injunction

A patent owner at the start of a trial can request for an interim injunction to restrain the defendant from committing the acts complained of until the hearing of the action or further orders. Permanent injunction is given based on the merits of the case at the end of the trial.

2. **Relief of damages:** An award of damages focuses on the losses sustained by the claimant. A patent owner is entitled to the relief of damages as compensation to the patentee and not punishment to the infringer.
3. **Account of profits:** Account of profits focuses on the profits made by the defendant, without reference to the damage suffered by the claimant at the hands of the defendant. The purpose of the account is to prevent the unjust enrichment of the defendant by the use of the claimant's invention. The patent owner may also opt for the account of profits where he has to prove use of invention and the amount of profit derived from such illegal use.

5.8.22. Penalties

- 1) Contravention of secrecy provisions relating to certain inventions (Sec.118) - If any person fails to comply with any directions given under section 35 or makes or causes to be made an application in contravention of section 39 he shall be punishable with imprisonment up to 2 years or with fine or with both. (Section 35 deals with secrecy directions relating to inventions relevant for defence purposes and Section 39 deals with residents not to apply for patents outside India without prior permission).
- 2) Falsification of entries in register etc (Sec.119) - If any person makes, or causes to be made, a false entry in any register kept under this Act, he shall be punishable with imprisonment for a term that may extend to 2 years or with fine or with both.
- 3) Unauthorized claim of patent rights (Sec.120) - If any person falsely represents that any article sold by him is patented in India or is the subject of an application for a patent in India, he will be punishable with fine that may extend to Rs.1,00,000. The use of words 'patent', 'Patented', 'Patent applied for', 'Patent pending', 'Patent registered' without mentioning the name of the country means they are patented in India or patent applied for in India.
- 4) Wrongful use of words, "patent office" (Sec.121) - If any person uses on his place of business or any document issued by him or otherwise the words "patent office" or any

other words which reasonably lead to the belief that his place of business is, or is officially connected with, the patent office, he will be punishable with imprisonment for a term that may extend to 6 months, or with fine, or with both.

- 5) Refusal or failure to supply information (Sec.122) - If any person refuses or fails to furnish information as required under section 100(5) and 146 he shall be punishable with fine, which may go up to Rs 10,00,000/- . If he furnishes false information knowingly he shall be punishable with imprisonment that may extend to 6 months or with fine or with both.
- 6) Practice by non-registered patent agents (Sec.123) - Any person practicing as patent agent without registering is liable to be punished with a fine of Rs 1,00,000/- in the first offence and Rs.5,00,000/- for subsequent offence.
- 7) Deals with offences by companies (Sec.124) - When offence is committed by a company as well as every person in charge of and responsible to the company for the conducts of its business at the time of the commission of the offence will be deemed to be guilty and will be liable to be preceded against and punished accordingly. Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

5.8.23. E-filing of Patent applications

What is e-Filing?

E-filing is a service provided by the Intellectual Property Office, India in order to enable customers to apply for a patent on-line allowing from the User's browser for the User to:

- Complete an electronic application form
- Provide the associated attachments
- Complete the necessary payment details

Procedure for e-filing

1. Acquire Class 3 Digital Signatures either from (n) Code Solutions, Tata Consultancy Services (TCS) & Safe Script.
2. New users (Applicants, Agents or Attorneys), can complete online registration by providing Digital Signature details to get a User ID and Password for using the e-Filing System of Indian Patent Office (IPO).
3. Secure Login into the system with created User Id and the Password.
4. Download the Client Software for preparing Patent Application Offline with required documents and Digitally Sign it for uploading on IPO Server.
5. Fill Patent Application offline and generate an XML file using Client Software.
6. After creating application (XML) file offline, Digitally Sign the XML file (Max. file size permitted 5MB) for uploading on to the IPO Server.
7. Login into e-Patent portal (<http://ipindia.gov.in>) for uploading Application XML file on IPO Server.
8. Upload & Submit Digitally Signed XML file to IPO Server.
9. Process Application for EFT (Electronic Fund Transfer) using State Bank of India(SBI) & Axis Bank Payment Gateways.
10. Review Application Status on e-Patent Portal.
11. On successful EFT acknowledgement details would be displayed/ generated.
12. Print Acknowledgement. Click on "Print" to generate printout of acknowledgement.

5.8.24. Fees under the Patents Act, 1970

Form no.	Description	Amount of fees (in rupees)	
		Natural Person	Legal Entity other than natural person(s).
1	Application for Patent	1000 - Multiple of 1000 in case of every multiple	4000 - Multiple of 4000 in case of every

		<p>priority.</p> <ul style="list-style-type: none"> - 100 (each sheet of specification in addition to 30) - 200 (for each claim in addition to 10) 	<p>multiple priority.</p> <ul style="list-style-type: none"> - 400 (each sheet of specification in addition to 30) - 800 (for each claim in addition to 10)
2	Provisional / Complete specification	<p>No fee</p> <ul style="list-style-type: none"> - 100 (each sheet of specification in addition to 30) - 200 (for each claim in addition to 10) 	<p>No fee</p> <ul style="list-style-type: none"> - 400 (each sheet of specification in addition to 30) - 800 (for each claim in addition to 10)
3	Information & undertaking for foreign patent application	No fee	No fee
4	Request for extension of time	300 per month	1200 per month
5	Declaration as to inventorship	No fee	No fee
6	Claim or request regarding any change in applicant for Patent	500	2000
7	Notice of opposition	1500	6000
8	Request or claim regarding mention of Inventor as such in a Patent	500	2000

9	Request for publication	2500	10000
10	Application for amendment of Patent	1500	6000
11	Application for direction of the Controller	1500	6000
12	Request for grant of patent under Sec.26(1) & 52(2)	1500	6000
13	Application for amendment of the application for patent/complete specification	500 1000 200	2000 4000 800
14	Notice of opposition to amendment/restoration/surrender of patent/compulsory licence or correction of clerical errors	1500	6000
15	Application for restoration of patent	1500	6000
16	Application for registration of title/interest in a patent or share in it or registration of any document purporting to affect proprietorship of the patent	1000	4000
17	Application for compulsory licence	1500	6000
18	Request for examination of	2500	10000

	application for patent	3500	14000
19	Application for revocation of a patent for non-working	1500	6000
20	Application for revision of terms and conditions of licence	1500	6000
21	Request for termination of compulsory licence	1500	6000
22	Application for registration of patent agent	2000	No fee
23	Application for restoration of the name in Register of Patent Agents	1000	No fee
24	Application for review/setting aside Controller's decision/order	1000	4000
25	Request for permission for making patent application outside India	1000	4000
26	Form for authorisation of patent agent/or any person in a matter or proceeding under the Act	No fee	No fee
27	Statement regarding working of patented invention on commercial scale in India	No fee	No fee

6. TRADEMARK

6.1. What is Trademark?

A trade mark (popularly known as brand name) in layman's language is a visual symbol which may be a word signature, name, device, label, numerals or combination of colours used by one undertaking on goods or services or other articles of commerce to distinguish it from other similar goods or services originating from a different undertaking.

- The selected mark should be capable of being represented graphically (that is in the paper form).
- It should be capable of distinguishing the goods or services of one undertaking from those of others.
- It should be used or proposed to be used mark in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services and some person have the right to use the mark with or without identity of that person.

Trade Marks are distinctive symbols, signs, logos that help consumer to distinguish between competing goods or services. A trade name is the name of an enterprise which individualizes the enterprise in consumer's mind. It is legally not linked to quality. But, linked in consumer's mind to quality expectation.

Key Features of Trademark

- Trademark must be Distinctive
- Trademark must be used in Commerce

Types of Trademark

- Trademark,
- Servicemark,
- Collectivemark,
- Certification Mark

Functions of Trademark

Trademark performs four functions –

- It identifies the goods / or services and its origin;
- It guarantees its unchanged quality;
- It advertises the goods/services;
- It creates an image for the goods/ services.

6.2. Trade Marks law of India

The Trade Marks Act, 1999 and the Trade Marks Rules, 2002 govern the law relating to Trade Marks in India.

The Trade Marks Act, 1999 (TMA) protects the trade marks and their infringement can be challenged by a passing off or/and infringement action. The Act protects a trade mark for goods or services, on the basis of either use or registration or on basis of both elements.

6.2.1. Who can apply for Trademark?

Any person claiming to be the proprietor of a trade mark used or proposed to be used by him may apply in writing in **Form TM-1** for registration. The application should contain the trade mark, the goods/services, name and address of applicant and agent (if any) with power of attorney, period of use of the mark and signature. The application should be in English or Hindi. It should be filed at the appropriate office.

6.2.2. Jurisdiction for filing application

A trade mark application should be filed at the appropriate office of the Registry within whose territorial limits, the principal place of business in India of the applicant is situate. In the case of joint applicants, the principal place of business in India of the applicant will be that of the person whose name is first mentioned as having a place of business. If the applicant has no principal place of business in India, he should file the application at that office within whose territorial jurisdiction, the address for service in India given by him is located. No change in the principal place of business in India or in the address for service in India shall affect the jurisdiction of the appropriate office once entered.

6.2.3. Location and Jurisdiction of Trademarks Office

1) Trade Marks Registry, Mumbai (Head Office)

Intellectual Property Bhavan, Near Antop Hill Head Post Office, S.M. Road , Antop Hill, Mumbai 400037
Tel: 022-2410 1144, 24101177, 24148251, 24112211
Fax: 24120808, 24132295

Jurisdiction: State of Maharashtra, Madhya Pradesh and Goa.

