A - Z of Intellectual Property

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ABOUT US

To take forward the implementation of the National Intellectual Property Rights (IPR) Policy, 2016, Cell for IPR Promotion and Management (CIPAM) was created in the year 2016, as a professional body under the aegis of Department for Promotion of Industry and Internal Trade (DPIIT) to ensure focused action on issues related to IPRs.

CIPAM works on addressing the objectives of the National IPR Policy and assists in simplifying and streamlining of Intellectual Property (IP) process, apart from undertaking steps for furthering IPR awareness, commercialisation and enforcement.

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ABOUT THE BOOKLET

This booklet consists of the basic questions covering various nuances of IP. The questions and answers (Q&A) are a powerful learning tool, breaking the conventional monotonous system of learning.

This booklet is to aid you to understand the importance of IPR as a Police officer and as a master trainer. This booklet will build the capacity of the master trainers to understand IPR, implement local training sessions and to conduct the presentation.

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ACKNOWLEDGEMENT & DISCLAIMER

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**Engage. Equip. Enforce**
INTRODUCTION
INTRODUCTION

1. **What is Intellectual Property Right?**

   Intellectual property rights (IPRs) are the rights given to persons over the creations of their minds. They usually give the creator an exclusive right over the use of his/her creation for a certain period.

   Intellectual Property (IP) could either be registered or unregistered. With unregistered IP, you automatically have legal rights over your creation. Unregistered forms of IP include copyright, unregistered design rights, common law trademarks and database rights, confidential information and trade secrets.

2. **Why Intellectual Property Rights are important?**

   It provides protection to the intellectual labour of the person and recognizes the efforts they have undertaken to give life to their creation. It is one tool available to foster the innovative practices. Without the protection of their creativity, innovations, businesses and individuals would not reap the full benefits of their inventions and would focus less on research and development. In other words, protection of IPRs is directly proportional to the increase in research and development. IP law has become more important in the recent past due to an unprecedented development in the field of science and technology particularly in the field of Information Technology.

3. **What are the types of intellectual property rights?**

   Intellectual property rights as a collective term includes the following independent rights which can be collectively used for protecting different aspects of an inventive work for multiple protection: -
   
   - Trademarks
   - Copyrights
   - Patents
   - Industrial Design
   - Geographical Indications
4. **What is Trademark?**

According to the Section 2(zb) of the Trade Marks Act, 1999, a trademark is any mark which could be represented graphically and is capable of distinguishing the goods and services of one person to those of other. The trademark may be indicated by “™” if it is unregistered trademark and if the trademark is registered, then ® can be used to along with the mark to represent it.

**Term of Protection** – According to Section 25(1) of the Trade Marks Act, 1999, the term of protection for a registered trademark shall be 10 years but may be subsequently renewed in accordance with the provision of Section 25.

5. **What is Copyright?**

According to the definition provided in the Black Law Dictionary, “Copyright” means a property right in an original work of authorship fixed in any tangible medium of expression, giving the holder the exclusive right to reproduce, adapt, distribute, perform and display the work. The copyright is represented as “©”, followed by date of publication and name of the author.

**Term of Protection** –

According to Section 22 of the Copyright Act, the term of protection in cases of literary, dramatic, musical and artistic work shall be the lifetime of author + 60 years.

According to Section 23 to 29 of the Copyright, the term of protection for all other work shall be 60 years from the year after the year in which the work was first published. These other work of copyright may include anonymous work and pseudonymous work, posthumous work, cinematographic film, sound recording, government works, public undertaking and works of international organization.
6. **What is Design?**

As per the Section 2(d) of the Designs Act, 2000, a design may include the features of the shape, ornament, pattern, configuration or composition of lines or colour in 2-D, 3-D or in both forms, manufactured by an industrial process or means.

**Term of Protection** – According to Section 11 of the Designs Act, 2000, the copyright in the design shall subsist for ten years which may be further renewed for another 5 years.

7. **What is Patent?**

According to the definition provided in Black Law Dictionary, a patent is an exclusive right granted to an inventor that allows him to exclude all others from making, using, selling or importing an invention for a specified period if the invention is novel, useful and nonobvious.

**Term of Protection** – According to Section 53 of the Patent Act, 1970, the term of every patent shall be 20 years from the date of filing the application.

8. **What is Geographical Indications?**

As per the Section 2(e) of the Geographical Indication of Goods (Registration and Protection) Act, 1999, a geographical indication (GI) is an indication attached to the goods with respect to its geographical origin or manufacturing place. These goods may include agricultural, natural or manufactured goods.

**Term of Protection**: According to Section 18 of the Geographical Indication of Goods (Registration and Protection) Act, 1999, the protection offered for 10 years which could be subsequently renewed upon expiry of 10 years.

9. **What is Layout Design of Integrated Circuits?**

According to Section 2(h) of the Semiconductor Integrated Circuits Layout-Design Act, 2000, “layout-design” means a layout of transistors and other circuitry elements and includes lead wires connecting such elements and expressed in any manner in a semi-conductor integrated circuit.

**Term of Protection**: According to Section 15 of the Semiconductor Integrated Circuits Layout-Design Act, 2000, the registration of the layout-design shall be only for a period of 10 years.
from the date of filing an application or from the date of first commercial use in India or any other country whichever is earlier.

10. What is Plant Variety?
The Protection of Plant Variety and Farmers’ Right Act, 2001, is an act to provide effective protection to plant varieties, rights of farmers and breeder and to encourage the development of new varieties of plants.

Term of Protection: According to Section 24 (6) of the PPV & FR Act the term of registration:-

(i) In case of trees and vines shall be 9 years which can subsequently renewed but not exceeding 18 years of protection from the date of registration.

(ii) In case of extant variety shall be 6 years which can subsequently renewed but not exceeding 15 years from the date of notification by the Central Government under Section 5 of the Seeds Act, 1966.

(iii) In case of any other crop shall be 6 years which can be subsequently renewed but not exceeding 15 years from the date of registration of the variety.

11. What is counterfeiting?
Counterfeiting, as also defined under Section 28 of Indian Penal Code, 1860, is an act to cause one thing to resemble another thing with an intention to practice deception or a knowledge that such resemblance is likely to cause deception. It is considerably important that the imitation while counterfeiting need not to be exact and also, that when a person causes one thing to resemble another thing and the resemblance is such that the person is deceived thereby, it shall be presumed unless the contrary is proved that person causing one thing to resemble another is intending practice deception or he knew that the act of this counterfeiting is likely to cause deception. In the context of Intellectual Property Rights, counterfeiting can be referred to an act of manufacturing or distributing goods in someone else’s name without their permission with an intention to deceive general public to the effect that the goods are originated from the original manufacturer.
12. Which authorities are responsible for the regulation of Intellectual Property Rights in India?

- Patents, designs, trademarks and geographical indications, copyrights and semiconductor integrated circuits layout-designs are administered by the Controller General of Patents, Designs and Trademarks which is under the control of the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, Govt. of India.
- Protection of Plant Varieties and Farmers’ Rights the PPV&FR Act, 2001, is governed by the Ministry of Agriculture, Govt. of India, administers the Act on Plant Variety.

13. How can the Intellectual Property Rights be enforced in India?

IP rights in India can be enforced by courts under civil and criminal law in India. Protection of IP Rights on borders can be protected through the customs. In a civil action, remedies such as temporary injunction, permanent injunction or damages could be granted. Whereas the criminal law can be set in motion by initiating a complaint by the Right Holder before the police or the Magistrate for enforcing its Intellectual Property Rights.

14. What is an Infringement of IPR?

Infringement is interference with Intellectual Property of the creator/owner. It is an unauthorized use of an Intellectual Property of the right holder or/and violation of any right of the creator/author or inventor or owner provided under the law.
TRADEMARKS
15. **What is a trademark?**

A trademark is a name or symbol that an individual/entity/company uses on its products or for its services. It can be a symbol consisting in general of a picture, label, word or words, which is applied or attached to goods/services of a trader to distinguish it from similar goods/services of other traders. It is the adoption or the use of a trade mark which gives title to it.

As per the Section 2 (zb) of the Trade Marks Act, 1999, any mark which is capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours can be referred as a Trade Mark.

Term – 10 years (can be renewed indefinitely on payment of additional fees).

