

**PATENT  
AGENTS  
ASSOCIATION**



**2019 Seminar on the IP Landscape  
in New Southbound Countries**

**Taipei**

**(27-28 Aug 2019)**

# **Overview of the Patent System in India**

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# PATENT AGENTS ASSOCIATION

Not-for-Profit

Volunteer

Founded in 2009 by Mr. Akhilesh Gupta, PAAI is the first and largest body representing Indian patent agents. It is committed to working towards healthy IP rights policies for effective innovation ecosystem development in India. PAAI has initiated several groundbreaking functions to promote the standards of patent prosecution and patent agents.

## PAAI Advocacy

Recommendation on national IP rights policy to the Indian government

E-Filing and third-party payment systems

Introduction of IPR courses in university curriculum and guidelines to establish IPR cells in all technical institutions across India

Financial-assisted patent services for independent inventors and startups

Programs and seminars to educate public about IPR with the objective of IP capacity building in India

Direct helpline to provide real-time assistance to innovators and entrepreneurs

Partner, sponsor and organizer at various national and international events towards its commitment in expanding IPR awareness



# PATENTING SYSTEM

## ACT

1856

• The Act VI

1911

• Indian Patents and Designs Act

1970

• The Patents Act

Patents (Amendment) Act, 1999

Patents (Amendment) Act, 2002

Patents (Amendment) Act, 2005

## RULES

1972

• Patent Rules

2003

• Patent Rules

Patent (Amendment) Rules, 2005

Patent (Amendment) Rules, 2006

Patent (Amendment) Rules, 2016

Patent (Amendment) Rules, 2017

## GUIDELINES

Manual of Patent Office Practice and Procedure



# TREATIES & COLLABORATIONS

Paris Convention for the Protection of Industrial Property

December 7,  
1998

Patent Cooperation Treaty

December 7,  
1998

Budapest Treaty on the International Recognition of the  
Deposit of Microorganisms for the Purposes of Patent  
Procedure

