



## **1. Concept of Patent**

Patent is a form of IP. The term Patent as per the Oxford Law dictionary means ‘the grant of exclusive right to exploit an invention’. An applicant of patent must show that the invention is new, not obvious and is capable on Industrial application. A patent is an exclusive right granted by a country to the owner of an invention to make, use, manufacture and market the invention, provided the invention satisfies certain conditions stipulated in the law. Exclusivity of right implies that no one else can make, use, manufacture or market the invention without the consent of the patent holder. This right is available only for a limited period of time. However, the use or exploitation of a patent may be affected by other laws of the country which has awarded the patent. These laws may relate to health, safety, food, security etc. Further, existing patents in similar area may also come in the way. A patent in the law is a property right and hence, can be gifted, inherited, assigned, sold or licensed. As the right is conferred by the State, it can be revoked by the State under very special circumstances even if the patent has been sold or licensed or manufactured or marketed in the meantime. The patent right is territorial in nature and inventors/their assignees will have to file separate patent applications in countries of their interest, along with necessary fees, for obtaining patents in those countries. A patent is an official document given to an inventor by the government allowing him to exclude anyone else from commercially exploiting his invention for a limited period which is 20 years at present. As per the Supreme Court, the object of Patent Law is to encourage scientific research, new technology and industrial progress. Grant of exclusive privilege to own, use or sell the method or the product patented for a limited period, stimulates new inventions of commercial utility. The price of the grant of the monopoly is the disclosure of the invention at the Patent Office, which, after the expiry of the fixed period of the monopoly, passes into the public domain [M/s Bishwanath Prasad v. Hindustan Metal Industries, AIR1982 SC 1444]. By granting an exclusive right, patents provide incentives to individuals, offering them recognition for their creativity and material reward for their marketable inventions. In return for the exclusive right, the inventor has to adequately disclose the patented invention to the public, so that others can gain the new



knowledge and can further develop the technology. The disclosure of the invention is thus an essential consideration in any patent granting procedure.

## **2. Product/Process**

Patents Section 5 of the Patent Act 1970 had provided for grant of only process patents in certain categories of inventions. It may be pointed out here that under the Patent Act, 1970, in all other areas product and process patents could be issued and have been issued. The Paris Convention has left this issue to be dealt with in the States legislation in a manner of its own choice. The TRIPs Agreement under Article 27.1 stipulates that patents shall be available for any inventions, whether products or processes in all fields of technology except for the exclusion stipulated under Article 27.2 and 27.3. Pursuant to the TRIPs agreement, the Patent Act, 1970 was amended in 2002. Section 5 of the Patents Act, 1970 (as it stood after the 2002 amendments) provided that, in the case of inventions being claimed relating to food, medicine, drugs or chemical substances, only patents relating to the methods or processes of manufacture of such substances could be obtained. An explanation appended to the Section 5 provided that “chemical process” includes biochemical, biotechnological and microbiological processes. Subsequently, Section 5 of the Patents Act, 1970 was deleted by the Patents (Amendment) Act, 2005 that came into force on 01.01.2005, thereby paving the way for product patents. This deliberate strategy of denying product patent protection to pharmaceutical inventions is traceable to the Ayyangar Committee Report, a report that formed the very basis of the Patents Act, 1970. The Committee found that foreigners held between eighty and ninety percent of Indian patents and that more than ninety percent of these patents were not even worked in India. The Committee concluded that the system was being exploited by multinationals to achieve monopolistic control over the market, especially in relation to vital industries such as food, chemicals and pharmaceuticals. The Patents Act has been amended keeping in view the development of technological capability in India, coupled with the need for integrating the intellectual property system with international practices and intellectual property regimes. The amendments have also been aimed at making the Act a modern, harmonized and user-friendly legislation to adequately protect national and public interests while simultaneously meeting India’s international obligations.