16. **What are the different types of trademarks?**

   a. **Well Known Mark:** Well-known trade mark means any mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services. Well known trademarks are define under Section 2(zg) of the Trade Marks Act, 1999.

   b. **Generic Mark:** Any mark which describes the quality, characteristics, and ingredients of the product a particular business is dealing in qualifies as Generic Mark. Such marks cannot be registered as Trade Mark. For example, a business dealing in apple juice cannot register a trade mark ‘Apple’. However, on the other hand, ‘Apple’ will be valid trade mark for the company manufacturing cell phones.

   c. **Genericized trademark:** Any valid mark which over the course of time, due to its wide usage and popularity, has lost its property of a valid trademark by becoming generic, or has become synonymous to a general class of goods and services i.e. the public has started associating the said mark with all products and services under the class the mark is applied to. For
example, Sellotape is a valid trademark which lost its property of distinctiveness due to its popularity over the period of time and has become generic such that the members of the society started associating all transparent tapes as Sellotape.

d. **Descriptive Mark:** A descriptive mark identifies one or more characteristics of a product or services the business is dealing in. For such trademark to qualify as valid trademark, it is imperative that it has attained secondary meaning. For example, ‘Uncle Sam’s Pizza’.

e. **Suggestive Mark:** A suggestive mark implies something about the goods and services it is concerned with. They need not acquire secondary meaning for the valid registration. For example, an automobile brand ‘Jaguar’ is suggestive of speed, flexibility and agility.

f. **Fanciful Mark:** A fanciful mark is a term, name, or logo that is different from anything that exist. Due to this unique nature of these marks, they easily qualify for trademark registration.

g. **Arbitrary Mark:** An arbitrary mark includes a term or mark with a well-known meaning but used in a different context. For example, ‘Mango’ is a clothing brand.

17. **What are the different categories of trademark that can be registered?**

The owner of the trademark while filing the trademark application for registration has to choose a category of the trademark to get it registered. The following category of trademarks are available registration:

i. **Word Marks:** A word mark is the most common type of the mark. It can be either in form of word or any combination or group of letters/alphabets. For example, TATA, RELIANCE, YAHOO, TWITTER etc. It is not necessary for a word mark to have any specific meaning.

ii. **Device Marks:** Device marks are generally referred to marks comprising of logo, pictorial representation, any combination of pictures and drawing and words, etc. For example, logo of brand APPLE, MCDONALDS etc.

iii. **Colour Marks:** A particular colour or a combination of colours can be qualify as a valid registered trademark if it is established that such colour or combination of colours has attain a unique identification such as the concerned brand could be associated with the colour. However, it is imperative to note that this category of trademark is toughest to protect and enforce. The World Trade Organisation has broadened the definition of colour trademarks to include “any sign capable of distinguishing the goods or services of one business from those of other business.”
iv. **Shape Marks:** The shape of a product or the shape of the container which helps the consumers to identify the origin of goods. The shape of the product or container can also be registered under another form of IP as Design under the Designs Act, 2000. The trademark with respect to shape refers to the identification of origin of goods whereas the design concerns with the inherent features of shape. However, if the shape of a product over a prolonged or widespread usage has attained the acquired distinctiveness, it can be registered as a trademark. For example, the bottle of COCA-COLA.

v. **Sound Marks:** These marks are the non-conventional trademarks and can only be registered as the valid trademark in India, if the functions of the concerned sound could let the consumers identify the origin or goods or services. The most important ingredient of such marks is the factual distinctiveness in the sound which lets the consumers to immediately recall the product or services. For example, switching on sound of NOKIA’s devices and Windows, human voice yodelling Yahoo, four note bell sounds of Britannia Industries.

vi. **Three Dimensional Marks:** Three-dimensional marks can be registered in India based on strict standards of inherent distinctiveness of trademarks and its capability to identify the origin of goods and services. The three-dimensional marks concern with the physical appearance of the mark or the packaging of the product in three-dimensional images.

18. **Who can apply for registration of a trademark and how?**

Any person, claiming to be the proprietor of a trademark used or proposed to be used by him, may apply in writing in prescribed manner for registration. The application should contain the trademark, the goods/services, name and address of applicant and agent (if any) with power of attorney, the period of use of the mark.

The applications can be submitted personally at the Front Office Counter of the respective office or can be sent by post. These can also be filed online through the e-filing gateway available at the official website of the trademarks registry.

19. **Who is the owner of Trademark?**

The owner of the trademark would be any person who has coined the mark and claims to be a proprietor of a trade mark, who has used the mark or proposes to be use the same. In other
words, the owner of the trade mark is the person whose name is mentioned on the registration certificate.

20. How can the ownership of Trademark be transferred?

The ownership of Trademark can be transferred to another person/entity either by way of Trademark Assignment, which has to be in writing and should be for a consideration. Such assignment deed has to be also recorded with the office of the Registrar of Trade Marks. The procedure of assignment or transmission of the rights in the trademark is governed by Chapter V of the Trade Marks Rules, 2017.

21. How can the rights in trademark be licensed for use?

Under the Trademark Licensing, as can be effectuated under Section 49 of the Trade Marks Act, 1999, not all the rights in the trademarks are licensed to the other party but the restricted use of the trademark by the licensee is permitted. The registration of the licensing agreement can be done within 6 months of agreement before the Registrar of Trademarks. The trademark licensing can be done by the application filed either by the licensor or licensee or jointly in the format of TM-28 form.

22. Is registration of trademark mandatory in India?

No, it is not mandatory, but it is highly recommended to register the trademark in order to enforce laws consist of the 1999 Trade Marks Act and the Trade Marks Rules of 2002 and 2017. The registration serves as the prima facie evidence of the ownership of the registered trademarks. However, it is to be noted that no law suit or criminal complaint can be instituted for infringement of unregistered trademarks. For unregistered marks, an action/law suit can be brought before the Civil Courts against any person for passing off goods or services as the goods of another person or as services provided by another person. No criminal complaint can be filed for unregistered trade mark.

23. What are the advantages of trademark registration?

The advantages of trademark registration are that it protects the hard earned goodwill, protects your name from being used by others, helps in obtaining relief in case of
infringement under both civil as well as criminal law enforcement and it further gives a well-protected right to license /assign trademarks.

24. Can trademarks be renewed?
Yes. According to Section 25 (1) of the Trade Marks Act, 1999, a trademark is initially registered for a period of 10 years, calculated from the date of filing of the application. It can be renewed every 10 years by paying the requisite fees.

25. What is the process of registration of trademark?
26. What is the difference between ™ and ® in terms of representation?

™ is used by an entity to represent an unregistered trademark. However, the sign is often used to promote the goods or to claim over the use of the trademark. ® is used by an entity to represent a registered trademark and to claim the ownership/legal rights over the mark.

27. Can any party use ® without obtaining the registration of trademark?

No, any representation of an unregistered mark as a registered mark is an offence covered under Section 107 of the Trade Marks Act, 1999, wherein any person falsely representing a trademark as registered shall be punishable with imprisonment which may extend up to 3 years, or with fine, or with both.

28. Is the sound or smell registrable as trademark? How are these marks specified?

Yes, sounds or smells are registrable as a mark. However, they should be capable of being reproduced graphically and should be distinctive. According to Rule 26 (5) of the Trade Marks Rules, 2017, for sound marks the reproduction of the same has to be submitted in the MP3 format not exceeding thirty seconds’ length recorded along with a graphical representation of its notations. Smell can be represented as chemical formula along with the sample.

29. Is a three-dimensional mark registrable?

Yes, a three-dimensional mark is registrable.

30. What is the classification of goods and services under the Indian Trademark Law?

In India, the classification numbers 1 to 34 apply to various goods and the classification numbers 35 to 45 apply to the different types of services.

31. What is the standard classification applies to goods and services in the Indian Trademark Law?

According to Rule 20 of the Trade Marks Rules, 2017, International Classification of goods and services (Nice Classification) is adopted in India.
32. Can a registered trademark be cancelled by the Registrar of Trademarks?

Yes, the aggrieved party has to file a cancellation petition either before the registrar of trademarks or before the Intellectual Property Rights Appellate Board.

33. What are the grounds for cancellation/rectification of a trademark?

The aggrieved party may apply for cancellation/rectification of trademark on following grounds:-

i. That the mark has been registered without any sufficient cause or bona fide intention to use it; or the registration was obtained by the misrepresentation of the facts; or the mark is substantially similar to an earlier mark.

ii. That the mark has been wrongly registered or is likely cause confusion in comparison to previously registered mark.

iii. For the purpose of making any amendments or modifications with respect to previously registered mark as per the recent advancement.

iv. Non-use of the registered trademark for more than 5 years by its proprietor.

v. Non-renewal of the trademark post the expiry of 10 years.

vi. A registered trademark can be removed from the register if it is found that such registration has been obtained by fraud or by stating any false statement or by suppressing the material facts.

vii. Inclusion or addition of certain more class or goods or services to extent of business carried on under the registered trademark.

viii. Non-conformity with any grounds stipulated in Section 9 and Section 11 of the Trade Marks Act, 1999.

34. Who is the aggrieved party for the purposes of filing a cancellation/rectification of Trade Mark?

The Hon’ble Delhi High Court clarified the meaning of the ‘aggrieved person’ in the writ petition filed under the case of Adidas AG vs Union of India [2016 Indlaw DEL 499] wherein the court opined that the meaning of the term ‘aggrieved person’ as used under the trademark act is wide in ambit and it shall include an applicant for trademark registration.
whose application is opposed by reason of prior registration by the third party or by the registry of the same or identical mark.