December 17,  
2001

Agreement on Trade-Related Aspects of Intellectual  
Property Rights

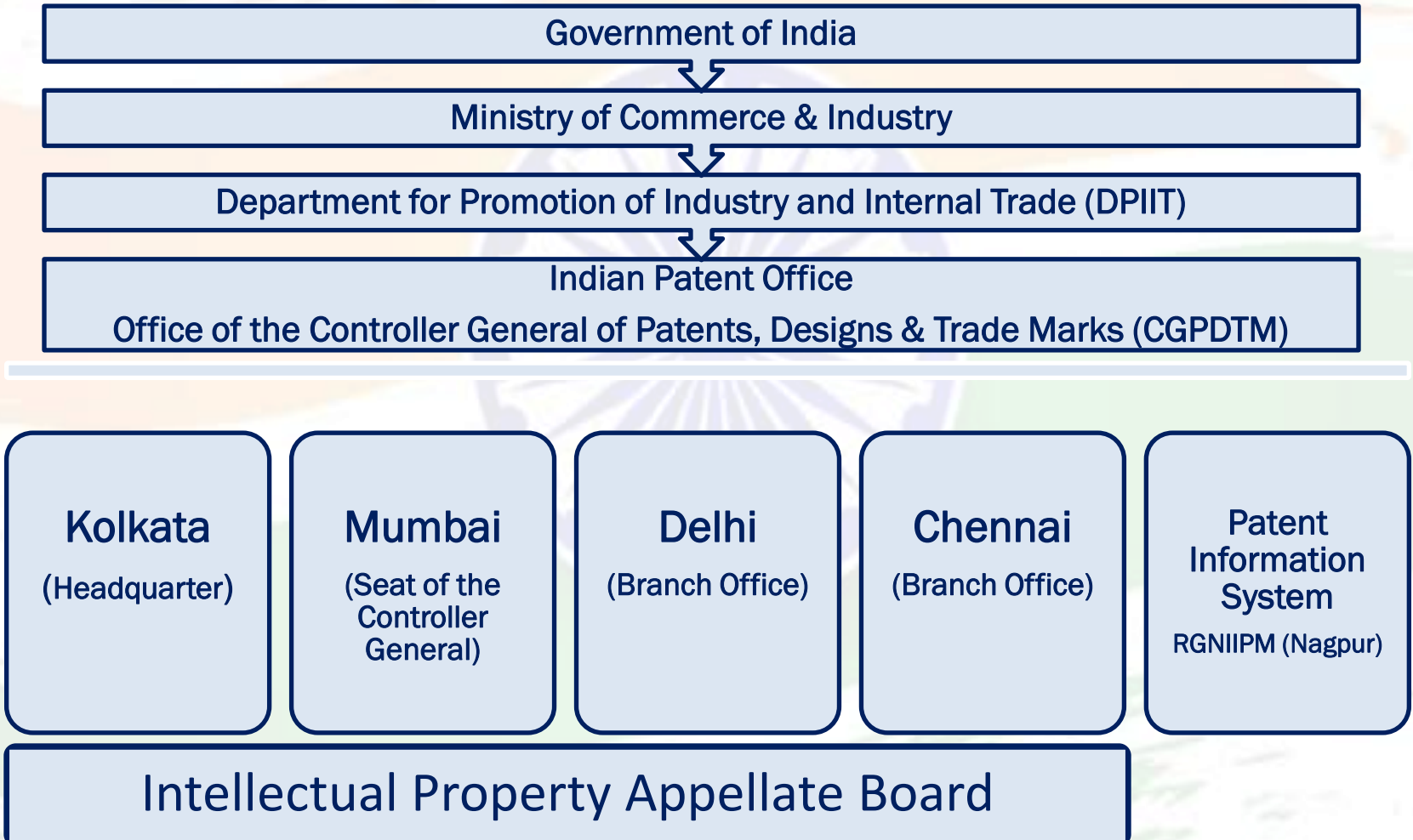
January 1,  
1995

India-Japan Patent Prosecution Highway (PPH)

Pilot Program  
2019



# INDIAN PATENT OFFICE







# RECENT DEVELOPMENTS

India as ISA in 2013

National IPR Policy 2016  
For Administration and Management of IPRs

Mandatory online filing by patent agents

Hearing through video-conferencing

Prompt redressal of grievances/ complaints

Real time availability of processing/examination details

Online generation of certificates of patent grants

SMS alerts for examination reports

Periodic publication of list of examination reports

Mobile App for providing IP services and information

Startup India Program 2016 by Govt. of India  
IPR incentives to Startups



# TYPES OF PATENTS

## PATENT (Normal)

20 Year Term

Examination based on:  
Novelty | Inventive Step | Practical Utility

## PATENT OF ADDITION

Can be filed anytime but is granted only after the grant of main patent

Expires with the main patent

Less stringent requirement of Inventive Step

Can be converted into an independent patent if main patent is revoked

No separate renewal fees

section

54

55

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# PATENT APPLICATION FILING

Who  
can  
apply?

- true and first inventor
- his /her legal assignee
- legal representative of deceased inventor or assignee

First to File System

Application Types

Provisional

Complete

Convention

PCT  
National  
Phase

Divisional

12 months





# JURISDICTION

## Patent Filing Jurisdiction

Indian Applicants

Foreign Applicants

Place of residence

Place of business

Where the invention originated

Address for service in India



Delhi

- The States of Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand, Delhi and the Union Territory of Chandigarh

Chennai

- The States of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and the Union Territories of Pondicherry and Lakshadweep, Telangana

Mumbai

- The States of Maharashtra, Gujarat, Madhya Pradesh, Goa and Chhattisgarh and the Union Territories of Daman and Diu & Dadra and Nagar Haveli

Kolkata

- Rest of India



# FILING REQUIREMENTS

Application

Form 1

Specifications

Form 2

Abstract

Foreign Filing Undertaking

Form 3

Inventor Declaration

Form 5

Proof of Right

Priority Document

Power of Attorney

Form 26

Filing Language

English

Hindi

For PCT Applications  
not in English

Verified English  
translation required  
before the expiry of 31  
months

rule

21  
20(4)



# PUBLICATION

Published weekly (every Friday) in the Official Gazette

Regular Publication  
No request needed  
18 months from filing

Early Publication  
On Request  
1 month from the date of request

**section**

**11A**

Patent rights start from the date of publication  
But can be exercised only after grant of patent

Bibliographic details including abstract are published

Once application is published (laid open), any person can view  
the application and the submitted documents  
Either hard copy from the patent office or electronically through  
INPASS.