2) Trade Marks Registry, Delhi

Intellectual Property Bhavan, Plot NO.32, Section 14, Dwarka, Delhi

Tel. 011-28082915/ 16/17 Fax:

Jurisdiction: State of Jammu & Kashmir, Punjab, Haryana, Uttar Pradesh, Himachal Pradesh, Union Territory of Delhi and Chandigarh

3) Trade Marks Registry, Kolkata,

CP-2, Sector V, 5th floor, I.P.Bhavan, Salt Lake, Kolkata-700091

(Telfax. 033-23677311)

Jurisdiction: State of Arunachal Pradesh, Assam, Bihar, Orissa, West Bengal, Manipur, Mizoram, Meghalaya, Sikkim , Tripura and Union Territory of Nagaland, Andamar & Nicobar Island.

4) Trade Marks Registry, Ahmedabad,

15/27 National Chambers, 1st floor,

Ashram road, Ahmedabad - 380 009.

Tel: 079-26580567

Jurisdiction: The state of Gujarat and Rajasthan and Union Territory of Damman, Diu, Dadra and Nagar Haveli

5) Trade Marks Registry, Chennai

IP building, GST Road, Guindy

Chennai-600032

Tele: 044-22502041, Fax: 044-22502042

Jurisdiction: The state of Andhra Pradesh, Kerala, Tamil Nadu, Karnataka and Union Territory of Pondicherry and Lakshadweep Island.

6.2.4. Particulars to be filed with application for registration

The application should be filed in triplicate with the following particulars –

- Graphic representation of the trademark.
- Five Additional representations are to be provided corresponding exactly with one another.
- In the case of three dimensional mark, the reproduction of the mark should consist of a two dimensional or photographic reproduction.

- Where the trade mark contains a word or words in scripts other than Hindi or English, a transliteration and translation of each word in English or in Hindi should be given indicating the language to which the word belongs, at the time of filing the application to facilitate completion of data entry at the initial stage itself.
- The application may contain a declaration claiming priority as per the Paris Convention.

6.2.5. Procedure for series registration

Section 15 (3) makes provision for registration of trade mark as series in respect of the same or similar goods /services where the marks, while resembling each other in the material particulars thereof and yet differ in respect of –

1. Statement of goods or services in relation to which they are respectively used or proposed to be used; or
2. Statement of number, price, quality or names of places; or
3. Other matter of a non-distinctive character which does not substantially affect the identity of the trade mark; or
4. Colour

Application for registration of series marks is to be on form **TM-8 or TM-37** as the case may be. Though it is permissible to file a single application for registration of trade mark in more than one class, it is to be noted that each series marks must be in respect of the same goods or services or description of goods/services. Where a group of marks are applied for registration as series in one registration and the Registrar does not consider them eligible for registration of series marks under section 15 the applicant will be required to delete any of the mark which is under objection. It is also open to the applicant to apply on form TM-53 for division of the application to conform to the provision of section 22. All trademarks registered as series in one registration are deemed to be registered as associated trade mark.

6.2.6. Registration of Collective Marks

Special provisions have been made for registration of collective marks in section 61 to 68 of the Act. “**Collective mark**” is defined to mean a trade mark distinguishing the goods or services of members of an association of persons (not being a partnership within the meaning of Indian

Partnership Act, 1932) which is the proprietor of the mark from those of others"- section 2(1)(g). To be registerable, the collective mark must be capable of being represented graphically and meet other requirements as are applicable to registration of trade marks in general. The following points should be noted for registering collective marks -

- The collective mark is owned by an association of persons not being a partnership.
- The collective marks belong to a group and its use thereof is reserved for members of the group.
- The association may not use itself the collective mark but it ensures compliance of certain quality standards by its members who may use the collective mark.
- The primary function of a collective mark is to indicate a trade connection with the association or organization who is the proprietor of the mark.

Application for registration as collective mark should be made on form TM-3. Where appropriate form TM-66 , 64 or TM-67 can be used.

6.2.7. Administrative procedure of registration of trademarks

An application for registration of trademarks is received at the Head office of Trademark Registry, Mumbai and its branches according to territorial jurisdiction. Applications are then examined mainly with regard to the distinctiveness, possibility of deceptiveness and conflicting trademarks. The registrar on consideration of the application and any evidence of use or distinctiveness decides whether the application should be accepted for registration or not, and if accepted, publishes the same in the official gazette i.e. Trade Marks Journal (published in CD-Rom). Within a prescribed period any person can file an opposition, a copy of which is served to the applicants who is required to file a counterstatement within two months failing which the application shall be treated as abandoned.

Thereafter, the opponent leads evidence in support of his case by way of affidavit followed by the applicant's evidence also by way of affidavit in support of the application. After that the opponent files evidence by way of rebuttal. On completion of evidence, the matter is set down for a hearing and the case is decided by a Hearing officer. The registrar's decision is appealable to the Intellectual Property Appellate Board.

Almost all functions of the Registry have now been decentralized and executed by respective offices except publication of journal, issuance of Registration Certificate and post registration activities including renewal which is done at TMR, Mumbai (Head Office).

6.2.8. Correction and amendment of registration application

An applicant for registration of a trade mark can before the registration of the mark, apply in **Form TM-16** for correction of any error in connection with his application. But the correction should not alter the trade mark that has been applied for or substitute a new specification of goods or services not included in the application.

6.2.9. Renewal of registration

The period of registration which was 7 years until recently under 1958 Act, has been increased to **10 years** under the present Act. The 10 year period of registration is reckoned from the date of making of the application which is deemed to be the date of registration.

Registrations can be renewed by payment of prescribed renewal fees in all cases (trademark / collective marks/certification marks) on **form TM-12**. The application is filed by the proprietor of the registered trade mark or his agent. If there is any change in the proprietorship of the mark, and it has not been brought on record, proof of title should be filed in the first instance.

6.2.10. Offences & Penalties

There are mainly two classes of Offences relating to Trademarks –

- (a) Falsification of Trademark
- (b) Falsely applying the trademark to goods or services

The punishment for the above offences shall not be less than 6 months imprisonment which may extend to three years and a fine which shall not be less 50,000/-, but may extend to Rupees Two Lakh. Wherever the court proposes a lower punishment than the minimum, it has to record, adequate and special reasons for the same.

However second and subsequent offences shall be more severely punished. There shall be an Imprisonment of not less than one year which may extend to three years and a fine which shall not be less Rupees One lakh, but may extend to Rupees Two Lakh. The court can propose a lower punishment than the minimum, only after recording adequate and special reasons for the same.

6.2.11. E-filing of Trademark application

E-filing is the service provided by the Trademark Registry in order to enable customers to apply for a Trade Mark on-line allowing from the applicant's browser to:

- Complete an electronic application form;
- Provide the associated attachments;
- Complete the necessary payment details

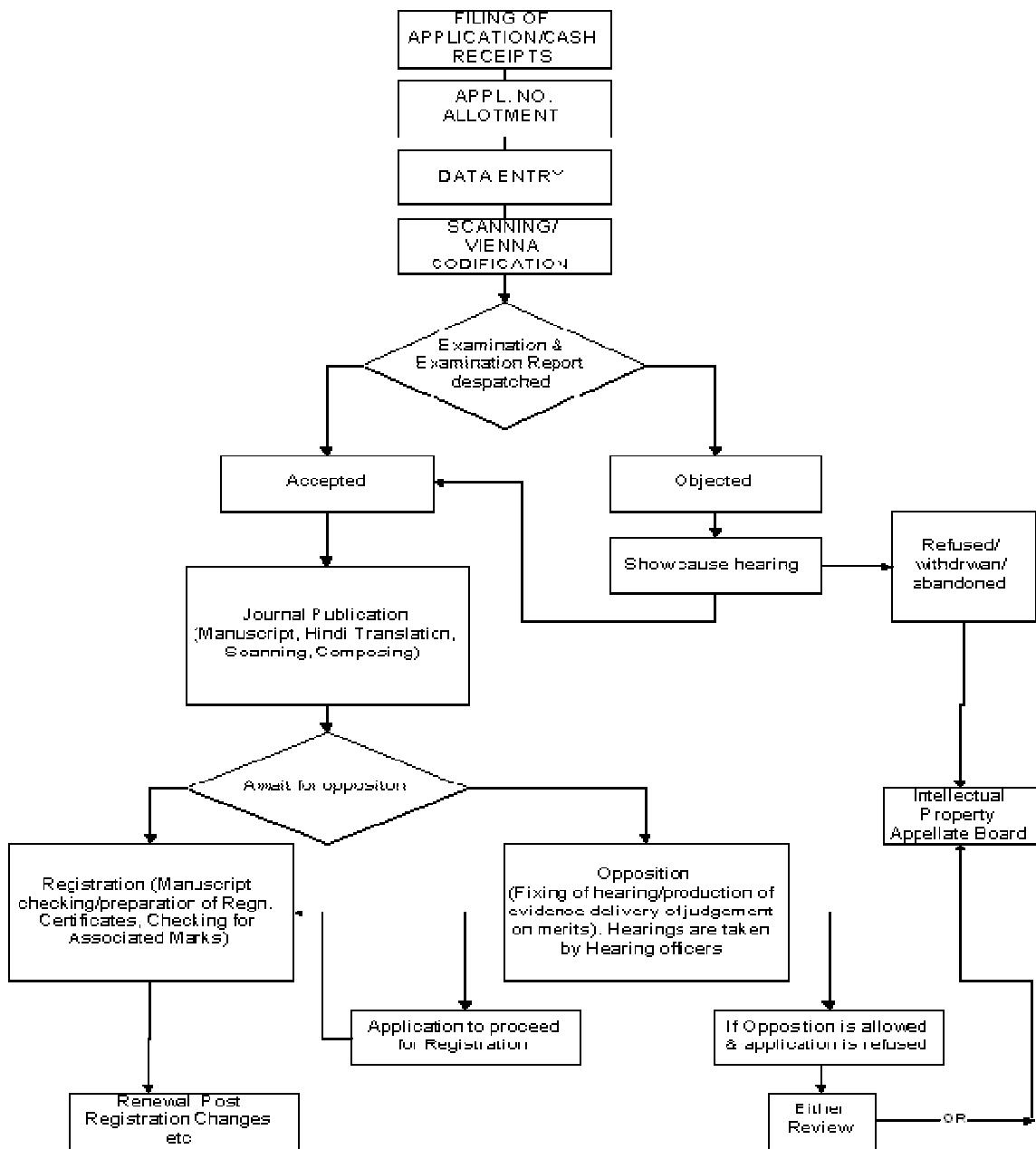
Procedure for e-filing

In order to submit an electronic application form, following steps should be followed -