35. **What are the grounds for refusal of registration of trademark?**

   Section 9 of the Trade Marks act, 1999 provides for absolute grounds and section 11 provides for relative grounds for refusal of registration of India.

36. **What does the distinctiveness of a trademark mean?**

   Distinctiveness is a property of a trademark which makes it eligible for the registration even the said trademark is non-distinctive/descriptive in nature. It means that the trademark has acquired a secondary meaning over the period of continuous usage such that the people associated with the trade in the particular trademark are able to acknowledge the source of the goods as soon as they come across the said trademark. Example: Lays for potato chips.

37. **What is meant by Deceptive Similarity of a Trade Mark?**

   The Trade Marks Act, 1999 defined “deceptive Similarity” under section 2(1) (h) as a mark shall be deemed to be deceptively similar to another mark if it so nearly resembles the other mark as to be likely to deceive or cause confusion.

38. **Can a registered user restrain third party from using identical or similar mark if that third party is a continuous and prior user of the mark?**

   It shall depend on facts and the circumstances of each case. However, ordinarily a registered user can’t restrain third party from using identical or similar mark if that third party has been continuously using the mark in relation to the same goods or services prior to date of use of registered mark or date of registration, whichever is earlier.

39. **Before applying for registration, where can search be done to check if identical or similar marks already exist?**

   In case you wish to carry out your own search (identical as well as similarity), following are the recommended steps for the same:

   At the first step, you may check your mark’s availability on a free government portal using the following steps:
i. Go to the government search portal:

ii. Select the relevant class of search from a list of 45 different business classes listed therein.

40. Can a company register a trademark?

   Yes, a company registered under Indian laws governing the registration of companies, i.e. Companies Act, 1956 and Companies Act, 2013 can register a trademark in its corporate name. Further, any partnership firm, proprietorship firm, limited liability partnership firm, foreign company and a trust or society could also register a trademark in their own names.

41. What is meant by infringement of a trademark?

   Trademark infringement is an unauthorized/illegitimate use of a trademark or service mark or a substantial similar mark of competing goods or services. The unauthorized use of the trademark should be such that it is likely to cause confusion in the mind of an average consumer that the goods with respect to which such unauthorized use has taken place belongs to the rightful owner of the trademark.

42. What are the legal remedies for Infringement of trademark in India?

   A. Criminal Remedies under the Trade Marks Act.

   i. Section 102 of the Trade Marks Act, 1999, explains the offence of Falsifying and falsely applying trademarks: Under this section, a person shall be deemed to falsify a trademark who either without the permission of the proprietor of the trademark makes that trademark or a deceptively similar mark; or falsifies any genuine trademark, whether by alteration, addition, effacement or otherwise.

   Further, a person shall be deemed to falsely apply to goods or services a trademark who, without the assent of the proprietor of the trademark applies such trademark or a deceptively similar mark to goods or services or any package containing goods; and/or uses any package bearing a mark which is identical with or deceptively similar to the trade mark of such proprietor, for the purpose of packing, filling, or wrapping therein any goods other that the genuine goods of the proprietor of the trademark. However, it is imperative to
remember that burden of proof in case of proving the assent of the proprietor shall lie on the accused.

ii. **Section 103 of the Trade Marks Act, 1999, states the penalty for applying false trademarks, trade descriptions etc.:** According to this Section, any person who falsifies any trade mark as defined under section 102 of the Trade Marks Act., shall be punishable with the imprisonment for a term which shall not be less than six months but which may extend to three years and fine which shall not be less than 50 thousand rupees but which may extend to 2 lakh rupees.

iii. **Section 104 of the Trade Marks Act, 1999, states the Penalty for selling goods or services to which false trade mark or false trade description is applied:** According to this Section, any person who sells, lets for hire or exposes to sale or has in his possession for sale, goods or things, or provides or hires services, to which any false trademark or false trade description is applied, shall be punishable with imprisonment for a term which shall not be less than 6 months but which may extend to 3 years and fine which shall not be less than 50 thousand rupees but which may extend to 2 lakh rupees.

iv. **Section 105 of the Trade Marks Act, 1999, states the enhanced penalty on second or subsequent conviction:** According to this provision, whoever having already been convicted under the above two sections, i.e., Section 103 and Section 104 is again convicted of any such offence shall be punishable with imprisonment for a term which shall not be less than one year but which may extend to three years and fine which shall not be less than 1 lakh rupees but which may extend to 2 lakh rupees.

v. **Section 107 of the Trade Marks Act, 1999, states the penalty for falsely representing a trade mark as registered:** According to this provision, no person is allowed to make any representation:

a. With respect to mark that is not registered to the effect that it is a registered mark; or

b. With respect to a part of registered mark that is not a part separately registered as a trademark to the effect that it is separately registered as trademark; or

c. To the effect that a registered trademark is registered with respect to goods or services in respect of which it is not in fact registered; or
d. To the effect that registration of trademarks gives exclusive rights to the use the trademark, having regard to limitation in the register, the registration does not in fact give that right.

Any person who contravenes the above mentioned provisions of the act shall be punishable with the imprisonment for a term which may extent to three years or fine or with both.

vi. **Section 108 of the Trade Marks act, 1999, states the Penalty for improperly describing a place of business as connected with the Trademarks office:** According to this section, any person uses on his place of business or any document issued by him, or otherwise, words which would reasonably lead to the belief that such place is officially connected with the Trade Marks office, he shall be punishable with imprisonment for a term which may extent to two years or fine or both.

vii. **Section 109 states the penalty for falsification of entries in the register:** According to this section, if any person makes or causes to be made any false entry in the register by any means shall be punishable with imprisonment for a term which may extent to two years or fine or both.

**B. Civil Remedies**

Civil Remedies for an infringement of a trademark could be availed by filing a suit in the court of competent jurisdiction wherein the court has power to grant the following reliefs in order to restrain the opposite party from infringing the concerned trademark:

i. **Temporary Injunction/Ad interim Injunction:** A court may grant an ex parte/temporary injunction against the infringing party under Order 39 Rule 1 & 2 of the Civil Procedure Code, 1908, if it is satisfied that any delay in granting injunction could result into irreparable loss of profit and reputation to the rightful proprietor of the trademark.

ii. **Anton Pillar Order:** A court may appoint a Local Commissioner under Order 26 Rule 4, 9 and 10 of the Code of Civil Procedure, 1908 for the purpose of conducting search and seizure at the establishment of the infringement party so as to seize the infringing goods.

iii. **Mareva Injunction:** Where, at any stage of suit, the court is satisfied that the defendant is trying to obstruct or delay the execution of any decree by any means, the court may order to direct the defendant to attach any part or whole of its property at the disposal of court. This attachment can be done under Order 39 Rule 5 of the Code of Civil Procedure, 1908.
iv. **Norwich Pharmacal Order**: This order is usually passed for the purpose of discovering an information from the Third party.

v. **John Doe Order**: Under these types of order, the court allows the local commissioner to enter upon the premises of the unnamed defendant for the purpose of searching and seizing the counterfeit goods. This variant of John Doe is the biggest advantage in civil actions against infringement of trademark.

vi. **Books of Accounts and Profit**: A court may ask the infringing party to submit the books of accounts and profits to analyse the extent of business done by the infringing party by selling the counterfeited products.

vii. **Permanent Injunction**: A court upon its full satisfaction of the fact that the accused have been involved in selling counterfeit products or is liable for infringement of a registered trademark may grant an order of permanent injunction under Section 38 of the Specific Relief Act, 1963, against the accused from further dealing or usage of the trademark in question in any manner, whatsoever.

viii. **Damages**: A court upon calculating the extent of infringing activities carried on by the accused may allow for damages to paid to the proprietor of the trademark as it may deem fit in the interest of justice.

43. Can police register FIR and carry our search and seizure without warrants on receiving a complaint for infringement of Trademark?

Yes, if it is satisfied that the offence has been committed under Section 102, 103, 104 and 105 of the Trade Marks Act, 1999. As per section 115(4) of the said Trade Marks Act police can carry out search and seizure without warrants. Such action under Section 115(4) of the Trade Marks Act must be taken by the police officer upon obtaining the opinion of the Registrar on the facts involved in the case.

44. What offences are cognizable under the Trade Marks Act, 1999?

According to the First Schedule Table II- Classification of Offences against Other Laws of the Code of Criminal Procedure, 1973, “Any offence which is punishable with imprisonment for 3 years and upwards but less than 7 years shall be cognizable, non-bailable offence and
triable by the Magistrate of First Class”. Therefore, the offences committed under Section 102, 103, 104 and 105 are cognizable.

45. Can a complaint be filed for the infringement of an unregistered trademark?
   No, a complaint cannot be filed for the infringement of an unregistered trademark. However, an action for the infringement of an unregistered trademark is enforceable under the civil law as an action against passing off. Also when a complaint for unregistered trademark is filed police can initiate action under the provisions of Copyright Act as almost all trademarks have a copyright i.e. is the artistic work, style of writing etc.

