

## Guest Column

# PROTECTING INVENTIONS AND DISCOVERIES: AN OVERVIEW OF PATENT LAW IN INDIA

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Patent is a right in the realm of intellectual property<sup>1</sup> granted for a particular period under the law to anyone, known as the patentee, who makes full disclosure of his invention or discovery of any new and useful process, machine, article of manufacture, or composition of matter, or any new and useful improvement thereof. Upon grant of the patent the law grants to the patentee a monopolistic right to commercially exploit the invention and also the legal protection against unauthorised use of his patent by others. The effect of grant of patent is *quid pro quo*, i.e. the monopoly is granted for the disclosure of knowledge. The law grants this monopoly for a specified period only and on the expiry of this period the said patentee's monopoly comes to an end and then it automatically goes into public domain for exploitation by anybody<sup>2</sup>. The legal system of patents thus encourages inventions by promoting their protection and utilization so as to contribute to the development of industries, which in turn, contributes to the promotion of technological innovation and to the transfer and dissemination of information, knowledge and technology. In India the rights conferred to the patentee have been enumerated in Section 48 of the Patents Act, 1970.<sup>3</sup> This law induces an inventor to disclose his invention to the whole world instead of keeping it as a secret. If the invention was to be kept as a secret then the inventor would be under a constant fear of it being stolen by others. Such a disclosure not only makes the inventor famous but also enables him to sell it to an industrial house and thereby gain economically. This object of the Patent Law thus provides a stimulus to others and also industrial houses to carry out new inventions and discoveries.

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<sup>1</sup> i.e. intangible movable property which is the result of creativity e.g., patents, trademarks, or copyrights.

<sup>2</sup> In India the term of the patent is 20 years (Section 53 of the Patents Act, 1970, as amended)

<sup>3</sup> Section 48. **Rights of patentees**

(1) Subject to the other provisions contained in this Act, a patent granted before the commencement of this Act, shall confer on the patentee the exclusive right by himself, his agents or licensees to make, use, exercise, sell or distribute the invention in India.

(2) Subject to the other provisions contained in this Act and the conditions specified in section 47, a patent granted after the commencement of this Act shall confer upon the patentee -

- a. where the patent is for an article or substance, the exclusive right by himself, his agents or licensees to make, use, exercise, sell or distribute such article or substance in India;
- b. where a patent is for a method or process of manufacturing an article or substance, the exclusive right by himself, his agents or licensees to use or exercise the method or process in India.

Every country has its own Patent Laws and as such there is no "World Patent". However, there is an international filing system that is in accordance with Patent Cooperation Treaty (PCT). By virtue of this treaty when a PCT application is filed in one of the member-states of the PCT it tantamounts to filing of the application for grant of patent in all PCT member states. The law in India which deals with patents is The Patents Act of 1970 (as amended by The Patents (Amendment) Act of 1999, The Patents (Amendment) Act of 2002 and The Patents (Amendment) Act of 2005).

India is a member of the following International Organisations and Treaties in respect of Patents:

- World Trade Organization (WTO)
- Paris Convention for the protection of Industrial Property
- Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)
- Patent Co-operation Treaty (PCT)
- Budapest Treaty.

The Patents Act, 1970 specifically states that inventions relating to atomic energy<sup>4</sup> are not patentable and also categorically lays down that the following are not inventions within the meaning of the Act<sup>5</sup>, namely -

- a. an invention which is frivolous or which claims anything obvious contrary to well established natural laws;
- b. an invention the primary or intended use of which would be contrary to law or morality or injurious to public health;
- c. the mere discovery of a scientific principle or the formulation of an abstract theory;
- 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 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.

*Explanation.*—For the purposes of this clause, salts, esters, ethers, polymorphs, metabolites, pure form, particle size, isomers, mixtures of isomers, complexes, combinations and other derivatives of known substance shall be considered to be the same substance, unless they differ significantly in properties with regard to efficacy<sup>6</sup>;

- 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 or process of testing applicable during the process of manufacture for rendering the machine, apparatus or other equipment more efficient or for the improvement or restoration of

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<sup>4</sup> Section 4 of The Patents Act

<sup>5</sup> Section 3 of the Patents Act

<sup>6</sup> Clause (d) of Section 3 has been substituted by The Patents (Amendment) Act, 2005

the existing machine, apparatus or other equipment or for the improvement or control of manufacture;

- h. a method of agriculture or horticulture;
- i. any process for the medicinal, surgical, curative, prophylactic or other treatment of human beings or any process for a similar treatment of animals or plants to render them free of disease or to increase their economic value or that of their products.