### **3. DURATION OF PATENTS**

Section 53 provides that the term of every patent granted after the commencement of the Patents (Amendment) Act, 2002 and the term of every patent which has not expired and has not ceased to have effect, on the date of such commencement, shall be twenty years from the date of filing of application for the patent. Explanation to Section 53(1) clarifies that the term of patent in case of international applications filed under the PCT designating India, shall be twenty years from the international filing date accorded under the Patent Cooperation Treaty. A patent shall cease to have 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 or within such extended period as may be prescribed. Further on cessation of the patent right due to non-payment of renewal fee or on expiry of the term of patent, the subject matter covered by the said patent shall not be entitled to any protection. Rule 80 requires that to keep a patent in force, the renewal fees specified in the First Schedule should be paid at the expiration of the second year from the date of the patent or of any succeeding year and the same should be remitted to the patent office before the expiration of the second or the succeeding year. Sub-rule (1A) inserted by Patents (Amendment) Rules, 2005 provides that the period for payment of renewal fees may be extended to such period not being more than six months if the request for such extension of time is made in Form 4 with the fee specified in the First Schedule. While paying the renewal fee, the number and date of the patent concerned and the year in respect of which the fee is paid is required to be quoted. The annual renewal fees payable in respect of two or more years may be paid in advance.

### **4. Types of Patent Applications**

1. Ordinary Application, i.e., an Application which has been filed directly in the Indian Patent Office.
2. Convention Application.
3. PCT Application.
4. Divisional Application, which can result from division of a Patent Application.



5. Patent of Addition, which may be filed subsequent to the Filing of an Application for Patent, for an improvement or modification. [Section 7, 54,135]

### **5. Where to apply?**

As per Rule 4 of the Patents Rules, 2003 [as amended by Patents (Amendment) Rules, 2005], application for the patent has to be filed in the respective patent office as mentioned below where the territorial jurisdiction is decided based on whether any of the following occurrences falls within the territory.

- (a) Place of residence, domicile or business of the applicant (first mentioned applicant in the case of joint applicants)
- (b) Place from where the invention actually originated.
- (c) Address for service in India given by the applicant when he has no place of business or domicile in India. (Rule 5)

A foreign applicant should give an address for service in India and the jurisdiction will be decided upon that. An applicant (Indian or foreigner) can also give his Patent Agent's address as address for serving documents if he/she wishes so.

Application for Patent shall be filed with the Patent Office having the appropriate jurisdiction. Territorial jurisdiction of a patent office is decided based on the following:

- (i) Place of residence, domicile or business of the applicant (first mentioned applicant in the case of joint applicants).
- (ii) Place from where the invention actually originated.
- (iii) Address for service in India given by the applicant, when the Applicant has no place of business or domicile in India (Foreign applicants).

### **PROCEDURE**

#### **Filing of a Patent Application**

A patent application shall be filed on Form-1 along with Provisional / Complete Specification, with the prescribed fee as given in First Schedule at an appropriate office. However, a provisional specification cannot be filed in case of a Convention Application (either directly or through PCT routes). Normal fee shall be applicable for applications



containing upto thirty pages in specification and upto 10 claims. If the specification exceeds thirty pages or claims are more than ten in number, additional fee as given in First Schedule is payable. [Section 7, First Schedule].

### Contents of Patent Application

A patent application should contain:

1. Application for grant of patent in Form-1.
2. Applicant has to obtain a proof of right to file the application from the inventor. The Proof of Right is either an endorsement at the end of the Application Form-1 or a separate assignment.
3. Provisional / complete specification in Form-2.
4. Statement and undertaking under Section 8 in Form- 3, if applicable. An applicant must file Form 3 either along with the application or within 6 months from the date of application.
5. Declaration as to inventorship shall be filed in Form for Applications accompanying a Complete Specification or a Convention Application or a PCT Application designating India. However, the Controller may allow Form-5 to be filed within one month from the date of filing of application, if a request is made to the Controller in Form-4.
6. Power of authority in Form-26, if filed through a Patent Agent. In case a general power of authority has already been filed in another application, a self attested copy of the same may be filed by the Agent. In case the original general power of authority has been filed in another jurisdiction, that fact may also be mentioned in the self attested copy
7. Priority document is required in the following cases:
  - (a) Convention Application (under Paris Convention).
  - (b) PCT National Phase Application wherein requirements of Rule 17.1(a or b) of regulations made under the PCT have not been fulfilled. The priority document may be filed along with the application or before the expiry of eighteen months from the date of priority, so as to enable publication of the application. In case of a request for early publication, the priority document shall be filed before/along with such request.
8. Every application shall bear the Signature of the applicant or authorized person / Patent Agent along with name and date in the appropriate space provided in the forms.