# EXAMINATION

Substantial examination conducted only on request

Request can be made by the applicant or any other interested party  
Within 48 months from the date of priority/filing

rule

24(b)

Expedited  
Examination

For applicants denoting India as an ISA or an IPEA  
in a corresponding PCT application

For applicants recognized as Startups by the  
Govt. of India

rule

24(c)



# PATENT PROSECUTION

## WHAT ARE NOT INVENTIONS?

### SECTION 3

3(a)

- frivolous or claiming anything obviously contrary to well established natural laws

3(b)

- the use 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

3(c)

- the mere discovery of a scientific principle or the formulation of an abstract theory or discovery of any living thing or non-living substance occurring in nature

3(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

3(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

3(f)

- the mere arrangement or re-arrangement or duplication of known devices each functioning independently of one another in a known way

3(h)

- a method of agriculture or horticulture





# PATENT PROSECUTION

## WHAT ARE NOT INVENTIONS?

### SECTION 3 (CONTD)

3(i)

• 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.

3(j)

• 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;

3(k)

• a mathematical or business method or a computer programme *per se* or algorithms;

3(l)

• a literary, dramatic, musical or artistic work or any other aesthetic creation whatsoever including cinematographic works and television productions;

3(m)

• a mere scheme or rule or method of performing mental act or method of playing game;

3(n)

• a presentation of information;

3(o)

• topography of integrated circuits

3(p)

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





# PATENT PROSECUTION

## TEST FOR PATENTABILITY

Novelty

Inventive Step

Industrial  
Application

Search for Anticipation  
(Prior Art)

Published before the date of filing of the subject complete specification in India or anywhere else

Claimed in any patent application in India published after the date of filing of the subject complete specification but claiming earlier priority

Prior public knowledge or prior public use

section

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# PATENT PROSECUTION

## No ANTICIPATION

Grace  
Period  
12 months

When invention was published in consequence of the display in an exhibition notified by the Government or reading the paper before a Learned Society

**section**  
**31**

No  
Anticipation

Wrongful Obtaining

Communication to Government for the purpose of investigating the invention

Public working for the purpose of reasonable trial

**section**  
**29**  
**30**  
**32**



# PATENT PROSECUTION

## EXAMINATION TIMELINES

Examiner has the power to prepare examination reports  
Decision to issue the reports lies with the Controller which is appealable at IPAB

Examiner prepares the First Examination Report (FER) and sends to the Controller

The Controller checks and disposes off the report

The Controller issues the report to the applicant within 1 month

Time limit for FER Response is 6 months (Can be extended by maximum of 3 months, on request)

In case of Expedited Examination

The examiner prepares the report within 2 months, preferably within 1 month

The Controller checks and disposes off the report within 1 month

The Controller issues the report to the applicant within 15 days

Second Examination report or a hearing before Controller

rule

24(b)  
24(c)



# PATENT PROSECUTION

## DIVISIONAL APPLICATION

### SECTION 16

Unity of Invention  
One Invention – One Patent

At the request of  
the applicant

To be filed before the grant  
of parent application

Objections raised  
by Controller

Serial Filing Allowed

Subject matter  
to be derived  
from the parent  
application

Non  
overlapping  
claims

Treated as an independent  
application  
Date of filing is same as the date of  
filing of parent application

Request for examination to be made within forty-eight months from the date of filing/priority of the divisional application or within six months from the actual date of filing of the divisional application, whichever is later



# AMENDMENTS

## SECTION 57 | 58 | 59

Voluntary

To overcome examiner's objections

In Invalidation Proceedings

To incorporate actual fact

No amendment of specification is allowed which broadens the scope of the claim  
No amendment is allowed if amended claim falls outside the scope of original claim

By way of Disclaimer

Limiting the scope of claims

By way of Correction

Correcting an obvious mistake

By way of Explanation

Additional explanation of a feature

Amendments made after the grant of patent shall be published.