- 1) Acquire Class 3 Digital Signatures from (n)Code Solutions or Tata Consultancy Services (TCS) or SafeScrypt from Sify . The Procedure for getting the Digital Signature and the location of their Offices is available at their website.
- 2) For users (Proprietors/Agents or Attorneys), already registered with TMR (Trademark Registry) Office India can complete online registration by providing a desired User ID, their User Type (Proprietor/Agent/Attorney) and User Code.
- 3) For Users who are not registered as Proprietor / Attorney with TMR Office, they can search and fill online form to obtain User code (Party Code).
- 4) Secure Login into the system with created User Id and the Digital Signatures.
- 5) Obtain a New Reference Number for New Application. Use this option when the applicant wants to apply for a new Trademarks Application.

- 6) Update Application Details: Use this option to edit / update the application details along with relevant images and attached documents. Final Submission to TMR-India with Digital Signature is included in this option after which application cannot be edited.
- 7) The Cases which are Digitally Submitted to TMR, India are available for online payment. The applicant can pay for more than one application in a single transaction. Once the payment is realized as confirmed by the Payment Gateway, an acknowledgement receipt for the fees paid is generated by the system indicating the Receipt Number, Application Number and Date of Filing.
- 8) An applicant can also view online History and status of the applications filed by him / her by clicking Status of Filed Application.
- 9) An applicant can also view the online status of e-Payments.

TMR Flow Chart



7. DESIGNS

7.1. What is Design?

A Design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, whether in two or three dimensional (or both) forms. This may be applied by any industrial process or means (manual, mechanical or chemical) separately or by a combined process, which in the finished article appeals to and judged solely by the eye. Design does not include any mode or principle of construction or anything which is mere mechanical device. It also does not include any trade mark or any artistic work.

An industrial design registration protects the ornamental or aesthetic aspect of an article. Designs may consist of three-dimensional features, such as the shape or surface of an article, or of two-dimensional features, such as patterns, lines or color. Designs are applied to a wide variety of products of different industries like handicrafts, medical instruments, watches, jewelry, house wares, electrical appliances, vehicles and architectural structures. An industrial design is primarily for aesthetic features.

Design law in India

The essential purpose of design law is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries.

The Designs Act, 2000 and the Designs Rules, 2001 presently govern the design law in India. The Act came into force on 25th May 2000 while the Rules came into effect on 11th May 2001. The object of the Designs Act to protect new or original designs so created to be applied or applicable to particular article to be manufactured by Industrial Process or means. Sometimes purchase of articles for use is influenced not only by their practical efficiency but also by their appearance.

7.2. Need for registration of Design

The registration of a design confers upon the registered proprietor the exclusive right to apply a design to the article in the class in which the design has been registered. A registered proprietor of the design is entitled to a better protection of his intellectual property. He can sue for infringement, if his right is infringed by any person. He can license or sell his design as legal property for a consideration or royalty. Registration initially confers this **right for ten years** from the date of registration. It is renewable for a further period of five years. If the fee for extension is not paid for the further period of registration within the period of initial registration, this right will cease. There is provision for the restoration of a lapsed design if the application for restoration is filed within one year from the date of cessation in the prescribed manner.

7.3. Essential requirements for registration of Design

A design should -

- Be new or original
- Not be disclosed to the public anywhere by publication in tangible form or by use or in any other way prior to the filling date, or where applicable, the priority date of the application for registration.
- Be significantly distinguishable from known Designs or combination of known designs.
- Not comprise or contain scandalous or obscene matter.
- Not be a mere mechanical contrivance.
- Be applied to an article and should appeal to the eye.
- Not be contrary to public order or morality.

7.4. Exclusion from scope of Design

Designs that are primarily literary or artistic in character are not protected under the Designs Act.

These will include:

- Books, jackets, calendars, certificates, forms-and other documents, dressmaking patterns, greeting cards, leaflets, maps and plan cards, postcards, stamps, medals.
- Labels, tokens, cards, cartoons.
- Any principle or mode of construction of an article.

- Mere mechanical contrivance.
- Buildings and structures.
- Parts of articles not manufactured and sold separately.
- Variations commonly used in the trade.
- Mere workshop alterations of components of an assembly.
- Mere change in size of article.
- Flags, emblems or signs of any country.
- Layout designs of integrated circuits.

7.5. Who can apply for registration?

Any person or the legal representative or the assignee can apply separately or jointly for the registration of a design. The term "person" includes firm, partnership and a body corporate. An application may also be filed through an agent in which case a power of attorney is required to be filed. An Application for registration of design may be prepared either by the applicant or with the professional help of attorneys.

7.6. Register of Design

The Register of Designs is a document maintained by the Patent Office, Kolkata as a statutory requirement. It contains the design number, date of filing and reciprocity date (if any), name and address of proprietor and such other matters as would affect the validity of proprietorship of the design such as notifications of assignments and of transmissions of registered designs, etc. and it is open for public inspection on payment of prescribed fee and extract from register may also be obtained on request with the prescribed fee.

7.7. Procedure for submission of application of registration

Any person who desires to register a design is required to submit the following documents to the Design Wing of the Patent Office at "Intellectual Property Office", CP-2, Sector V, Salt Lake, Kolkata - 700 091 or any of the Branch Offices of the Patent Office at Delhi, Mumbai and

Chennai. The applications received by the Branch Offices will be transmitted to the Head Office for processing and prosecuting.

- i. Application duly filed in on the prescribed form (Form-I) along with the prescribed fees, stating name in full, address, nationality, name of the article, class number, address for service in India. The application should also be signed either by the applicant or by his authorized agent.
- ii. Representation (in quadruplicate of size 33 cm x 20.5 cm with a suitable margin) of the article. Drawings \ sketches should clearly show the features of the design from different views and state the view (e.g. front or Side).
- iii. A statement of novelty and disclaimer (if any) in respect of mechanical action, trademark, work, letter, numerals should be endorsed on each representation sheet which should be duly signed and dated.
- iv. Power of attorney (if necessary).
- v. Priority documents (if any) in case of convention application claimed under Section 44 of the Designs Act, 2000.

7.8. Cancellation of registration of Design

The registration of a design may be cancelled at any time after the registration of design on a petition for cancellation in form 8 with a fee of Rs. 1,500/-to the Controller of Designs on the following grounds:

1. That the design has been previously registered in India or
2. That it has been published in India or elsewhere prior to date of registration or
3. The design is not new or original or
4. Design is not registrable or
5. It is not a design under Clause (d) of Section 2.

7.9. Piracy of registered design

During the existence of copyright over any design, other persons are prohibited from using the design except or with the permission of the proprietor, his licensee or assignee. The following activities are considered to be infringement.

- To apply the design or any fraudulent imitation of it to any article for sale;
- To import for sale any article to which the design or fraudulent or obvious imitation of it, has been applied;
- To publish or to expose for sale knowing that the design or any fraudulent or obvious imitation of it has been applied to it.

7.10. Forms and Fees under the Designs Act, 2000 and the Designs Rules, 2001

Form No.	Description	Prescribed time	Fees payable
Form 1	Application for registration of design/Application under reciprocal arrangement.	Within 6 months from date of earliest filing in the country(s) under Paris Convention, WTO	Rs.1000/-
Form 2	Claim to proceed as an applicant or joint applicant.	Within 6 months from the date of execution of assignment instrument. Further extension of 6 months available.	Rs.500/-
Form 3	Application to extend copyright	Before the expiry of initial period of 10 years	Rs.2000/-

Form 4	Application for Restoration of lapsed design	Within one year from date of cessation.	Rs.1000/-
Form 5	Inspection of registered design	No time limit prescribed.	Rs.500/-
Form 6	Request for information when registration number is given.	No time limit prescribed.	Rs.500/-
Form 7	Request for information when registration number is not given.	No time limit prescribed.	Rs.1000/-
Form 8	Petition to cancel registration of design.	Any time during existence of copyright.	Rs.1500/-
Form 9	Notice of intended exhibition or publication of unregistered design.		Rs.500/-
Form 10	Application for registration of a document in the Register Design.		Rs.500/- for one design. Rs.200/- for each additional design
Form 11	Application for entry of name of proprietor or part proprietor in the Register		Rs.500/- for one design. Rs.200/- for each additional design
Form 12	Application for entry of mortgage or licence in the Register.		Rs.500/- for one design. Rs.200/- for each additional design
Form 13	Application for entry of		Rs.500/- for

	notification of a document in the Register.		one design. Rs.200/- for each additional design.
Form 14	Request for correction of clerical error.		Rs.500/-
Form 15	Request for certificate.		Rs.500/-
Form 16	Application for certified copy of registered design	No time limit prescribed.	Rs.500/-
Form 17	Application for rectification of Register.		Rs.500/-
Form 18	Application for extension of time for filing priority document.		Rs.200/- per month
Form 19	Notice of opposition.		Rs.100/-
Form 20	Notice of intention to attend hearing.		Rs.500/-
Form 21	Power of authority to agents.		To be stamped under Indian Stamp Act.
Form 22	Request to alter name or address or address for service in Register	No time limit prescribed.	Rs.200/-
Form 23	Request for entries of two addresses in the Register		Rs.200/-

Administration

The Patent Office, under the Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, performs the statutory duties in connection with the grant of patents for new inventions and registration of industrial designs. Patent Offices are located at Kolkata,

Mumbai, Chennai and Delhi to deal with the applications for patents originating within their respective territorial jurisdictions.