46. In case the police refuse to the register the FIR, what is the alternate remedy for criminal action for infringement of Trademark?
   The proprietor of the trademark should make a complaint before Magistrate seeking direction for the under section 156(3) of Cr.PC for the police to register FIR and investigate the matter.

47. Is opinion from the registrar of trademarks mandatory for the Magistrate to pass an order for registration of FIR and search/seizure?
   No, the investigation officer can seek warrants under section 93 of Cr.PC from the Magistrate’s Court and carry out search and seizure after registration of FIR. The opinion from the registrar can sought during the investigation of the case before compiling the charge sheet.

48. What documents are required for filing a police complaint?
   The proprietor of the trademark must filed a police complaint along with the registration certificate and a proof of infringement carried out by the accused. It is considerably important that the police officer must be convinced of the fact that the infringement is taking place.
49. Burden of Proof in prosecution of a Trade Marks infringement case?

As per section 102 (4) of the Trade Marks Act 1999, in any prosecution for falsifying a trade mark or falsely applying a trade mark to goods or services, the burden of proving the assent of the proprietor shall lie on the accused.

50. What are defenses raised by the accused in prosecution of a trade marks infringement case in Criminal proceedings?

Following defences are taken by the accused in most trademarks prosecution cases by the accused:

- Denial of allegation of infringement made by prosecution
- Acted without intent of defraud.
- Section 112 of TM act – Exemption of persons employed in ordinary course of business. This is good as far as the employees are concerned. But what about the Decoy owners who may then turn their plea that the real owner is out of the territory or is NRI.
- **Section 113 of TM Act** –
  a) Adjournment of proceedings for 3 months where accuse satisfies the Court by prima-facie plea that the trademarks registration of the Complainant is not valid. This provision may only be used to make false allegation to delay the proceeding or to flew away from the jurisdiction of the court.
  b) The Accuse then files rectification petition for the Complainant trademark before the Appellate Board within 3 month and on submitting the proof of such application the Court then stay the proceeding before it till the disposal of such petition. Yet another way to have time. The Accused may file rectification petition on false and baseless grounds. The time limit should be specified within which such rectification petition has to be decided specially by the constitution of the special bench of the Appellate Board.
  c) This provision of Section 113 (c) further provides that if the accused fails to make application for rectification within period of 3 month it will be presumed that the registration is valid and the matter will be preceded. It may so even happen that the Accused may delay the proceedings by misrepresenting the Court by false pleadings and challenging the validity of the Complainants trademark.
• **Section 114 of TM Act** – if offence is committed by company – defence for the person responsible for conduct of the business is that he had no knowledge of the commission of the offence or that he exercised all due diligence to prevent the commission of the offence or that the offence was committed without his consent or connivance. They are aware of the consequences which may ensue due to their illegal acts. They engage decoy owner of the business so that they can get the benefit of the provisions of the section 114(1) of the Trademark Act provides that if the offence under this Act is committed by Company,

A) the Company

B) as well as every person in charge of, and responsible to, the company for the conduct of its business at the time of the commission of the offence shall be deemed to be guilty of the offence and shall be liable to be proceed against and punished accordingly;

**Defence:** No such person shall be 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. The bonafide Counterfeiter simply has to pay money to one person to bear the consequences of the offences by acting as the Manager of the firm or company and accepting the guilt. In the country like India there are many unemployed youths who may and are willing to undertake such tasks.

For Instance: This may serve as valid defence - the mere fact that the accused was present at the time of search of factory and recovery of articles there from is inconclusive in showing that he was responsible for the running of the factory or for the falsification of the trademark or for the use of the false labels. In the absence of cognate evidence, the Court was justified in acquitting the accused – *A. N. Deen v. Jacob, 1992 Cri L J 2089*.

**Defence under S.110.** Where an act or omission forming the basis of the alleged offence under ss.102, 103 or 104 relating to a trade mark (registered or unregistered) is permitted under the Act or under any other law in force, it will not constitute an offence under these section (s.110). The accused can, therefore, setup under s.110 certain defences which would be available to him if he were a defendant in a civil action for infringement or passing off.
Defence available under s.104. An accused can escape punishment if he can show that he comes within the scope of cis. (a), (b) & (c) of s.104. If the accused has acted inadvertently or under a mistake of fact, or that he had no knowledge that the Trade Mark in question belonged to any particular person, it may constitute a defence, provided he had taken all reasonable precautions.

51. What is the difference between infringement and passing off actions?

The essential differences between infringement and passing off actions were set out by the Supreme Court in case of *Durga Dutt vs Navaratna Pharmaceutical* [AIR 1965 SC 980], wherein it was held as follows:

i. The action of passing off is a common law remedy primarily an action for deceit i.e. passing off by a person his own goods as that of another person. While in the infringement actions, which is a statutory remedy, provides for exclusive right to the use of a registered trademark by a registered proprietor in context of the goods the trademark is applied to.

ii. In the action of passing off, use of a trademark is not necessary. While in the infringement actions, use of the registered trademark is the primary compulsion for a successful action against the infringer.

iii. In an action for infringement, it is imperative that the Plaintiff must prove that use of the defendant’s mark is likely to deceive but where it is proved by the plaintiff that the essential features of the trademark have been adopted by the defendant such as the visual, phonetic or any other obvious similarity then the other factors such as the difference between the trade dress, difference in the origin of the product, etc. would be immaterial. However, in the action of passing off, the defendant could escape the liability if he shows that the added difference is enough to distinguish his goods from that of the plaintiff.

iv. As clarified in the case of *Rustum vs Zamindara* [AIR 1970 SC 1649] that in an action of infringement of a trademark, an injunction may be issued as soon as the court are satisfied that the defendant has been using the plaintiff’s mark improperly. While in an action of passing off, the factor of deception becomes important such that even though the plaintiff’s trade mark is not used by the defendant but the fact that defendant’s use is causing deception in the minds of consumer that the goods may be originating from the plaintiff is sufficient for a successful action.
52. What is copyright?

Copyright (or author’s right) is a legal term used to describe the rights that creators have over their literary and artistic works. Works covered by copyright range from books, music, paintings, sculpture, and films, to computer programmes, databases, advertisements, maps, and technical drawings. The Copyright Act, 1957 protects original literary, dramatic, musical and artistic works and cinematograph films and sound recordings from unauthorized uses. Copyright protects the expressions and not the ideas. There is no copyright protection for ideas, procedures, methods of operation or mathematical concepts as such. Copyright registration is not mandatory. It comes into existence as soon as a work is created, and no formality is required to be completed for acquiring copyright. However, certificate of registration of copyright and the entries made therein serve as prima facie evidence in a court of law with reference to dispute relating to ownership of copyright.

53. Can anyone claim Copyright in an idea?

No, in the case of R.G. Anand v. Delux Films & Others [AIR 1978 SC 1613] Supreme Court held that there can be no copyright in an idea or subject matter but only in the arrangement and expression of such idea.

Further, it was held in the case of Eastern Book Company and Others v. D.B. Modak & Anr. [AIR 2008 SC 809] that to qualify for copyright protection, a work must be original to the author, meaning that the work was independently created by the author, and it possesses at least some minimal degree of creativity.

54. What is not protected under Copyright law?

i. Ideas
ii. Discoveries
iii. Procedures
iv. Methods
v. Works or other subject matter that have not been made in a tangible form in a recording or writing

vi. Subject matter that is not of original authorship

55. What are the various kinds of works having copyright?

i. “Literary Work” as defined under Section 2 (o) of the Copyright Act, includes Computer programmes, books, articles, poems, tables and databases.

ii. "Artistic Work" as defined under Section 2 (c) of the Copyright Act, includes Paintings, a sculpture, a drawing (including a diagram, map, chart or plan), an engraving or a photograph, whether or not any such work possesses artistic quality; a work of architecture; and any other work of artistic craftsmanship.

iii. "Musical Work” as defined under Section 2 (p) of the Copyright Act, means a work consisting of music and includes any graphical notation of such work but does not include any words or any action intended to be sung, spoken or performed with the music. A musical work need not be written down to enjoy copyright protection.

iv. "Sound Recording" as defined under Section 2 (xx) of the Copyright Act, means a recording from which sounds may be produced regardless of the medium on which such recording is made or the method by which the sounds are produced. Example: Sound recordings fixed in a CD-ROM, DVD-ROM, USB drive.

v. "Cinematograph Film" as defined under Section 2 (f) of the Copyright Act, means any work of visual recording on any medium, produced through a process from which a moving image may be produced by any means and includes a sound recording accompanying such visual recording and "cinematograph" shall be construed as including any work produced by any process analogous to cinematography including video films; and

vi. “Architectural Work” as defined under Section 2(b) of the Copyright Act, means any building or structure having an artistic character or design, or any model for such building or structure;

vii. “Computer Programme” as defined under Section 2 (ffc) of the Copyright Act means a set of instructions expressed in words, codes, schemes or in any other form, including a machine readable medium, capable of causing a computer to perform a particular task or achieve a particular result; and
viii. “Dramatic Work”, as defined under Section 2(h) of the Copyright Act includes any piece for recitation, choreographic work or entertainment in dumb show, the scenic arrangement or acting, form of which is fixed in writing or otherwise but does not include a cinematograph film.