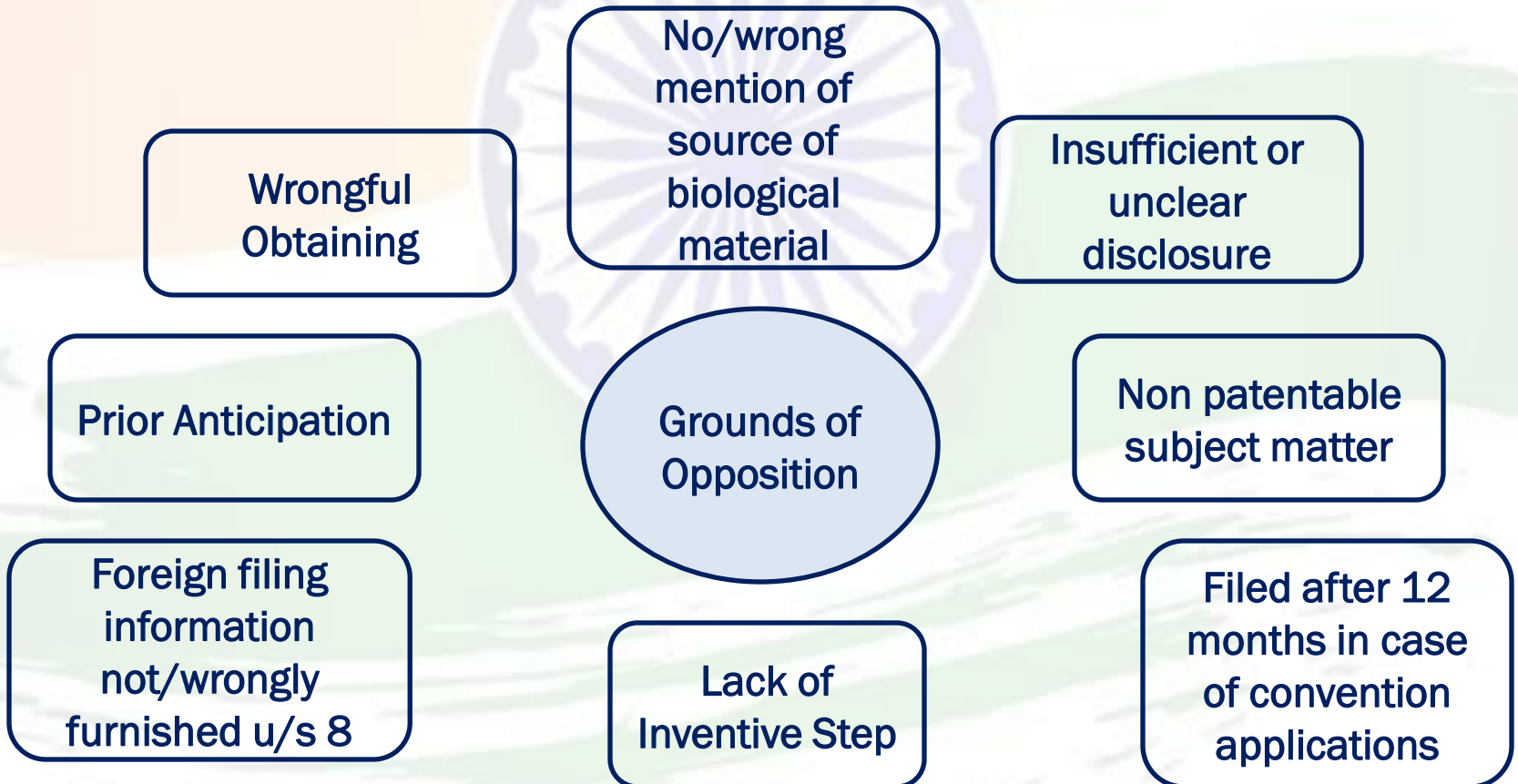




# PRE-GRANT OPPOSITION

## SECTION 25

Any time after publication of patent application but before grant of patent  
Can be made by any person/party