8. GEOGRAPHICAL INDICATIONS OF GOODS

Geographical Indications of Goods are defined as that aspect of industrial property which refers to the geographical indication referring to a country or to a place situated therein as being the country or place of origin of that product.

8.1.

What is a Geographical Indication?

- Ø It is an indication
- Ø It originates from a definite geographical territory.
- Ø It is used to identify agricultural, natural or manufactured goods
- Ø The manufactured goods should be produced or processed or prepared in that territory.
- Ø It should have a special quality or reputation or other characteristics

Examples of Indian Geographical Indications -

- Ø Solapur Chaddar
- Ø Solapur Terry Towel
- Ø Basmati Rice
- Ø Darjeeling Tea
- Ø Kanchipuram Silk Saree
- Ø Alphanso Mango
- Ø Nagpur Orange

8.2. Laws relating to Geographical Indication of Goods

Geographical Indications of Goods (Registration and Protection) Act, 1999 and The Geographical Indications of Goods (Registration and Protection) Rules, 2002 deal with registration and better protection of geographical indications relating to goods. The primary purpose of this Act is to provide legal protection to Indian Geographical Indications which in turn boost exports. Registration of Geographical indication promotes economic prosperity of producers of goods produced in a geographical territory.

According to the Act, the term 'geographical indication' (in relation to goods) means "an indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of such goods is essentially attributable to its geographical origin and in case where such goods are manufactured goods, one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be".

8.3. Registration of Geographical Indication

The registration of a geographical indication is not compulsory; however, it offers better legal protection to facilitate an action for infringement. The registered proprietor and authorized users can initiate infringement actions. The authorized users can exercise the exclusive right to use the geographical indication.

The registration of a geographical indication is valid for a period of 10 years. It can be renewed from time to time for further period of 10 years each. If a registered geographical indication is not renewed it is liable to be removed from the register.

8.4. Procedure for Filing application for registration of Geographical Indication

I. Form and signing of application

1. Every application for the registration of a geographical indication should be made in the prescribed form (GI-1A to ID) accompanied by the prescribed fee (Rs.5,000).
2. It should be signed by the applicant or his agent.
3. It must be made in triplicate along with three copies of a Statement of Case accompanied by five additional representations.

II. Fees

1. Fees may be paid in cash or sent by money order or by a bank draft or by a cheque.
2. Bank Drafts or cheques should be crossed and be made payable to the Registrar at the appropriate office of the Geographical Indication Registry.
3. It should be drawn by a scheduled bank at the place where the appropriate office of the Geographical Indications Registry is situated.
4. Where a document is filed without fee or with insufficient fee such document will be deemed to have not been filed.

III. Sizes

1. All applications should be typewritten, lithographed or printed in Hindi or in English.
2. It should in large and legible characters with deep permanent ink upon strong paper, on one side only.
3. The size should be approximately 33 cms by 20 cms and shall have on the

left and part thereof a margin of not less than 4 centimeters.

IV. Signing of documents

1. In case of -
 - i. An association of persons or producers shall be signed by the authorized signatory.
 - ii. A body corporate or any organization or any authority established by or under any law for the time being in force shall be signed by the Chief Executive, or the Managing Director or the secretary or other principal officer.
 - iii. In case of partnership it shall be signed by at least one of the partners.
2. The capacity in which an individual signs a document should be stated below his signature.
3. Signatures should be accompanied by the name of the signatory in English or in Hindi and in capital letters.

V. Principal place of business in India

1. Every application for registration of a G.I should state the principal place of business in India.
2. A body corporate should state the full name and nationality of the Board of Directors.
3. Foreign applicants and persons having principal place of business, in their home country should furnish an address for service in India.

4. In the case of a body corporate or any organization or authority established by or under any law for the time being in force, the country of incorporation or the nature of registration, if any, as the case may be should be given.

VI. Convention Application should contain the following

1. A certificate by the Registry or competent authority of the Geographical Indications Office of the convention country.
2. The particulars of the geographical indication, the country and the date or dates of filing of the first application.
3. The application must be the applicants' first application in a convention country for the same geographical indications and for all or some of the goods.
4. The application must include a statement indicating the filing date of the foreign application, the convention country where it was filed, the serial number, if available.

VII. Statement of user in applications

An application to register a geographical indication should contain a statement of user along with an affidavit.

VIII. Content of Application

Every application should be made in the prescribed forms and shall contain the following :

1. A statement as to how the geographical indication serves to designate the goods as originating from the concerned territory in respect of specific quality, reputation or other characteristics.

2. The three certified copies of class of goods to which the geographical indication relates.
3. The geographical map of the territory.
4. The particulars of the appearance of the geographical indication words or figurative elements or both;
5. A statement containing such particulars of the producers of the concerned goods proposed to be initially resisted. Including a collective reference to all the producers of the goods in respect of which the application is made.
6. The statement contained in the application should also include the following:

An affidavit as to how the applicant claim to represent the interest of the association of persons or producers or any organization or authority established under any law;

The standard benchmark for the use of the geographical indication or the industry standard as regards the production, exploitation, making or manufacture of the goods having specific quality, reputation or other characteristic of such goods that is essentially attributable to its geographical origin with the detailed description of the human creativity involved, if any or other characteristic;

The particulars of the mechanism to ensure that the standards, quality, integrity and consistency or other special characteristic are maintained by the producers, or manufacturers of the goods;

Three certified copies of the map of the territory, region or locality;

The particulars of special human skill involved or the uniqueness of the

geographical environment or other inherent characteristics associated with the geographical indication;

The full name and address of the association of persons or organization or authority representing the interest of the producers of the concerned goods;

Particulars of the inspection structure;

In case of a homonymous indication, the material factors differentiating the application from the registered geographical indications and particulars of protective measures adopted.

IX. Acknowledgement of receipt of application:

1. Every application of the registration of a geographical indication in respect of any goods shall, on receipt be acknowledged by the Registrar.
2. The acknowledgement will be by way of return of one of the additional representations with the official number of the application duly entered thereon.

8.5. Infringement of Geographical Indication

A registered geographical indication is infringed if an unauthorized user uses it to indicate or suggests that certain goods originate from a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the goods, or when use of the geographical indication results in unfair competition. This includes passing off in respect of a registered geographical indication, or when the use of another geographical indication results in false representation to the public that goods originate from a territory in respect of which there is a registered geographical indication. The registered proprietor or the authorized users of a registered geographical indication can initiate an infringement action.

9. SEMICONDUCTOR INTEGRATED CIRCUITS LAYOUT-DESIGN

Semiconductor Integrated Circuit means a product having transistors and other circuitry elements, which are inseparably formed on a semiconductor material or an insulating material or inside the semiconductor material and designed to perform an electronic circuitry function.

The layout-design of a semiconductor integrated circuit means a layout of transistors and other circuitry elements and includes lead wires connecting such elements and expressed in any manner in semiconductor integrated circuits.

The layout of transistors on the semiconductor integrated circuit or topography of transistors on the integrated circuit determines the size of the integrated circuit as well as its processing power. That is why the layout design of transistors constitutes such an important and unique form of intellectual property fundamentally different from other forms of intellectual property like copyrights, patents, trademarks and industrial designs.

9.1. Semiconductor Integrated Circuits Layout-Design (SICLD) Act, 2000

The Semiconductor Integrated Circuits Layout-Design Act, 2000 was passed to fulfill India's obligations as a TRIPS signatory. It provides protection for semiconductor Integrated Circuit layout designs. The main purpose of the Act is to provide for routes and mechanism for protection of IPR in Chip Layout Designs created and matters related to it

The important provisions of the Act are –

- Jurisdiction to the whole of India;
- SICLD Registry - where the layout-designs of integrated circuit chips can be registered;
- Defines layout-designs of integrated circuits which can be registered under the Act;
- Duration of registration of layout-designs;
- Rights conferred by registration;
- Infringement of layout-designs;

- Procedure for assignment and transmission of registered layout- design;
- Appellate Board as a forum of redressal;
- Treatment of Royalties;
- Provisions in case of national emergency or extreme public urgency;
- Penalties;
- Provision for agents;
- Reciprocity provision with other recognized countries.