9. The Specification shall be signed by the agent/applicant with date on the last page of the Specification. The drawing sheets should bear the signature of an applicant or his agent in the right hand bottom corner.

10. If the Application pertains to a biological material obtained from India, the applicant is required to submit the permission from the National Biodiversity Authority any time before the grant of the patent. However, it would be sufficient if the permission from the National Biodiversity Authority is submitted before the grant of the patent.

11. The Application form shall also indicate clearly the source of geographical origin of any biological material used in the Specification, wherever applicable. [Section 7. Rule 8, 12, 13, 135. Also Section 6 of the Biological Diversity Act, 2002 & Rule 17.1 of Regulations made under the PCT]

#### OPPOSITION TO THE PATENT

Section 25 of the Act deals with opposition to grant of patent and provides that 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 patent on the following grounds and the Controller on request of such person shall hear him and dispose of the representation in the prescribed manner and specified time. The grounds of the opposition are:

- (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 of 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.

Section 25(2) entitles any interested person to give notice of opposition, to the Controller in the prescribed manner at any time 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, on any of the following grounds only :-

(a) that the patentee 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 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 in India or elsewhere, in any other document. However, the ground that the invention so far claimed in any claim of complete specification has been published before the priority date of the claim in India or elsewhere in any other document shall not be available where such publication does not constitute an anticipation of the invention by virtue of section 29(2) or (3);

(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 claim of the patentee 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 claim of the patentee;

(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 to clause (d) of Section 25(3) clarifies that an invention relating to a process for which a patent is granted 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 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 patentee 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 a patent granted on convention application, the application for patent was not made within twelve months from the date of the first application for protection for the invention made in a convention country or in India by the patentee or a person from whom he derives title;

(j) that the complete specification does not disclose or wrongly mentions the source and geographical origin of biological material used for the invention;

(k) that the invention so far as claimed in any claim of the complete specification was anticipated having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere.

## **6. ASSIGNMENTS OF PATENTS**

Assignment refers to the act of the patentee by which the patent rights are wholly or partially transferred to the assignee who acquires the right to prevent others from making, using or exercising or vending the invention. Section 70 of the Patents Act, 1970 gives the person/persons, persons registered as grantee or proprietor of a patent, power to assign, grant licences under, or otherwise deal with, the patent and to give effectual receipts for any consideration for any such assignment, licence or dealing. The assignment can either be exclusive or non exclusive. The exclusivity can be further limited, for example exclusivity to a territory or market or line of products. Following are three main types of assignments in patents:



### Legal Assignments

An assignment of an existing deed is a legal assignment. A patent which is created by deed can only be assigned by a deed. A legal assignee is entitled to be registered as the proprietor of the patent and acquires all the rights thereof.

### Equitable Assignments

A document agreeing to transfer a patent or a share of a patent with immediate effect is an equitable assignment. This affects proprietorship, but does not directly change it. The man to whom it is equitably assigned gets the right in equity to have the ownership of the patent altered in law.

### Mortgages

A mortgage is a document through which patent rights are transferred to the assignee in return for a sum of money. Once the assignor repays the sum, the patent rights are restored to him. The term assignee as per Section 2(1) of the Patents Act, 1970 includes in its meaning the legal representative of a deceased assignee. Section 70 of the Patents Act, 1970 confers inter alia the right on a grantee or proprietor of the patent to fully or partially assign his patent to another or others. As per Section 68 of the Patents Act, 1970 an assignment to be valid shall be in writing, to be contained in a document that embodies all terms and conditions governing their rights and obligations and the application for registration of such document is filed in the prescribed manner with the Controller within six months from the commencement of the Act or the execution of the document, whichever is later. Section 69 says once the person becomes entitled by assignment to a patent he shall apply in writing to the Controller for the registration of his title in the prescribed manner.