56. What are the different rights granted under the copyright law of India?

As explained under Section 14 of the Copyright Act, 1957, ‘Copyright’ means the exclusive right to do or authorise the doing of the following acts: -

i. With respect to literary, dramatic or musical work, the owner of the copyright shall have the right to reproduce the work in any material form, to issue copies of the work to public, to perform or communicate the work to public, to make any cinematographic film or musical work, to make any translation and adaptation of the work;

ii. With respect to a computer programme, the owner shall have all the rights mentioned above in clause (i) in addition to the right to sell, commercial rental, offer for sale and provide copy of the computer programme on commercial rental;

iii. With respect to an artistic work, the owner shall have the right to reproduce including storing such work, depiction from 3D to 2D work and vice versa, communicate, issue copies, to include the work in any cinematographic film and to make any adaptation of the artistic work;

iv. With respect to a cinematographic film, the owner shall have the right to make a copy of such film, to sell or give on commercial rental or offer for sale for such rental and a right to communicate the film to the public;

v. With respect to a sound recording, the owner shall have the right to storage in any medium, to make any other sound recording, to sell or give on commercial rental or offer for sale such rental and to communicate such sound recording to the public.

57. Who is the owner of copyright?

The ownership in the copyright is defined under Section 17 of the Copyright Act, 1957, wherein it is stated that the author of the work shall be regarded as the first owner of copyright. Section 2(d) of the Copyright Act, 1957, defines author as follows: -

(1) In relation to a literary or dramatic work, the author of the work;
(2) In relation to a music work, the composer shall be the owner;
(3) In relation to artistic work other than a photograph, the artist shall be the owner;
(4) In relation to photograph, the person clicking the photograph shall be the owner;
(5) In relation to a cinematograph film or sound recording, the producer shall be the owner; and
(6) In relation to any literary, dramatic, musical or artistic work which is computer generated, the person who causes the work to be created shall be the owner of Copyright in the work.

**58. What are the additional ownership rights provided under the Copyright Act?**

In addition to the ownership rights as discussed above, Section 17 of the Copyright Act also provides as follows:

(a) Where the work is created by the author under his course of employment by proprietor of newspaper, magazine or a periodical under the contract of service for the purpose of publication in such newspaper, magazine or a periodical, the proprietor shall be the first owner of copyright in the work.

(b) Where a photograph is taken or any painting or portrait drawn, or an engraving or any film made, for valuable consideration at the instance of any person, such person shall be the first owner of the copyright therein except there is any contradictory contract.

(c) Where the work is created under contract of service or apprenticeship, where the above two clauses [(a) and (b)] does not apply, the employer shall, in absence of any contract to the contrary, be the first owner of the copyright therein.

**59. Can a company be an owner of copyright?**

Yes, whenever the original work is created by a person under its course of employment or as under the Contract of Service, the hirer or employer of such person shall be the first owner of Copyright except wherein there is any contradictory contract. In such cases, a company availing the service of its employee for the purpose of creating any copyrightable work shall be the owner of the copyright in such work.

**60. What is the difference between Contract of Service and Contract for Service?**

The contract of service applies to an employer-employee relationship, while the contract for service is applicable in case of an independent contractor. Under a contract of service, there
is usually a continuous relationship, a duty of care is owned towards employees, and the employer is vicariously liable for the acts of an employee done in the course of employment. On the other hand, under the contract for service, the subject matter of job is not the continuous work but once-off piece of work, and the employer is not vicariously liable under the contract for service.

61. **What is the infringement of copyright?**

As according to Section 51 of the Copyright Act, following acts when done without the consent of the owner of the copyright or the Registrar of the Copyrights or in contravention to the conditions of the licensing agreement, shall be deemed to be the infringement of copyrighted work:

i. Doing of any act which is exclusively conferred upon the owner of the copyright under Section 14 of the act;

ii. Permits for profit any place for communication of any work to the public where such communication constitutes infringement; and

iii. When any person sells, offers for sale or hire, distributes by way of trade displays or exhibition or imports into India any infringing copies of the work except such import is not one copy of any work for private or domestic use.

62. **What is the test to determine the infringement of copyright?**

One of the surest way to determine the infringement of copyright is the “lay observer test” which means if any reader, spectator or viewer after reading or seeing both the works are clearly of opinion or get an unmistakable impression that subsequent work is the copy of the first work. As explained in the case of *Associated Electronic v. Sharp Tools* [AIR 1991 Karn. 406], “lay observer test” is the test of visual appearance of the work in which copyright subsists and if to the “lay observer” the subsequent work doesn’t not appear to be reproduction of the first work, there is no infringement of the copyright.

63. **What are the exceptions to infringement of copyright?**

There are certain acts provided under Section 52 of the Copyright Act which are an exception to the infringement of copyright as enumerated below:

**ENGAGE. EQUIP. ENFORCE**
• Fair dealing with any copyrightable work for the purposes of private or personal use including research; criticism or review and the reporting of current affairs, current event and public lectures;

• Making of copies of a computer programme by the lawful possessor of a copy of such programme;

• The doing of any act necessary to obtain the information essential to operate two inter-operative computer programmes provided that such information is not otherwise available;

• The making of copies of computer programme personally legally obtained for the non-commercial use;

• Any transient or incidental storage of a computer programme;

• Any transient or incidental of any work for providing it in electronic form;

• The reproduction of any work for the purpose of judicial proceeding or its report;

• The reproduction or publication by Secretariat or legislative houses for the members of that Legislature;

• The reproduction of any work in a certified copy;

• The reading or recitation of previously published literacy or dramatic work;

• The performance of a literary, dramatic or musical work in an institution in front of limited audience;

• The reproduction of an article on current economic, political, social or religious topics, in newspaper, magazine or periodicals;

• The making of not more than three copies of the work for public library;

• The reproduction for the purpose of research or private study or with a view to publication of an unpublished work;

• The reproduction or publication of any matter which has been published in any Official Gazette except an Act of a Legislature;

• The production or publication of a translation in any Indian language of an Act of Legislature;

• The making or publishing of any artistic work situated at public place;

• The inclusion in cinematograph film of any artistic work permanently situated in a public;
• The use by the author of an artistic work, where the author is not the owner of the copyright therein, of any mould, cast, sketch, plan, model or study made by him for the purpose of the work provided he is thereby does not repeat or imitate the main design of the work;
• The making of 3-D figure from a 2-D figure for the purposes of industrial application; and
• The adaptation, reproduction, issue of copies or communication to the public of any work by any person or organization for facilitating persons with disability to access to works;

64. What are the terms of protection in copyright?

The term of the copyright protection is as follows-

1. The copyright term in respect to published literary, dramatic, musical and artistic works is lifetime of the author plus 60 years from the death of the author. In case of multiple authors, the term is 60 years from the death of last author.
2. In case of anonymous and pseudonymous works, the copyright term is 60 years from the date of publication.
3. Copyright protection for photographs, cinematograph films, and sound recordings is 60 years from the date of publication.

65. Is copyright registration mandatory?

No, it isn’t, the Allahabad High Court in the case of Nav Sahitya Prakash v. Anand Kumar [AIR 1981 All 200] held that the author of the work shall not be deprived of the protection under the Copyright Act merely on account of non-registration of his copyright.

Further, in the case of Zahir Ahmed vs Azam Khan, [1996 Cri.L.J. 290] the Calcutta High Court have held that “…..If the legislature intended to make the requirement of registration mandatory, the language of Section 44 would have been different. There is no provision in the Act depriving an author of the rights conferred by this Act on account of non-registration of the copyright”.

In the case of State of Andhra Pradesh v. Nagoti Venkarramane, [(1996) 6 S.C.C. 409] The Supreme Court examined the question whether the identification of the owner of the copyright a precondition for the conviction of an offence under the Copyright Act was, 1957. The court observed that the objective of introducing Section 52A (Particulars of the Copyright owner to be included in sound recordings and video films) was to prevent piracy of
cinematograph film and sound records and protect the interest of the owner of copyright and the public. The Act mandated the punishment of accused in case of violation of the provisions. It would, therefore, be unnecessary for the prosecution to trace or track out the owner of the copyright to come and adduce evidence of infringement of copyright. The absence thereof did not constitute lack of essential element of infringement of copyright.

However, the registration of the copyright is recommended as it serves as a prima facie evidence in the court of law with regards to the proof of ownership.