9.2. Administration

The Act is implemented by the Department of Information Technology, Ministry of Information Technology. The Act is applicable for IC Layout-Design IPR applications filed at the Registry in India. The Semiconductor Integrated Circuits Layout-Design Registry (SICLDR) is the office where the applications on Layout-Designs of integrated circuits are filed for registration of created IPR. The Registry has jurisdiction all over India.

9.3. Criteria for registration of Chip Layout Design

A Layout design that is:

- Original
- Not commercially exploited anywhere in India or convention /reciprocal country
- Inherently distinctive
- Inherently capable of being capable of being distinguishable from any other registered layout design

9.4. Duration of registration

A period of 10 years counted from the date of filing an application for registration or from the date of first commercial exploitation anywhere in India or in any convention country or country specified by Government of India whichever is earlier.

9.5. Person entitled to protection of Layout-Designs

Any person(s) who -

- a) Is a creator of a layout design and desires to register it;
- b) is an Indian national or national of country outside India which accords to citizens of India similar privileges as granted to its own citizens in respect of registration and protection of layout-designs and;
- c) has principal place of business in India or if he does not carry out business in India , has place of service in India.

9.6. Steps for registration of a layout-design

- 1) Filing of application by the creator of the layout-design at the SICLD Registry.
- 2) The Registrar may accept, refuse the application or accept with some modifications.
- 3) The accepted applications shall be advertised within 14 days of acceptance.
- 4) Any opposition to the advertisement can be filed within 3 months from the date of advertisement.
- 5) The counter-statement to the notice of opposition, if any, to be filed within 2 months from the date of receipt of copy of notice of opposition from the Registrar.
- 6) A copy of the counter statement provided to the opposing party.
- 7) The Registrar may take hearing with the parities.
- 8) The Registrar will decide on the originality of the layout-design and grant or reject the application for registration based on the conclusions reached by him.

- 9) Aggrieved party can appeal to Appellate Board or in its absence Civil Court for relief on any ruling of the Registrar.

9.7. Documents to be submitted along with application

- 1) 3 sets of 2D/3D drawings which describe the layout-design applied for registration and or 3 sets of photographs of masks used for the fabrication of the semiconductor integrated circuit by using of the layout-design applied for registration, and or drawings which describe the pattern of such masks.
- 2) Semiconductor integrated circuit [where an integrated circuit has been made using layout-design applied for registration].
- 3) Any related information sought by Registry/Registrar.

In case the applicant for registration of layout-design makes a request in writing for maintaining the secrecy of the layout-design, he may attach in place of the drawings or photographs, the three sets of partially blocked drawings or photographs of such layout-design to the satisfaction of the Registrar. The Registrar may inspect the complete drawing or photographs of such layout-design. The blocking of such drawing or photograph shall be to the satisfaction of the Registrar such that it does not hamper the identification of the applied-for layout-design. The blocked out area of such drawing or photograph should not be greater than the area of the remaining portion of layout-design.

9.8. Prohibition from registration

A layout-design is prohibited from registration if -

- i. It is not original.
- ii. It has been commercially exploited in India or in a convention country.
- iii. It is not inherently distinctive. Also, those which are not capable of being distinguishable from any other registered layout-design cannot be registered.

9.9. Penalties

Infringing the rights of a registered proprietor of a layout-design is considered an criminal offence. The infringer is punishable with imprisonment for a term that may extend to three (3) years or fine which shall not be less than Rs. 50,000/- but which may extend to Rs. 10.0 lakhs or with both.

It is a criminal offence to falsely represent a layout-design as registered. If a person does so, he can be punished with imprisonment for a term that may extend to 6 months or with fine, which may extend to Rs. 50,000/- or with both.

10. BIOLOGICAL DIVERSITY

India has been a party to the Convention on Biological Diversity since 5th June 1992 and ratified the Convention on 18th February 1994. The Convention on Biological Diversity is one of the most broadly subscribed international environmental treaties in the world. Opened for signature at the Earth Summit in Rio de Janeiro Brazil in 1992, it currently has 189 Parties - 188 States and the European Community - who have committed themselves to its three main goals: the conservation of biodiversity, sustainable use of its components and the equitable sharing of the benefits arising out of the utilization of genetic resources. The Secretariat of the Convention is located in Montreal, Canada. India is also a signatory to Cartagena Protocol on Biosafety signed on 23rd January 2001 and ratified on 11th September 2003.

10.1. Biodiversity Act, 2002

India enacted The Biological Diversity Act, 2002 and The Biological Diversity Rules, 2004 to fulfill its commitments in the Convention on Biological Diversity and in the Cartagena Protocol on Biosafety.

Various states have also enacted state specific Biological diversity rules namely - Kerala Biological Diversity Rules, 2005; Sikkim State Biological Diversity Rules, 2006; Nagaland Biological Diversity Rules, 2010; Rajasthan Biological Diversity Rules, 2010; A.P. State Biological Diversity Rules, 2009, West Bengal Biological Diversity Rules, 2005; U.P. State Biodiversity Rules, 2010; Maharashtra Biological Diversity Rules, 2008 etc.

The Biodiversity Act - 2002 primarily addresses access to genetic resources and associated knowledge by foreign individuals, institutions or companies, to ensure equitable sharing of benefits arising out of the use of these resources and knowledge to the country and the people.

The Act has specific provisions about ownership of intellectual property rights associated with exploitation of biodiversity. Industries have to obtain prior consent of the National Biodiversity Authority before exploring the biodiversity in India. In the event of R&D based on exploitation of biodiversity and associated local knowledge, there is a provision for sharing of benefits of such work with the local community. No direct flow of funds is expected to the community.

Instead the Union Government will reach the benefits through State Governments to the community.

The Biological diversity Act of 2002 contains 65 sections under 12 chapters while the Biological Diversity Rules of 2004 consists of 24 rules and one schedule.

According to Section 2(b) of the Biological Diversity Act, 2002 “Biological Diversity means the variability among living organisms from all sources and the ecological complexes of which they are part and includes diversity within species or between species and of eco-systems.”

Access to Biological Diversity

Chapter II of the Biological Diversity Act, 2000 lays down certain regulations with reference to access to Biological Diversity. The following regulations have been placed in Section 3 to 7 of the said act. Section 3 of the above referred act, requires the following categories of persons to seek previous permission of the National Biodiversity Authority, to obtain any biological resource occurring in India or knowledge associated thereto for research or commercial utilization or for bio-survey and bio-utilization –

- A person who is not a citizen of India.
- A citizen of India who is a non-resident as per section 2(30) of the Income-tax Act, 1961.
- A body corporate, association, organization –
 - Not incorporated or registered in India; or
 - Incorporated or registered in India under any law for the time being in force which has any non-Indian participation in its share capital or management.

Rule 14 of the Biological Diversity Rules, 2004 mentions the procedure for access to biological resources and associated traditional knowledge.

Section 4 of the above referred act requires that every person shall seek the previous approval of the national bio-diversity authority before transferring the results of any research related to any biological recourses occurring in, or obtained from India to any person as referred to in section 3 above. **Rule 17** of the Biological Diversity Rules, 2004 mentions the procedure for seeking approval for transferring results of research.

Section 5 of the Biological Diversity Act, 2002 provides that section 3 and 4 above shall not apply to collaborative research projects involving transfer of biological recourses, between institutions including governments sponsored institutions of India and such institutions in other countries if –

- If they conform to policy guidelines issued by central government in this behalf;
- Be approved by the central government

Section 6 of the Biological Diversity Act, 2002 (18 of 2003) requires that every person applying for any intellectual property rights in or outside India for any invention based on any research or information on a biological recourse obtained from India before obtaining prior approval of the national biodiversity authority. The provisions of this section are however not applicable on rights relating to protection of plant varieties. **Rule 18** of the Biological Diversity Rules, 2004 mentions the procedure for seeking prior approval before applying for intellectual property protection.

Section 7 of the said Act requires every Indian citizen or a body corporate, association or organization registered in India to prior intimate the state biodiversity board of the concerned area from which he/it plans to obtain any biological recourse for commercial utilization or bio-survey and bio utilization for commercial purpose. The Act empowers state biodiversity board, wide section 24 to prohibit or restrict any such activity if it is of opinion that such activity is detrimental or contrary to the objectives of conservation and sustainable use of biodiversity.

Exclusion under Biological Diversity Act

The Act excludes Indian biological resources that are normally traded as commodities. Such exemption holds only so far the biological resources are used as commodities and for no other purpose. The Act also excludes traditional uses of Indian biological resources and associated knowledge and when they are used in collaborative research projects between Indian and foreign institutions with the approval of the central government.

Penalty

In cases where an approval of the National Biodiversity Authority is required for the use of Indian biological resources and associated knowledge and such approval is not obtained, the punishment can extend to five years imprisonment or a fine of ten lakh rupees or both.

In cases where the State Biodiversity Board needs to be intimated about the use of Indian biological resources and associated knowledge and this is not done, the punishment can extend to three years imprisonment or a fine of five lakh rupees or both.