A close analysis of Clause (d) reveals that "trivial changes" in generic drugs are not eligible for patents. This provision, therefore, lays stress on innovation and hardcore research instead of tinkering with known substances.

An application for grant a patent for an invention can be made under the Patents Act by any person claiming to be the true and first inventor of the invention, or by any person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application, or by the legal representative of any deceased person who immediately before his death was entitled to make such an application.<sup>7</sup> The application for a patent has to be confined to only one invention and it has to be made in the prescribed form and filed in the patent office.

Although the essence of a patent is conferring of the exclusive right on the patentee yet the grant of the patent is subject to the following conditions, namely that<sup>8</sup>,

1. any machine, apparatus or other article in respect of which the patent is granted or any article made by using a process in respect of which the patent is granted, may be imported or made by or on behalf of the Government for the purpose merely of its own use;
2. any process in respect of which the patent is granted may be used by or on behalf of the Government for the purpose merely of its own use;
3. any machine, apparatus or other article or process in respect of which the patent is granted may be used, by any person, for the purpose merely of experiment or research including the imparting of instructions to pupils; and
4. in the case of a patent in respect of any medicine or drug, the medicine or drug may be imported by the Government for the purpose merely of its own use or for distribution in any dispensary, hospital or other medical institution maintained by or on behalf of the Government or any other dispensary, hospital or other medical institution which the Central Government may, having regard to the public service that such dispensary, hospital or medical institution renders . . . . .

After the grant of the patent if it is found that the reasonable requirements of the public with respect to the patented invention have not been satisfied, or that the patented invention is not available to the public at a reasonably affordable price, or that the patented invention has not worked in India, then any person may make an application for grant of compulsory license after three years from the date of sealing of a patent<sup>9</sup>. The issue of compulsory license of the said patent is subject to the conditions, namely (a) that the applicant pays to the patentee the royalty and other remuneration

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<sup>7</sup> Section 6 of the Patents Act.

<sup>8</sup> Section 47 of the Patents Act, 1970

<sup>9</sup> Section 84 of the Patents Act

having regard to the nature of the invention, the expenditure incurred by the patentee in making the invention or in developing it and obtaining the patent; (b) that the patented invention is worked to the fullest extent by the applicant; and (c) that the patented articles are made available to the public at reasonable prices<sup>10</sup>.

In case of an infringement of a patent the aggrieved patentee may file a suit in any District Court or a High Court having jurisdiction to entertain the suit. In such a suit the aggrieved patentee viz., the plaintiff, will have to establish to the satisfaction of the court about the infringement of his patent by the defendant(s) i.e., the opposing party or parties, and upon doing so, he would be entitled to get an injunction order from the court which would restrain the defendant(s) to further infringe upon his patent rights. Normally in such a suit the plaintiff also seeks an “interim injunction” order from the court pending final decision, by making out a prima facie case and showing that the balance of convenience lies in his favour. Apart from seeking injunction against the defendant(s) the plaintiff, in his suit for infringement, is also entitled to claim damages/compensation for the loss suffered by him as a result of the infringement of his patent. The plaintiff may also claim from the defendant(s) the profits made by them from the unauthorised use of his patent<sup>11</sup>.

From a bird’s eye view it would be thus be noticed that in India the patent laws conforms to global standards. This is due to the fact that as India is a member of the World Intellectual Property Organization (WIPO), an International Organisation responsible for the promotion of the protection of intellectual property throughout the world, its patents law has to comply with the TRIPS Agreement<sup>12</sup>.

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<sup>10</sup> Section 95 of the Patents Act

<sup>11</sup> Section 108 of the Patents Act

<sup>12</sup> an international agreement (which is governed and regulated by World Trade Organization (WTO) that lays down the minimum standards to regulate various forms of intellectual property including patents