66. If an employee in a company develops a program, would this employee own the copyright?
No. In the case of a programme made in the course of author's employment under a contract of service or apprenticeship, the employer shall, in the absence of any agreement to the contrary, be the first owner of the copyright.

67. If an independent third party develops a programme for a company, who owns the copyright?
The copyright in works created by third parties on commission do not automatically belong to commissioning party. If the third party is an independent contractor, it is essential for the commissioning party to obtain the copyright through a written deed of assignment. It is a common misconception that the copyright automatically belongs to the commissioning party. Thus, it is only where the developer is an employee creating the work under a contract of service that the rights belong to the employer.

68. Why should one register for copyright?
Copyright comes into existence as soon as a work is created, and no formality is required to be completed for acquiring copyright in India. However, certificate of registration of copyright and the entries made therein serve as a prima facie evidence in a court of law and therefore, would help in establishing authorship and infringement. In case the author or the owner decides not to register, the work should be properly dated and signed. This may be useful in case of engineering drawings. Note: In case of registered or unregistered work, the symbol “c” with the circle “©” is used along with the name of author, year of first publication
on the work, to signify that work is under copyright protection for a specific duration. If this sign is associated with any work, it means the work is copyrighted.

69. **What is the rule for the transfer of copyright?**

The owner of the copyright in an existing work or prospective owner of the copyright in a future work may assign to any person the copyright, either wholly or partially; for the entire world or for a specific country or territory; or for the full term of copyright or part thereof; or relating to all the rights comprising the copyright or only part of such rights.

70. **What are the steps in the copyright registration process?**

Copyright registration process consists of the following steps:

i. Application to be made in form XIV as provided under the First Schedule of the Copyright Rules, 2013.

ii. One application to be made for each category of work.

iii. Every application should be signed by the author or owner of right.

iv. Application for registration of a computer programme should be accompanied by source code/object code.

v. Application should be accompanied with the official fees.

vi. The person applying for registration shall give notice of his application to every person who claims or has any interest in the subject matter of the copyright.

vii. If no objection is received within 30 days by the Registrar, the particulars given in the application will be entered in the Register of Copyrights.

71. **What is exclusive license and non-exclusive license in copyright?**

Exclusive Licence, as defined under Section 2(j) of the Copyright Act, 1957, means a licence which gives the licensee or any person authorized by him, right to exclude all other persons including the owner of the copyright from exercising any right as specified under Section 14 of the Copyright Act with regards to the work of copyright. For example, exclusive right to publish a book in English is specifically given to a publisher say X in India for 10 years. However, the Publisher does not have the exclusive right to publish such book in any other language and in any other country for 10 years.
In the case of *Penguin Books Ltd. v. India Book Distributors & Ors* [26 (1984) DLT 316], the Delhi High Court held that an act of importing the infringing copies of a work for sale or hire without the consent of the owner, even though such infringing copies were published by the consent of the owner in the foreign country, would constitute an infringement under Section 51 of the Copyright Act.

Non-exclusive License, as the name suggests, means a licence wherein the owner of the copyright is not excluded by the license from using the copyright himself nor is he deprived of his right to grant a license to persons other than the licensee. For example, non-exclusive right to sell a software CD is specifically given to two publishers say for example X and Y in India for 10 years tenure.

### 72. How is Database protected?

Database is a collection of records stored in a systematic way that can be best utilized. For example: Telephone directory, Yellow pages. Database is protected as literary work under Indian Copyright Act. However, some important points to consider are:

i. Single database may include multiple data records. Each and every data record has its own proprietary value and is evaluated as individual literary work. Therefore, each record must be protected as a single literary work.

ii. When a database is used with a software application, while executing the application, information is retrieved, modified, added or deleted from the database.

iii. To perform such modification in databases, specific programming languages are available which helps in compilation of database. The manner in which the programming language commands are used can be termed as creative work. Therefore, the task of compilation must be protected as a separate work.

iv. Modification in original database which results in a new and better arrangement of the original database will not be considered as Copyright infringement.

### 73. How are Multimedia Products protected?

Multimedia is a computer based interactive communications process that includes a combination of writing, sound, image, still images, animation, video, computer software or interactivity content forms. On the Internet, multimedia elements are often found to be
embedded in web pages. Also, modern web browsers support a number of multimedia formats. Examples of multimedia applications include World Wide Web, Adobe/Macromedia Director, Interactive TV, Computer games etc.

74. What are the legal remedies available under the Copyright Act?

A. **Criminal Remedies**

i. According to **Section 62 of the Copyright Act, 1957**, any person who knowingly infringes or abets the infringement of the copyright in a work or any other right conferred by the Copyright Act, shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and fine which shall not be less than 50 thousand rupees but which may extend to 2 lakh rupees.

ii. According to **Section 63 of the Copyright Act, 1957**, any person who knowingly infringes or abets the infringement of the Copyright in any work or any other right conferred under the Copyright Act, 1957, shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and fine which shall not be less than 50 thousand rupees but which may extend to 2 lakh rupees.

iii. As provided under the Trademarks Act, **Section 63-A of the Copyright Act, 1957**, also talks about the enhanced penalty for the offences committed under **Section 63** of the Copyright Act, 1957. Under Section 63-A, any person found to be committing subsequent offence(s) under Section 63 shall be punishable with imprisonment for a term which shall not be less than one year but which may extend to three years and fine which shall not be less than 1 lakh rupees but which may extend to 2 lakh rupees.

iv. In order to reduce the piracy, **Section 63-B of the Copyright Act, 1957**, protects the rights of the proprietor of the computer programme by stating out the punishment of copying the computer programme wherein the infringer shall be punishable with imprisonment for a term which shall not be less than seven days but which may extend to three years and fine which shall not be less than 1 lakh rupees but which may extend to 2 lakh rupees.

v. According to **Section 64 of the Copyright Act, 1957**, on being satisfied that an offence of infringement of copyright in any work has been, is being or is likely to be committed, a police officer, not below the rank of a sub-inspector has the power to seize, without warrant, all
copies of the infringing work as well as all plates used for the purpose of making infringing copies of the work.

vi. According to Section 64 (2) of the Copyright Act, 1957, All the articles seized shall, as soon as practicable be produced before the Judicial Magistrate of the first class or metropolitan magistrate.

vii. The power of search and seizure of the police are governed by Section 165 of Code of Criminal Procedure read with Section 64 of Copyright Act.

viii. According to Section 65 of the Copyrights Act, 1957, any person who knowingly makes or has in his possession any plate for the purpose of making infringing copies of any work in which copyright subsists shall be punishable with imprisonment which may extend to two years and shall also be liable to fine.

ix. Further, Section 65-A of the Copyright Act, 1957, states that any person who circumvents an effective technological measure applied for the purpose of protecting any of the rights conferred by the Copyright Act with the intention of infringing such rights shall be punishable with imprisonment which may extend to two years and shall also be liable to fine.

x. According to Section 65-B of the Copyright Act, 1957, any person who knowingly removes or alters any rights management information without authority or distributes, imports for distribution, broadcasts or communicates to the public, without authority, copies of work, or performance knowing that electronic rights management information has been removed or altered without authority shall be punishable with imprisonment which may extend to two years and shall also be liable to fine.

xi. According to Section 66 of the Copyright Act, 1957, the court while the trial for offence under this court is pending, upon reasonable suspicion may order that all copies of the work or all plates in the possession of the alleged offender, which appear to it to be infringing copies, or plates for the purpose of making infringing copies, be delivered to the owner of such copyright.

C. Civil Remedies

Civil Remedies for an infringement of a trademark could be availed by filing a suit in the court of competent jurisdiction wherein the court has power to grant the following reliefs in order to restrain the opposite party from infringing the concerned trademark: -
a) **Temporary Injunction/Ad interim Injunction:** A court may grant an *ex parte/temporary* injunction against the infringing party under Order 39 Rule 1 & 2 of the Civil Procedure Code, 1908, if it is satisfied that any delay in granting injunction could result into irreparable loss of profit and reputation to the rightful proprietor of the trademark.

b) **Anton Pillar Order:** A court may appoint a Local Commissioner under Order 26 Rule 4, 9 and 10 of the Code of Civil Procedure, 1908 for the purpose of conducting search and seizure at the establishment of the infringement party so as to seize the infringing goods.

c) **Mareva Injunction:** Where, at any stage of suit, the court is satisfied that the defendant is trying to obstruct or delay the execution of any decree by any means, the court may order to direct the defendant to attach any part or whole of its property at the disposal of court. This attachment can be done under Order 39 Rule 5 of the Code of Civil Procedure, 1908.

d) **Norwich Pharmacal Order:** This order is usually passed for the purpose of discovering an information from the Third party.

e) **John Doe Order:** Under these types of order, the court allows the local commissioner to enter upon the premises of the unnamed defendant for the purpose of searching and seizing the counterfeit goods. This variant of John Doe is the biggest advantage in civil actions against infringement of trademark.

f) **Books of Accounts and Profit:** A court may ask the infringing party to submit the books of accounts and profits to analyse the extent of business done by the infringing party by selling the counterfeited products.

g) **Permanent Injunction:** A court upon its full satisfaction of the fact that the accused have been involved in selling counterfeit products or is liable for infringement of a registered trademark may grant an order of permanent injunction under Section 38 of the Specific Relief Act, 1963, against the accused from further dealing or usage of the trademark in question in any manner, whatsoever.

h) **Damages:** A court upon calculating the extent of infringing activities carried on by the accused may allow for damages to paid to the proprietor of the trademark as it may deem fit in the interest of justice.