National Biodiversity Authority

In exercise of the powers conferred by Sub-Section (1) of Section 8 of the Biological Diversity Act, 2002 (18 of 2003), the Central Government has established a body called the National Biodiversity Authority, on and from the 1st day of October, 2003. The main functions of the Authority are:

- a) To lay down procedures and guidelines to govern the activities provided under Section 3, 4, and 6 and permission to foreigners/NRIs, foreign companies
 - For obtaining any biological resource (Section -3)
 - For transferring the results of any research (Section - 4).
 - Certain collaborative research projects exempted (Section - 5)
- b) To advise the Government of India. Specific areas mentioned as per the Act are the following:
 - i) Notification of threatened species (Section -38)
 - ii) Designate institutions as repositories for different categories of biological resources (Section -39)
 - iii) Exempt certain biological resources, normally traded as commodities (Section -40)
- c) To encourage setting up State Biodiversity Boards
- d) To build up database and documentation system
- e) To create awareness through mass media
 - i. Training of personnel
 - ii. Necessary measures in the areas of Intellectual Propriety Rights

The Act provides for a three tier structure for regulation and access to Biological Diversity. The structure can broadly be summed up as –

- 1) National Biodiversity Authority (NBA): All matters relating to requests for access by foreign individuals, institutions or companies, and all matters relating to transfer of results of research to any foreigner will be dealt with by the National Biodiversity Authority.
- 2) State Biodiversity Boards (SBB): All matters relating to access by Indians for commercial purposes will be under the purview of the State Biodiversity Boards (SBB). The Indian industry will be required to provide prior intimation to the concerned SBB about the use of biological resource. The State Board will have the power to restrict any such activity, which violates the objectives of conservation, sustainable use and equitable sharing of benefits.
- 3) Biodiversity Management Committees (BMCs): Institutions of local self government will be required to set up Biodiversity Management Committees in their respective areas for conservation, sustainable use, and documentation of biodiversity and chronicling of knowledge relating to biodiversity.

NBA and SBBs are required to consult the concerned BMCs on matters related to use of biological resources and associated knowledge within their jurisdiction.

11. PROTECTION OF PLANT VARIETIES AND FARMERS RIGHTS

A plant variety represents a more precisely defined group of plants, selected from within a species, with a common set of characteristics.

The **Protection of Plant Varieties and Farmers' Right Act, 2001** has been enacted to provide for the establishment of an effective system for protection of plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants.

The objectives of the Act are:

- to establish an effective system for protection of plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants;
- to recognize and protect the rights of the farmers in respect of their contribution made at any time in conserving, improving and making available plant genetic resources for the development of new plant varieties;
- to protect plant breeders' rights to stimulate investment for research and development both in the public and private sector for development of new plant varieties;
- to facilitate the growth of seed industry in the country that will ensure the availability of high quality seeds and planting material to the farmers.

According to the Act, the term 'variety' means "a plant grouping except micro organism within a single botanical taxon of the lowest known rank, which can be:-

- (i) defined by the expression of the characteristics resulting from a given genotype of that plant grouping;
- (ii) distinguished from any other plant grouping by expression of at least one of the said characteristics; and
- (iii) considered as a unit with regard to its suitability for being propagated, which remains unchanged after such propagation; and includes propagating material of such variety, extant variety, transgenic variety, farmers' variety and essentially derived variety".

11.1. Duration of protection of a registered plant variety

The duration of protection of registered varieties is different for different crops which are as below:

1. For trees and vines - 18 years.
2. For other crops - 15 years.
3. For extant varieties - 15 years from the date of notification of that variety by the Central Government under section 5 of the Seeds Act, 1966.

11.2. Registration of Plants

Registration of a plant variety gives protection only in India and confers upon the rights holder, its successor, agent, or licensee the exclusive right to produce, sell, market, distribute, import, or export the variety.

11.3. Application for registration

The application for protection under the Act can be made by any of the following persons:

- Any person claiming to be the breeder of the variety;
- Any successor of the breeder of the variety;
- Any person being the assignee or the breeder of the variety in respect of the right to make such application;
- Any farmer or group of farmers or community of farmers claiming to be breeder of the variety;
- Any person authorized to apply on behalf of farmers; or
- Any university or publicly funded agricultural institution claiming to be breeder of the variety.

11.4. Criteria for registration of new variety

Novelty - A new variety is deemed to be novel if, at the date of filing of the application for registration for protection, the propagating and harvested material of such variety has not been sold or otherwise disposed of by or with the consent of its breeder or his successor for the purposes of exploitation of such variety for a certain period of time before the date of filing of the application. For sale or disposal of a new variety in India, this time period is earlier than one year. Outside of India, in the case of trees and vines, the time period is earlier than six years. In any other case in India, it is earlier than four years.

Distinctiveness - A new variety is deemed distinct if it is clearly distinguishable by at least one essential characteristic from any other variety whose existence is a matter of common knowledge in any country at the time of filing of the application.

Uniformity - A new variety is deemed uniform if subject to the variation that may be expected from the particular features of its propagation it is sufficiently uniform in its essential characteristics.

Stability - A new variety is deemed stable if it's essential characteristics remain unchanged after repeated propagation or, in case of a particular cycle of propagation, at the end of each such cycle.

11.5. Prerequisites for filing an application form for registration of plant variety

- (i) Denomination assigned to such variety.
- (ii) Accompanied by an affidavit that variety does not contain any gene or gene sequences involving terminator technology.
- (iii) Complete passport data of parental lines with its geographical location in India and all such information relating to the contribution if any, of any farmer (s), village, community, institution or organization etc in breeding, evolving or developing the variety.
- (iv) Characteristics of variety with description for Novelty, Distinctiveness, Uniformity and Stability.

- (v) A declaration that the genetic material used for breeding of such variety has been lawfully acquired.
- (vi) A breeder or other person making application for registration shall disclose the use of genetic material conserved by any tribal or rural families for improvement of such variety.

11.6. Guidelines for submission of applications for Registration of Plant Varieties are as under:

- 1) Every application in triplicate must be in writing and signed by the applicant or their representative. Application should be submitted in hard copy along with all essential requirements by hand till further notice.
- 2) Applications will be received only on Monday to Thursday from 10:00 Hours to 15:00 hours. No application will be accepted on Friday, Saturday and Sunday and Public Holidays.
- 3) Every application must have the name of the applicant, their address and nationally as well as the address of service of their agent (if Applicable).
- 4) A person can file upto a maximum of three applications per day.
- 5) Until otherwise notified in the plant Variety Journal of India, each application should be accompanied with an application charge of Rs. 200/- each by demand draft drawn in favour of the “The Registrar, Plant Variety Registrar, New Delhi”.
- 6) The Application will be received on “first come first serve” basis.
- 7) No applications will be received after business hours.
- 8) On successful submission of application, the application will receive an acknowledgement slip.
- 9) After submission of application, it will be processed according to the provisions of the Rule 29(2) of the Protection of Plant Varieties and Farmers' Right Rules, 2003.
- 10) After depositing the stipulated fees for conducting DUS tests, the office of the Registrar shall issue receipt and number which shall be used for all future references including the checking of the status of application on line.

11.7. Plant Authority (PPV&FR Authority)

The Central Government has established the 'Protection of Plant Varieties and Farmers' Rights Authority' in Ministry of Agriculture to administer the various provisions of the Act and take measures to promote the development of new varieties of plants and to protect the rights of the farmers and breeders. The Central Government has also established the 'Plant Varieties Registry' which shall be located in the head office of the Authority. The Authority is empowered to appoint a Registrar-General of plant varieties and other Registrars for the purpose of registration of plant varieties.

12. UNDISCLOSED INFORMATION

Knowhow is another important form of intellectual property generated by R&D institutions that do not have the benefit of patent or copyright protection. Such know-how is kept undisclosed as trade secrets. A Trade Secret or undisclosed information is any information that has been intentionally treated as secret and is capable of commercial application with an economic interest. It protects information that confers a competitive advantage to those who possess such information, provided such information is not readily available with or discernible by the competitors. They include technical data, internal processes, methodologies, survey methods, a new invention for which a patent application has not yet been filed, list of customers, process of manufacture, techniques, formulae, drawings, training material, source code, etc. It therefore becomes imperative to strengthen the confidentiality around the trade secret by ensuring that contractual obligations are enforced on persons who are allowed to use the trade secret, especially, when it is licensed to a third party.

Since there is no documentary evidence such as a Letters Patent or a Copyright registration or a Trademark Registration to prove that the trade secret was originally created by the proprietor, it is essential to maintain proof of creation of trade secret either by mailing the information to oneself and retaining postmarked and sealed envelope or by depositing a copy of the information with a third party that would maintain a dated copy.

Trade secret remains confidential for indefinite period of time as per the will of the proprietor provided the security and its confidentiality is not breached. There is no specific legislation regulating the protection of trade secrets in India. India follows common law approach of protection and all matters relating to it are generally covered under the Contract Act, 1872. So, if the information constituting trade secret is leaked, legal action can be brought against the parties who have leaked it under the Law of Contracts. However, in such a case the protection of trade secret will be lost and it becomes available in public domain.

13. INDIAN INTELLECTUAL PROPERTY - ADMINISTRATIVE MACHINERY

1. Patents, Designs, Trade Marks and Geographical Indication of Goods

The Department of Industrial Policy and Promotion under the Ministry of Commerce & Industry is responsible for Intellectual Property Rights relating to Patents, Designs, Trade Marks and Geographical Indication of Goods and oversees the initiative relating to their promotion and protection. These include the outlining of policy and its implementation through the **Office of the Controller General of Patents, Designs and Trade Marks**. It promotes awareness regarding protection of the Intellectual Property Rights inherent in industrial property in conjunction with the World Intellectual Property Organization (WIPO) and apex industry organizations apart from similar initiatives involving regional industry associations. It also provides inputs on various issues relating to the Agreement on Trade Related Aspects of Intellectual Properties (TRIPS) related to World Trade Organization (WTO) in these fields. The Department undertakes technical cooperation programmes with the World Intellectual Property Organization (WIPO), Geneva for the modernization and up gradation of intellectual property administration relating to patents, designs, trademarks and geographical indications and the organization of Human Resource Development and awareness generation activities in the country.