# PATENT ISSUANCE

Issue  
Date

Date on which an application for a patent has been found to be in order for grant of the patent by the Controller

Notice of Issue in the Official Gazette  
Along with bibliographic details

E-Certificate issued to the applicant

Not subject to any grant fees

section

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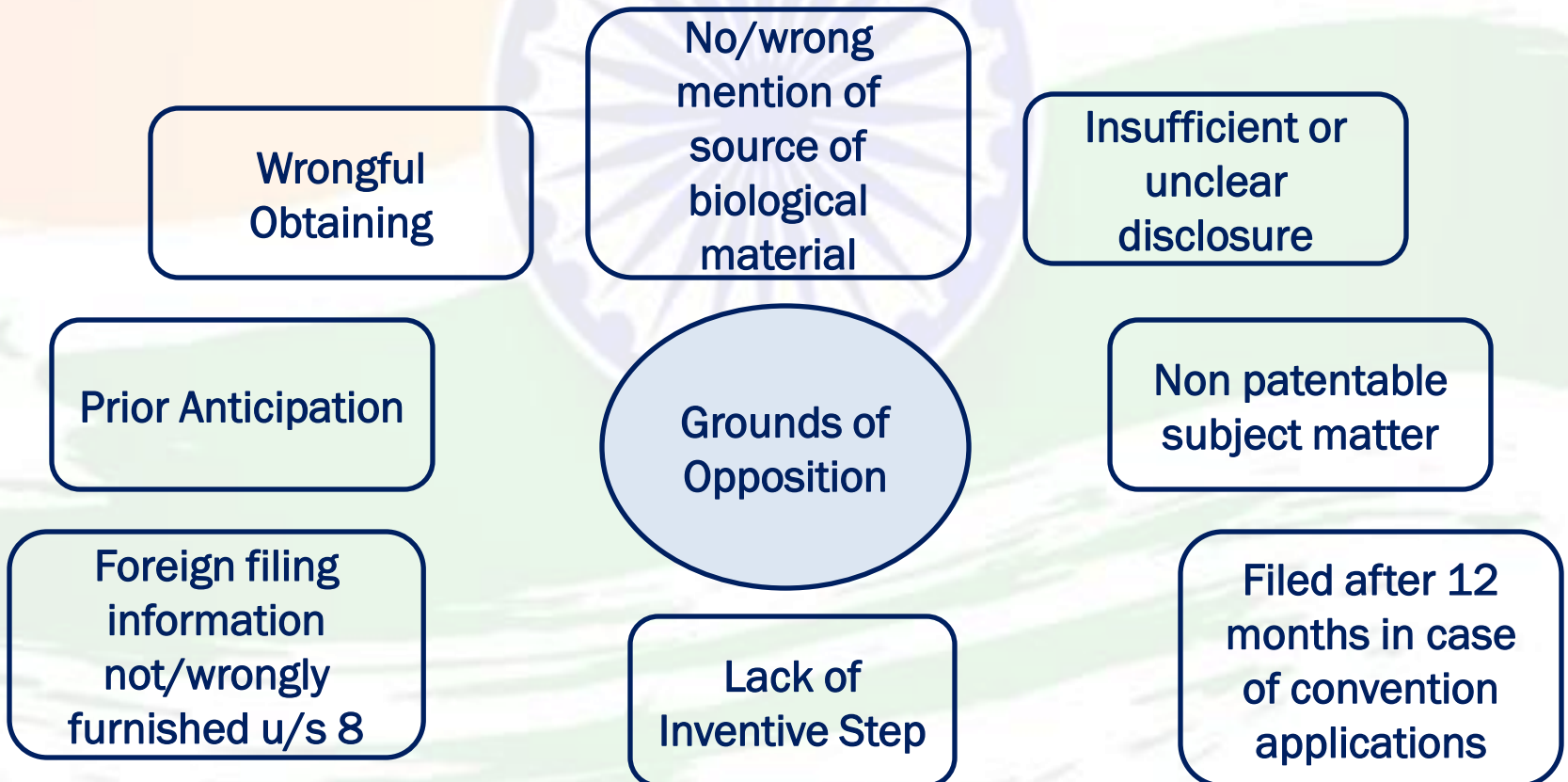
# POST-GRANT OPPOSITION