**75. Who can file a complaint for infringement of copyright?**

The author or the owner of Copyright can file a complaint for infringement of copyright.
76. Can police take actions in copyright infringement cases?

Yes, as per the Section 64 of the Copyright Act, 1957, any police officer, not below the rank of a sub-inspector, if satisfied that the infringement under Section 63 has taken place, may seize without warrant all copies of the work, and all plates used for the purpose of making infringing copies of the work. All such copies and plates seized shall be produced before a Magistrate as soon as practicable.

77. Can police search and seize without warrants in copyright infringement cases?

Although the Copyright Act, 1957, does not explicitly use the term ‘Cognizable’, as used under the Trade Marks Act, 1999, in relation to any offences provided under the Act. However, according to Section 64 of the Copyright Act, on being satisfied that an offence of infringement of copyright in any work has been, is being or is likely to be committed, a police officer, not below the rank of a sub-inspector has the power to seize, without warrant, all copies of the infringing work as well as all plates used for the purpose of making infringing copies of the work. Therefore, yes, the police can search and seize the infringing material without any warrant.

All the articles seized shall, as soon as practicable be produced before the Judicial Magistrate of the first class or metropolitan magistrate according to Section 64 (2) of the Copyright Act. The power of search and seizure of the police are governed by Section 165 of Cr.PC read with Section 64 of Copyright Act.

78. Can a complaint be filed for an unregistered copyright?

Yes, a complaint can be filed for any copyright whether registered or unregistered. According to the judgement by the Calcutta High Court in the case of *Zahir Ahmed vs Azam Khan* [1996 CriLJ 290] it was held that the language of Section 44 (Register of Copyrights) would have been different if the registration was mandatory in the Copyright Act. Further, there is no provision in the Copyright Act which deprives the author of an original work from protection on account of non-registration of copyright.
GEOGRAPHICAL INDICATIONS
79. What is Geographical Indication?

According to Section 2 (1) (e) of the Geographical Indications of Goods (Registration and Protection) Act, 1999, Geographical Indication has been defined as an indication applied to goods such as agricultural, natural or manufactured goods as originating or manufactured in a particular territory, region or locality of a country where a given quality, reputation or any characteristics of such goods are attributable to the Geographical Indication attached to it.

80. What is the objective of Geographical Indications of Goods (Registration and Protection) Act, 1999?

The primary objective behind enactment of the Geographical Indications of Goods (Registration and Protection) Act, 1999, hereinafter referred as the ‘GI Act’, is to provide an effective mechanism for the protection of GI tagged products such that no person other than the authorized user of the GI under the act is allowed use the popular product name.

81. What are the criminal offences under the Geographical Indications of Goods (Registration and Protection) Act, 1999?

(i) Any person who without the permission of the authorised user of the Geographical Indication, hereinafter referred as ‘GI’, makes such GI or deceptively similar GI; or falsifies any genuine GI, whether by alteration, addition, effacement or otherwise shall be deemed to falsify a GI. Further, a person shall be deemed to falsely apply to goods a GI who, without the permission of the authorised user of the GI, applies such GI or deceptively similar GI to goods or packaging containing such goods or uses any package bearing a identical or deceptively similar GI shall be liable for falsely applying a GI and be punishable with imprisonment which shall not be less than 6 months but may extend to 3 years, or with fine which shall not be less than 50 thousand rupees but may extend to 2 lakh rupees unless it is shown that he acted without an intention to defraud. This is provided under Section 38 read with Section 39 of the GI Act.
(ii) Any person who sell goods to which any false GI is applied as mentioned above shall be punishable with imprisonment which shall not be less than 6 months but may extend to 3 years, or with fine which shall not be less than 50 thousand rupees but may extend to 2 lakh rupees unless it is shown that he acted without an intention to defraud, he had not reason to doubt the genuineness of the denomination at the time of commission of alleged offence and he provided all the details to the prosecutor of the person from whom the variety is obtained. This is provided under Section 40 of the GI Act.

(iii) Whoever commits the subsequent offence under Section 39 or Section 40 after already been convicted of an offence under these provisions of the GI Act shall be punishable with imprisonment which shall be less than 1 year but may extend to 3 years, or with fine which shall not be less than 2 lakh rupees but may extend to 20 lakh rupees, or with both.

(iv) Any person who falsely represent an unregistered GI as registered shall be punishable with imprisonment which may extend to 3 years, or with fine, or with both. The penalty for falsely representing a GI as registered is provided under Section 42 of the GI Act.

(v) Any person who improperly describes the place of business or any other document which would reasonably lead to belief that place of business as described is officially connected with the GI registry shall be punishable with imprisonment which may extend to two years, or with fine, or with both.

(vi) Any person who makes or causes to be made any false entry in the GI Register or copying any other entry from the register shall be punishable with imprisonment which may extend to two years, or with fine, or with both.
PROTECTION OF PLANT VARIETIES & FARMER'S RIGHTS
82. What is the objective of Protection of Plant Varieties and Farmers’ Rights Act, 2001?

The Protection of Plant Varieties and Farmers’ Rights Act, 2001 was enacted to provide intellectual property rights to farmers, breeders and researchers with respect to their developed new variety and extant variety. The primary objective of this legislation is to provide an effective system for the protection of plant varieties and the rights of farmers and breeders thereby encouraging the development of new and extant variety.

83. What are the criminal offences under the Protection of Plant Variety & Farmers’ Rights Act, 2001?

i. As provided under Section 68 of the Protection of the Plant Varieties & Farmers’ Rights Act, 2001, hereinafter referred as “the Act”, no person other than breeder of a registered variety or registered licensee or registered agent shall use the denomination of that variety in the manner as may be provided under the Rules. This prohibition is provided under Section 68 of the Plant Varieties & Farmers’ Rights Act, 2001.

ii. As provided under Section 69 and 70 read with Section 68 of the Plant Varieties & Farmers’ Rights Act, 2001, an act of falsely applying the denomination of a registered variety to any variety or a package containing such variety without the permission of the breeder of such variety shall be punishable with imprisonment which shall not be less than 3 months but may extend to 2 years or with fine which shall not be less than 50 thousand but may extend to 5 lakh rupees; or with both. False application of the denomination may include the deceptively similar denomination or usage of any package bearing identical or deceptively similar denomination.

iii. According to Section 71 read with Section 68 of the Plant Varieties & Farmers’ Rights Act, 2001, any person who sells, possess for sale any variety to which any false denomination is applied or to which a details regarding the origin of the variety is falsely stated shall be punishable with imprisonment which shall not be less than 6 months but may extend to 2 years, or with fine which shall not be less than 50 thousand rupees but may extend to 5 lakh rupees, or with both unless the it is proven by the alleged offender that he did not have any
intention to defraud, he had not reason to doubt the genuineness of the denomination at the time of commission of alleged offence and he provided all the details to the prosecutor of the person from whom the variety is obtained.

iv. According to Section 72 of the Act any person who applies any false representation with respect to the denomination of a variety or its propagating material or essentially derived variety as registered under the Act shall be punishable with imprisonment which shall not be less than 6 months but may extend to 3 years, or fine which shall not be less than 1 lakh rupees but may extend to 5 lakh rupees, or with both.

v. According to Section 73 of the Act whoever commits the subsequent offence after already been convicted of an offence under this Act shall be punishable with imprisonment which shall not be less than 1 year but may extend to 3 years, or with fine which shall not be less than 2 lakh rupees but may extend to 20 lakh rupees, or with both.
OTHER ENACTMENTS FOR ENFORCEMENT OF IP
OTHER ENACTMENTS FOR ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS

84. When can the other enactments be attracted while enforcing the Intellectual Property Rights?

When the Police Personnel conduct a raid for infringement of Copyright or Trademarks, the investigation officer shall seize all the counterfeiting or infringing products available in the premises such as products with infringing trademark, false trade description, being imitations of clothing, handbags, shoes, watches, electronics, movies etc.

In cases pertaining to software piracy, the Police officer to demand the End User License Agreement, License Key, Software serial numbers etc., from the user at the time of search and seizure.

The Police officer to collect the landline telephone bill, electricity bill, Municipal or Panchayat door number and other documents which show the ownership/ possession of the premises as that of the accused.