2. Copyrights

In the matter of protection of copyrights, the Copyright Office under the Department of Secondary and Higher Education in the Ministry of Human Resource Development provides all facilities including registration of copyrights and its neighboring rights. This Office has taken several measures to strengthen the enforcement of copyright. These include setting up of Copyright Enforcement Advisory Council, organization of seminars/workshops to create greater awareness about copyright law among the enforcement personnel and the general public, setting up of collective administration societies and creation of separate cells in state police headquarters. The States and Union Territories of Assam, Goa, Gujarat, Haryana, Jammu &

Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Meghalaya, Orissa, Rajasthan, Sikkim, Tamil Nadu, West Bengal, Andaman & Nicobar Islands, Chandigarh, Dadra & Nagar Haveli and Daman & Diu have either set up copyright enforcement cells or special cells in the Crime Branch to look after copyright offence cases.

3. Plant varieties and Farmer Rights

To provide for the establishment of an effective system for protection of plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants, a separate Authority is set up. India having ratified the Agreement on Trade Related Aspects of the Intellectual Property Rights has to make provision for giving effect to Agreement. To give effect to the aforesaid objectives the Protection of Plant Varieties and Farmers' Rights Act, 2001 has been enacted in India. For the purposes of this Act, The Protection of Plant Varieties and Farmers' Rights Authority has been established.

4. Integrated Circuits Layout Design

It provides protection for semiconductor IC layout designs. India has now in place Semiconductor Integrated Circuits Layout Design Act, 2000 to give protection to IC layout design. Layout design includes a layout of transistors and other circuitry elements and includes lead wires connecting such elements and expressed in any manner in a semiconductor IC. Semiconductor IC is a product having transistors and other circuitry elements, which are inseparably formed on a semiconductor material or an insulating material or inside the semiconductor material and designed to perform an electronic circuitry function.

The Semiconductor Integrated Circuits Layout-Design Registry (SICLDR) in the Department of Information Technology under the Ministry of Information Technology is responsible for receiving IPR applications and granting Registrations to qualifying cases.

5. Bio-diversity

The National Biodiversity Authority (NBA) under the Ministry of Environment and Forests is the concerned Authority for the purpose of Biodiversity.

India enacted the Biodiversity Act 2002 to ensure maintenance, sustenance and development of its biodiversity. The Act has specific provisions about ownership of intellectual property rights associated with exploitation of biodiversity. Industries have to have the prior informed consent of the National Biodiversity Authority before exploring the biodiversity in India. In the event of R&D based on exploitation of biodiversity and associated local knowledge, there is a provision for sharing of benefits of such work with the local community. No direct flow of funds is expected to the community. Instead the Union Government will reach the benefits through State Governments to the community.

6. Protection of Undisclosed Information

Undisclosed information, generally known as trade secret / confidential information, includes formula, pattern, compilation, programme, device, method, technique or process. Protection of undisclosed information is least known to players of IPR and also least talked about, although it is perhaps the most important form of protection for industries, R&D institutions and other agencies dealing with IPRs.

Laws relating to all forms of IPR are at different stages of implementation in India, but there is no separate and exclusive law for protecting undisclosed information / trade secret or confidential information. The Indian Contract Act of 1872 would however cover many aspects of trade secrets.

7. Other Centres/ Cells

Many government departments, educational institutions and PSU have started their IPR cells. Prominent among the government departments / agencies are Department of Biotechnology, Ministry of Telecommunications and Information Technology, Indian Council of Medical Research, Indian Council of Agricultural Research, ISRO, Department of Atomic Energy, Defence Research and Development Organization and Indian Council of Forest Research. The

Technology Information, Forecasting & Assessment Council (TIFAC) under the Ministry of Science & Technology, an autonomous organization aims to keep a technology watch on global trends and formulating preferred technology options for India. IITs at Delhi, Mumbai, Kharagpur and Roorkee have also set up their cells and evolved their IPR policies.

8. Intellectual Property Appellate Board

Intellectual Property Appellate Board has been constituted by the Central Government in the Ministry of Commerce and Industry on 15th September 2003 to hear appeals against the decisions of the Registrar under the Trade Marks Act, 1999 and the Geographical Indications of Goods (Registration and Protection) Act, 1999.

The Intellectual Property Appellate Board has its headquarters at Chennai and will have sittings at Chennai, Mumbai, Delhi, Kolkata and Ahmedabad.

In terms of the Notifications No.12/15/2006-IPR-III) dated 2/4/2007 issued by the Ministry of Commerce & Industry, the provisions of the Patent Amendment Act, 2002 and the Patents Amendment Act, 2005, relating to the Intellectual Property Appellate Board have been brought into force. Thus, all the Appeals pending before the various High Courts will stand transferred to the IPAB. Likewise, fresh Rectification Applications under the Patents Act, 1970, will have to be filed before the Appellate Board.

14. THE AGREEMENT ON TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS (TRIPS)

The Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) is an international agreement administered by the World Trade Organization (WTO) that sets down minimum standards for many forms of intellectual property (IP) regulation as applied to nationals of other WTO Members. It was negotiated at the end of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) in 1994. The TRIPS agreement introduced intellectual property law into the international trading system for the first time and remains the most comprehensive international agreement on intellectual property to date.

The following Intellectual Property Rights are covered under the TRIPS –

- 1) copyright;
- 2) geographical indications;
- 3) industrial designs;
- 4) integrated circuit layout-designs;
- 5) patents;
- 6) new plant varieties;
- 7) trademarks;
- 8) undisclosed or confidential information.

TRIPS also specifies enforcement procedures, remedies, and dispute resolution procedures. Protection and enforcement of all intellectual property rights should meet the objectives to contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations.

Copyrights and related rights

Part II Section 1 (Article 9 to Article 14) of the TRIPS agreement deals with the minimum standard in respect of copyrights.

Trademarks

Part II Section 2 (Article 15 to Article 21) of the TRIPS agreement contains the provisions for minimum standards in respect of Trademarks.

Geographical Indications

Section 3 Part II (Article 22 to Article 24) of the TRIPS Agreement contains the provisions for minimum standards in respect of geographical indications.

Industrial Designs

Section 4, Part II (Article 25 and Article 26) of the TRIPS Agreement contains the provisions for minimum standards in respect of Industrial designs.

Patents

Section 5 Part II of the TRIPS Agreement (Article 27 to Article 34) contains the provisions for standards in respect of Patents.

Layout Designs of Integrated Circuits

Articles 35 to 38 of Section 6 / Part II of the TRIPS agreement contain the provisions for protection of rights in respect of Layout Designs of Integrated Circuits.

Protection of undisclosed information

Article 39 of Section 7 Part II of the TRIPS agreement elaborates on the protections of trade secrets.

A Trade Secret or undisclosed information is any information that has been intentionally treated as secret and is capable of commercial application with an economic interest. There is no specific legislation regulating the protection of trade secrets. India follows common law approach of protection based on contract laws.

15. WORLD INTELLECTUAL PROPERTY ORGANIZATION (WIPO)

The World Intellectual Property Organization (WIPO) is one of the 17 specialized agencies of the United Nations, located in Geneva, Switzerland. The Organization has External Offices at Rio de Janeiro in Brazil, Tokyo in Japan, Singapore and New York.

The **mission of WIPO** is to promote innovation and creativity for the economic, social and cultural development of all countries, through a balanced and effective international intellectual property system.

The origin of WIPO goes back to 1883 and 1886 when the Paris Convention for the Protection of Industrial Property and the Berne Convention for the Protection of Literary and Artistic Works, respectively, were concluded. Both Conventions provided for the establishment of an international bureau. The two bureaus were united in 1893 and, in 1970, were replaced by the World Intellectual Property Organization, by virtue of the WIPO Convention.

The WIPO Convention, the constituent instrument of the World Intellectual Property Organization (WIPO), was signed at Stockholm on July 14, 1967, entered into force in 1970 and was amended in 1979. WIPO is an intergovernmental organization that became in 1974 one of the specialized agencies of the United Nations system of organizations.

WIPO currently has 185 Member States, and 68 intergovernmental organizations (IGOs) and 232 International non-governmental organizations (NGOs) and 63 National NGOs that are accredited as observers at WIPO meetings.

The core tasks of WIPO are:

- ✓ working with Member States to support a balanced evolution of international IP law
- ✓ administering treaties
- ✓ assisting governments and organizations in developing the policies, structures and skills needed to harness the potential of IP for economic development

- ✓ servicing global registration systems for trademarks, industrial designs and appellations of origin and a global filing system for patents
- ✓ delivering arbitration, mediation and other dispute resolution services
- ✓ promoting respect for IP
- ✓ providing a forum for informed debate and for the sharing of IP knowledge
- ✓ identifying IP-based solutions that can help confront global challenges and maximize the benefits of the IP system for all

How WIPO works?

WIPO's Member States determine the strategic direction and activities of the Organization. They meet in the Assemblies, committees and working groups. The WIPO Secretariat, or International Bureau, is based in Geneva. WIPO staff, drawn from more than 90 countries, includes experts in diverse areas of IP law and practice, as well as specialists in public policy, economics, administration and IT. The respective divisions of the Secretariat are responsible for coordinating the meetings of Member States and implementing their decisions; for administering the international IP registration systems; for developing and executing the programs designed to achieve WIPO's goals; and for providing a repository of IP expertise to assist its members.