## SECTION 25

Any time after the grant of patent but before the expiry of one year from the date of publication of grant

Can only be made by an interested party

An Opposition Board is constituted





# RENEWAL FEES

To be paid from 3<sup>rd</sup> year onwards  
(from the date of filing)  
But due only after the patent is granted

In case the patent is granted after more than 2 years from filing, the accrued fees shall be paid within 3 months from the date of patent grant

Yearly renewal fee to be paid before the expiration of the preceding year  
Can be paid for multiple years in advance  
Late Payment – upto 6 months with surcharge

If a patent is expired due to non-payment of renewal fees, it can be restored within 18 months from the date of lapse of patent by paying pending renewal fees and surcharge

Substantial evidence to prove the reason for non-payment was un-intentional is required and restoration is at the Controller's discretion.



# ASSIGNMENT / LICENSE RECORDAL

Assignments  
Whole/part

Mortgage

Licenses

Any other  
interest  
divested

Not to be valid unless in writing and duly executed

Shall be communicated to the Controller who'll make the  
entry in the official register

**section**

**68**

**section**

**69**



# REVOCATION

## SECTION 64

IPAB		High Court	
Any person interested	Central Govt.	Counter-claim in a suit for infringement	Central Govt.

### Grounds for Revocation

Claimed in an Indian patent of earlier priority	Prior Anticipation	Prior Public Knowledge or use	Traditional Knowledge
Lack of Inventive Step	Non-Patentable subject matter	Insufficient or unclear disclosure	Claims not within the scope of specifications
Wrongful Obtaining	Applicant not entitled to patent	False suggestion or representation	Non working of patent
Foreign filing information not/wrongly furnished u/s 8	Contravention of secrecy directions	Fraudulent application for amendments	No/wrong source of biological material





# COMPULSORY LICENSE

## WORKING OF PATENTS

### SECTION 83

- (a) • that patents are granted to encourage inventions and ensure that the inventions are worked in India on a commercial scale and to the fullest extent that is reasonably practicable without undue delay;
- (b) • that they are not granted merely to enable patentees to enjoy a monopoly for the importation of the patented article;
- (c) • that the protection and enforcement of patent rights 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;
- (d) • that patents granted do not impede protection of public health and nutrition and should act as instrument to promote public interest specially in sectors of vital importance for socio-economic and technological development of India;
- (e) • that patents granted do not in any way prohibit Central Government in taking measures to protect public health;
- (f) • that the patent right is not abused by the patentee or person deriving title or interest on patent from the patentee, and the patentee or a person deriving title or interest on patent from the patentee does not resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology;
- (g) • that patents are granted to make the benefit of the patented invention available at reasonably affordable prices to the public.

**Statement of Working**

**To be furnished every year**

**Details about extent of working by license holder(s)**

**Reasons for non-working**





# COMPULSORY LICENSE

## SECTION 84

After the expiration of three years from the date of the grant of a patent, any person interested may make an application to the Controller for grant of compulsory licence on patent

reasonable requirements of the public with respect to the patented invention have not been satisfied

patented invention is not available to the public at a reasonably affordable price

patented invention is not worked in the territory of India

Any person (even a licensee or a person not interested) may allege the above

Controller may direct the patentee to grant compulsory licence

If the above conditions are not satisfied even after two years from granting compulsory licence, the patent may be revoked