## **7. PATENT AGENTS**

The work relating to drafting of specifications, making of application for a patent, subsequent correspondence with the Patent office on the objections raised, representing the applicants case at the hearings, filing opposition and defending application against opposition is entrusted to a qualified Patent Agent. Sections 125-132 of the Patents Act, 1970 and Rules 108-120 of the Patents Rules, 2003 deal with the Patent Agents. The Controller maintains a register to be called the 'register of patent agents' in which there will be entered the names,



address and other relevant particular as may be prescribed of all persons qualified to have their names so entered according to section 126. According to rule 4 such register has to be maintained at the Head Office of the Patent Office, Calcutta. The register will contain the name, nationality address of the principal place of business, branch office address and other relevant particular as may be prescribed, if any, the qualification and the date of registration of entry as Patent agent.

#### Qualifications for Registration as Patent Agents

According to Section 126 a person will be qualified to have his name entered in the register of patent agents if he fulfils the following conditions, namely:

- (a) He/she is a citizen of India;
- (b) He/she has completed the age of 21 years;
- (c) He/she has obtained a degree in Science, Engineering or Technology from any University established under the 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 at the time of making the application for registration;
- (d) He has paid such fee as may be prescribed.

However, a person who has been registered as a patent agent before the commencement of Patent (Amendment) Act, 2005 will be entitled to continue to be, or when required to be re-registered as a patent agent, on payment of the fee.

## **8. Infringement**

Patent infringement means the violation of the exclusive rights of the patent holder. As discussed earlier, patent rights are the exclusive rights granted by the Government to an inventor over his invention for a limited period of time. In other words, if any person exercises the exclusive rights of the patent holder without the patent owner's authorization



then that person is liable for patent infringement. Sections 104-114 of the Patents Act, 1970 provide guidelines relating to patent infringement.

Unlike the Design law, the Patents law does not specify as to what would constitute infringement of a patented product or process. However, the following acts when committed without the consent of the patentee shall amount to infringement:

- (i) making, using, offering for sale, selling, importing the patented product;
  - (ii) using the patented process, or using, offering for sale, selling or importing the product directly obtained by that process
- There are three basic types of patent infringements:

(a) Direct Infringement

Direct patent infringement is the most obvious and the most common form of patent infringement. Basically, direct patent infringement occurs when a product that is substantially close to a patented product or invention is marketed, sold, or used commercially without permission from the owner of the patented product or invention.

(b) Indirect Infringement and contributory infringement

Indirect patent infringement suggests that there was some amount of deceit or accidental patent infringement in the incident. For instance, A holds a patent for a device and B manufactures a device which is substantially similar to the A's device. B is supplied with a product from another person C to facilitate manufacturing of the B's device. If the device so manufactured by B infringes upon A's patent, then the person C indirectly infringes A's patent. Further, if such a product is knowingly sold or supplied, it may lead to "contributory infringement". In the above example, if the person C knowingly supplies the product to B then the infringement is construed as contributory infringement.

Exclusions from infringement The law however enumerates certain exceptions to infringement:

- (a) Experimental and Research: Any patented article or process can be used for the following purposes:
- Experiment
  - Research



- Instructing the pupils

It is also permitted to make, construct, use, sell or import a patented invention solely for the uses reasonably related to the development and submission of information required under any law for the time being in force, in India, or in a country other than India, that regulates the manufacture, construction, use, sale or import of any product. All such acts, if within the bounds as created above, cannot be challenged as infringing the rights of the patentee.

- (b) Parallel Importation under certain conditions: Patented article or article made by using the patented process can be imported by government for its own use. Also a patented process can be used by the government solely for its own use. Moreover the government can import any patented medicine or drug for the purposes of its own use or for distribution in any dispensary, hospital or other medical institution maintained by the government or any other dispensary, hospital or medical institution notified by the government. [Section 27 & 47]

*Anton Pillar Order*

The court can also order for the search of the premises of the defendant. The infringing goods, materials and implements which are used for the creation of the infringing goods can be seized, forfeited or destroyed on the order of the court without the payment of any compensation. [Section 108(2)]