It has to present a program and a budget every 2 years about performance measures, budget planning for all the events of the organization which requires member state approval. It is a self financing organization and its funds are majorly used for organizing events.

WIPO Arbitration and Mediation Centre was created in 1994 for the settlement of international commercial disputes arising between private parties located in Geneva, Switzerland and it has an office in Singapore

WIPO's Goals

The strategic goals defined in WIPO's revised Program and Budget for 2008/09 are:

- ✓ A balanced evolution of the international normative framework for IP
- ✓ Provision of premier global IP services

- ✓ Facilitating the use of IP for development
- ✓ Coordination and development of global IP infrastructure
- ✓ World reference source for IP information and analysis
- ✓ International cooperation on building respect for IP
- ✓ Addressing IP in relation to global policy issues
- ✓ A responsive communications interface between WIPO, its Member States and all stakeholders
- ✓ An efficient administrative and financial support structure to enable WIPO to deliver its programs

16. INTELLECTUAL PROPERTY TREATIES

16.1. PARIS CONVENTION FOR THE PROTECTION OF INDUSTRIAL PROPERTY

The **Paris Convention for the Protection of Industrial Property**, signed in Paris, France, on March 20, 1883, was one of the first intellectual property treaties. It established a Union for the protection of industrial property. The Convention is still in force. After a diplomatic conference in Paris in 1880, the Convention was signed in 1883 by 11 countries: Belgium, Brazil, France, Guatemala, Italy, the Netherlands, Portugal, El Salvador, Serbia, Spain and Switzerland.

As of December 2011, the Convention has 174 contracting member countries, which makes it one of the most widely adopted treaties worldwide. Notably, Taiwan and Kuwait are not parties to the Convention.

The Paris Convention is administered by the World Intellectual Property Organization (WIPO), based in Geneva, Switzerland.

The Convention applies to industrial property in the widest sense, including patents, marks, industrial designs, utility models (a kind of “small patent” provided for by the laws of some countries), trade names (designations under which an industrial or commercial activity is carried on), geographical indications (indications of source and appellations of origin) and the repression of unfair competition.

India’s membership into the convention came into force on December 7, 1998.

16.2. BERNE CONVENTION FOR THE PROTECTION OF LITERARY AND ARTISTIC WORKS

The **Berne Convention for the Protection of Literary and Artistic Works**, usually known as the **Berne Convention**, is an international agreement governing copyright, which was first accepted in Bern, Switzerland in 1886.

The Convention rests on three basic principles and contains a series of provisions determining the minimum protection to be granted, as well as special provisions available to developing countries which want to make use of them.

The three basic principles are the following:

- (a) Works originating in one of the contracting States (that is, works the author of which is a national of such a State or works which were first published in such a State) must be given the same protection in each of the other contracting States as the latter grants to the works of its own nationals (principle of “national treatment”).
- (b) Such protection must not be conditional upon compliance with any formality (principle of “automatic” protection).
- (c) Such protection is independent of the existence of protection in the country of origin of the work (principle of the “independence” of protection). If, however, a contracting State provides for a longer term than the minimum prescribed by the Convention and the work ceases to be protected in the country of origin, protection may be denied once protection in the country of origin ceases.

As of March 2012, there are 165 countries that are parties to the Berne Convention.

India's membership into the convention came into force on April 1, 1928.

16.3. THE PATENT COOPERATION TREATY (PCT)

The Patent Cooperation Treaty (PCT) is an international treaty administered by the World Intellectual Property Organization (WIPO). The treaty was done at Washington on June 19, 1970. The PCT makes it possible to seek patent protection for an invention simultaneously in a large number of countries by filing a single "international application" with a single patent office

(i.e. receiving Office). The PCT system simplifies the process of multi-national patent filings by reducing the requirement to file multiple patent applications for multi-national patent rights. The PCT international applications do not result in the issuance of “international patents” and the International Bureau (IB) does not grant patents. The decision on whether to confer patent rights remains in the hands of the national and/or regional patent offices, and the patent rights are limited to the jurisdiction of the patent granting authority. The PCT procedure consists of an international phase and a national/regional phase. The PCT international application process starts with the international phase and concludes with the national/regional phase.

The total number of PCT filings (international patent applications filed through the Patent Cooperation Treaty) in 2010 was approximately 164,300.

16.4. PATENT LAW TREATY

The Patent Law Treaty (PLT) was adopted on June 1, 2000 at a Diplomatic Conference in Geneva. The purpose of the PLT is to harmonize and streamline formal procedures in respect of national and regional patent applications and patents. With a significant exception for the filing date requirements, the PLT provides maximum sets of requirements which the Office of a Contracting Party may apply: the Office may not lay down any additional formal requirements in respect of matters dealt with by this Treaty. This means that a Contracting Party is free to provide for requirements that are more generous from the viewpoint of applicants and owners, but are mandatory as to the maximum that an Office can require from applicants or owners.

India is not a contracting party to this treaty.

17. COMMERCIALISATION OF INTELLECTUAL PROPERTY RIGHTS(IPR)

Commercialisation of Intellectual Property Rights by Licensing

- Intellectual property may be commercialized by sale or assignment, or by entering into various types of contractual business relationships such as licensing.
- The business vehicle by which this is done may be by way of partnership, joint venture or spin-off company.
- IPRs play a crucial role as the legal vehicle through which either the transfer of knowledge or the contractual relationship is effected.
- Alternatively, knowledge may be exploited in-house, in which case the role of IPRs is to block imitating competition.
- Commercialization can be defined as the process of turning an invention or creation into a commercially viable product, service or process.
- Commercialization may require additional R&D, product developments, clinical trials or development of techniques to scale-up production prior to taking the results of research to market.
- This is important because not all inventors or creators wish or have the resources, skills and appetite for risk to commercialize their own inventions or creations.
- Public research organizations (PROs) usually fall into this category

Valuation of IPR

- An intellectual property valuation is an essential part of using intellectual assets internally and in making intellectual property transactions.
- It is relevant whenever an organization is “licensing in” technology in order to commence a new research project, or “licensing out” or assigning (selling) the technology to as part of its strategy for commercialization, or using the intellectual property as collateral for a loan, or securitizing the intellectual property, or raising finance on the capital market (e.g. by means of a bond issue), or donating the intellectual property to write-off taxation, or in

a worst case scenario, in cases of bankruptcy or infringement litigation accounting for a loss of revenue.

- The “paradox of valuation” is that while most organizations are aware of the potential value of their intangible property they invariably neglect to determine its value with any accuracy.
- Patent protection can only contribute to a successful transaction if the intellectual property is valued with an eye to the market, at a realistic price.
- Both public and private investors in R&D stand to gain from more systematic valuation of intangible capital.

Concept of IP valuation

As a separate asset, IP must be attributed a value. An intellectual property valuation may be made for various purposes, each of which is reflected in the four major concepts of valuation:

- **Replacement cost:** The value of the IP to the owner frequently determines the price in negotiated transactions as indicated by the owner's view of its replacement cost.
- **Market value:** The basis of market value is the assumption that if comparable property has fetched a certain price, then the subject property will realize a price something near to it.
- **Fair value concept:** This is, in essence, the desire to be equitable to both parties. It recognizes that the transaction is not in the open market and that vendor and purchaser have been brought together in a legally binding manner

Methods of Valuation

Market-based: the market-based value uses other recent similar market transactions as a reference to obtain the comparable market value of the intellectual property. The basis of the market value is the assumption that if comparable property has fetched a certain price, then the subject property will realize a price something near to it.

Cost-based: The cost-based methodology attempts to determine the value of the IP by means of determining the actual historical cost of generating the intellectual property or its replacement cost. In the latter case valuation is determined by what it would cost to substitute or “design around” the intellectual property protection.

Income-based: The value of IP, particularly a patent, depends on the predicted future cash flow to be derived through the exploitation of that patent. This, therefore, entails the determination of the cost or value contributed by the intellectual property and is often assessed by determining the volume of the product sold and the margin on that product to obtain the total profit made.

18. IMPORTANT WEBSITES

Important Websites

[**www.ipindia.nic.in**](http://www.ipindia.nic.in) - Intellectual Property Office, India

[**www.patentoffice.nic.in**](http://www.patentoffice.nic.in) – Patent office, India

[**http://copyright.gov.in**](http://copyright.gov.in) - Copyright Office, India

[**ipr.icegate.gov.in**](http://ipr.icegate.gov.in) – Automated Recordation & Targeting for IPR Protection

[**http://www.icegate.gov.in**](http://www.icegate.gov.in) - E- Commerce portal of Central Board of Excise and Customs

[**www.ipab.tn.nic.in**](http://www.ipab.tn.nic.in) - Intellectual Property Appellate Board, India

[**www.mit.gov.in**](http://www.mit.gov.in) – Department of Information Technology, India

[**http://www.mit.gov.in/content/office-semiconductor-integrated-circuits-layout-design-registry**](http://www.mit.gov.in/content/office-semiconductor-integrated-circuits-layout-design-registry) - Semiconductor Integrated Circuits Layout-Design Registry (SICLDR)

[**www.plantauthority.gov.in**](http://www.plantauthority.gov.in) – Plant Varieties and Farmers' Rights Authority, India

[**http://nbaindia.org**](http://nbaindia.org) - National Biodiversity Authority

[**www.nipo.in**](http://www.nipo.in) – The Indian IPR Foundation

[**www.wipo.int**](http://www.wipo.int) – World Intellectual Property Organisation

[**http://www.wto.org**](http://www.wto.org) – World Trade Organisation