# COMPULSORY LICENSE

## REASONABLE REQUIREMENTS OF PUBLIC

Reasonable requirements of the public shall be deemed not to have been satisfied, if:

trade development in India is being hindered

demand for the patented article has not been met to an adequate extent or on reasonable terms

market for export of the patented article manufactured in India is not being supplied or developed

establishment or development of commercial activities in India is prejudiced

patentee imposes conditions on licensee like exclusive grant back, prevention to challenges to the validity of patent or coercive package licensing

patented invention is not being worked in the territory of India on a commercial scale to an adequate extent or is not being so worked to the fullest extent that is reasonably practicable

working of the patented invention in the territory of India on a commercial scale is being prevented or hindered by the importation from abroad of the patented article



# COMPULSORY LICENSE PROCEDURE

While granting compulsory licence, the Controller shall take into account:

the nature of the invention, the time which has elapsed since the sealing of the patent and the measures already taken by the patentee or any licensee to make full use of the invention

the ability of the applicant to work the invention to the public advantage

the capacity of the applicant to undertake the risk in providing capital and working the invention, if the application were granted

as to whether the applicant has made efforts to obtain a licence from the patentee on reasonable terms and conditions and such efforts have not been successful within a reasonable period as may be deemed fit



# COMPULSORY LICENSE

## CASE STUDY

Natco Pharma Ltd vs Bayer AG (2012)  
Nexavar (Sorafenib) – Anti cancer drug developed by Bayer

20000 liver cancer patients  
9000 kidney cancer patients

Demand of  
23000 bottles per year

Bayer's product cost  
2,80,248/- per month

Importation by Bayer

No bottles in 2008  
200 bottles in 2009  
No evidence in 2010

NATCO's product cost  
8800/- per month

Bayer did not work the invention within the territory of India  
despite having the capability



# COMPULSORY LICENSE CASE STUDY – LICENSE TERMS

In granting the compulsory license, the Controller set out the following terms:

the right to make and sell Sorafenib shall be limited to Natco

the compulsorily licensed drug product can be sold only for treatment of liver and renal cancer

the royalty shall be paid at a rate of 6%

the price shall be set at Rs.74/- per tablet, which equals Rs. 8,800/- per month

Natco commits to provide the drug for free to at least 600 "needy and deserving" patients per year

the compulsory license shall be not assignable and non-exclusive, with no right to import the drug

no right for Natco to "represent publicly or privately" that its product is same as Bayer's Nexavar

Bayer has no liability for Natco's drug product, which must be physically distinct from Bayer's dosage form





# COMPULSORY LICENSE

## A NECESSITY?

Major portion of patents granted in developing and under-developed countries are held by applicants from developed countries

In order to advance in science and technology, developing and under-developed countries need maximum access to intellectual property of advanced nations.

Stop anti-competitive and patent-abuse practices  
(like limited supply, price fixing, cartels)

A deterrent to Patent Trolls - Pressurizing the patent holders to work the patent to maximum national advantage

Ensuring availability of needed goods and services to their citizens at affordable prices and in adequate quantities

Avoiding situations where the refusal to license a patent may prevent utilization of another important invention which can be significant for technological advancement or economic growth.





# FEE SCHEDULE

Type	Corporations	Small Entities	Individuals and Startups	Figures in INR (Rupee)
Application Filing (for each priority claimed)	8000 (~ USD 115)	4000 (~ USD 57)	1600 (~ USD 23)	
Early Publication	12500	6250	2500	
Examination Request (Normal)	20000	10000	4000	
PCT National Phase Examination (Before expiry of 31 months)	28000	14000	5600	
Examination Request (Expedited)	60000	25000	8000	
Renewal Fee (time extension)	2400	1200	480	
OA Response (time extension)	4000	2000	1000	
Application for Restoration	12000	6000	2400	
Restoring a Lapsed Patent	24000	12000	4800	

Please note that these are fees (as of Aug 2019) for E-Filing. In case of physical filing, an additional charge of approx. 10% is applicable.

# **THANK YOU**



**Patent Agents Association of India**

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