During such seizure the investigation officer can come across certain documentation and other information at the location of the accused and that is when police can invoke other laws along with the IP laws to prosecute the accused persons. Some of the other important enactments that can be invoked while enforcing the IP right are stated herein below:

85. What are the other laws or enactments that can be invoked for enforcement of Intellectual Property Rights?

I. Information Technology Act, 2000

The primary objective of the IT Act is to provide the legal recognition to the transactions carried out by means of interchange of electronic data and by electronic commerce by recognizing electronic records and digital signatures. The Act further defines cybercrimes and prescribed penalties thereof. The Act runs horizontally to other IP laws by curtailing the piracy and protecting the rights of rightful owners and bona fide users in a digital or cyber
space. The offences committed in the cyber space often leads to the infringement of IP rights of the victim. This may take place by way of hacking, cheating, misrepresentation in cyber space.

The list of few offences and penalties under IT Act are as follows:

(i) According to Section 65 of the IT Act any person who knowingly or intentionally conceals, destroys or sell any computer code or causes other to do so, which is required to be kept by the law can be held liable for the offence of Tampering with computer source documents. The penalty of this offence is an imprisonment up to 3 years or/and with fine up to Rs. 2 lac.

(ii) According to Section 66 of the IT Act any person committing the offence of hacking into other person computer system with an intention of causing wrongful loss or damage can be held liable for an imprisonment up to 3 years or/and with fine up to Rs. 5 lac.

(iii) According to Section 66C of the IT Act any person fraudulently using the password, digital signatures or unique identification number of any other person shall be liable for an imprisonment up to three years or/and with fine up to Rs 1 lac.

(iv) According to Section 66D of the IT Act any person who cheats any other person by using computer source code or communication shall be liable for an imprisonment up to 3 years or/and with fine up to Rs. 1 lac.

(v) According to Section 72 of the IT Act if any person, in pursuance to the powers conferred under the IT Act or rules made thereunder, has secured access to any electronic record, book, register, correspondence, information, document or other material discloses such electronic record, book, register, correspondence, information, document or other material to any other person without the consent of the person concerned shall be punishable with an imprisonment up to 2 years or with fine which may extend to one lakh rupees or both.

(vi) Section 75 of the IT Act clarifies that provisions of the IT Act shall be applicable to offenses committed outside the territory of India by a person if the act or an offence involves a computer, computer system, or computer network located in India.

II. **Indian Penal Code, 1860**

Applicability of the provisions of the Indian Penal Code runs horizontally to the offences committed under the Intellectual Property regime in India. The provisions of the IPC which could be attracted while reporting the IP infringement cases are as follows:
i. Section 415 and 420 of the IPC are the provisions related to the offence of Cheating wherein whoever fraudulently or dishonestly deceive any person by inducing him to deliver any property or to provide his consent to retain any property or induces him to do or omit any act which is likely to cause damage or harm to that person against whom the offence is committed. Such person committing the offence of cheating shall be punishable with imprisonment which may extend to seven years and shall also be liable to fine. For example, 'A', by putting a counterfeit mark on an article, intentionally deceives 'Z' into a belief that this article was made by a certain celebrated manufacturer, and thus dishonestly induces 'Z' to buy and pay for the article, 'A' cheats.

ii. Section 120A and 120B of the IPC are the provisions related to Criminal Conspiracy wherein two or more persons agree to commit any illegal act or any legal act by illegal means. Such person committing the offence under this section shall be punished with an imprisonment upto 6 months or with fine or with both. This provision could be attracted in cases where two or more person are indulged into manufacturing or selling of counterfeit products.

iii. According to Section 423 of the IPC whoever indulges into dishonest or fraudulent execution of deed of transfer containing false statement of consideration shall be punishable with imprisonment up to 2 years or with fine or with both. This provision could be attracted in cases of dishonest or fraudulent execution of deed of transfer or assignment of Intellectual Property Rights.

iv. Whoever forges a document which concerns a valuable security or which purports to give authority to any person to make or transfer any valuable security, or to receive or deliver any money with regards to such security, or any document showing a receipt acknowledging the payment of money shall be punished for a term which may extend to ten years, and shall also be liable to fine as per the applicability of Section 467 of the Indian Penal Code. This may be applicable in IP cases wherein the person forges any document related to deed of assignment or transfer of IP rights. Further, as per Section 471 of the IPC any person who fraudulently or dishonestly uses as genuine any forged document or electronic record shall be punished in the same manner as for forgery under Section 467.

v. Any person who makes or counterfeit any seal, plate or any other instrument for the purpose of committing forgery under Section 467 or otherwise shall be punishable with
imprisonment which may extend to 7 years or fine or both. The provision concerning these
offences are provided under Section 472 or 473 of the Indian Penal Code.

vi. Any person who counterfeits upon any material, device or mark for authenticating any
forged document as referred in Section 467 of the IPC or otherwise or has in his possession
any material upon which such mark or device has been counterfeited shall be punished with
imprisonment for life or with imprisonment which may extend to seven years or shall also
be liable to fine. This is provided under Section 475 and 476 of the Indian Penal Code.

vii. Any person who uses a property mark, to whom such mark does not belong, over a movable
property or goods, package or other receptacle containing movable property shall be
punishable with imprisonment which may extent to one year, or with fine, or with both
unless it is shown that there was no intention to defraud. This is provided under Section 481
and 482 of the IPC.

viii. Whoever counterfeits any property mark which belongs to any other person shall be
punished with imprisonment which may extent to two years, or with fine, or with both. This
offence is covered under Section 483 of the IPC.

ix. Whoever counterfeits any property mark used by the public servant to show the
manufacturing details or quality or origin of the property or products it is used on shall be
punishable with imprisonment which may extent to three years and shall also be liable to
fine. This offence is covered under section 484 of the IPC.

x. Whoever makes or has in his possession any die, plate or instrument for the purpose of
counterfeiting a property mark or has in his possession a property mark itself to deceive the
end user shall be punishable with imprisonment which may extend to three years or with
fine, or with both. This offence is provided under Section 485 of the IPC.

xi. Whoever sells any product, package or other receptacle bearing counterfeited property
mark shall be punished with imprisonment which may extend up to one year, or with fine,
or with both unless it is proven by the accused that he had no reason to doubt the
genuineness of the mark, he provided all the details of the person from whom such goods
are obtained and he had acted innocently without an intention to defraud. This offence is
governed by Section 486 of the IPC.
III. The Drugs and Cosmetics Act, 1940

The Drugs and Cosmetics Act, 1940, is a legislation to regulate the import, manufacture and distribution of drugs and cosmetics in India. The primary objective behind enacting this legislation is to ensure that the drugs and cosmetics that are being sold in India are safe and effective and which conform to the quality standards as set by the state.

i. As per Section 13 of the Trade Marks Act 1999 it is a mandate to not register words that are names of chemical elements or International Non-proprietary Names (INN) or any deceptively similar name. Yet, neither the Trade Marks Act nor the Drugs and Cosmetics Act, 1940 (DCA) provides a pharmaceutical trademark registration system.

ii. Owing to the above, the Drugs Control Department of Delhi, in view to curb down the increase in the sale of counterfeit drugs, has made prior search reports mandatory before approval of any drug-manufacturing license in reference to a specific brand name with the help of Registrar of Trade Marks.

iii. As in the judgement of the Supreme Court in the case of Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd [(2001) SCL 534] observed that in view of Section 17-B of the DCA any drug likely to deceive public by a manner of imitation or resemblance is to be regarded as spurious drug. Thus, the authority needs to be satisfied about the fact that granting permission to manufacture a drug doesn’t create deception or confusion in the market. The authorities should require the applicant pertaining to the trademark to submit an official search report from the Trademark Office which will help the drug authority to reach at the correct conclusion.

IV. Prevention of Money Laundering Act, 2002

The Prevention of Money Laundering Act was enacted for the prevention of money laundering and providing for attachment of property arising out of that money laundering. The Enforcement Directorate has the power to seize properties directly linked with the proceeds of a crime or when an adjudicating authority believes that such property is a part of money laundering.

Inclusion of IP Offenses under Prevention of Money Laundering Act can have significant effects, as follows: -
(i) Inclusion of the crimes under Prevention of Money Laundering Act (PMLA) will amplify the term of imprisonment as most IP violations are punishable for a maximum period of 3 years. Whereas, the PMLA under Section 4 provides for a maximum term of up to 7 years along with attachment of the ‘proceeds of the crime’ as provided under Section 5 of the PMLA.

(ii) The addition of trademark infringement as an offence under the PMLA can have far fletched consequences since it allows the Government to attach property and bank accounts of the infringers.

(iii) In first of its kind case in India in *Steel Authority of India vs Alankar Alloys Pvt Ltd*, money laundering charges were taken into consideration in the trademark infringement suit filed by the Steel Authority in India in the Bombay High Court, wherein the Enforcement Directorate took cognizance of the matter to seize assets worth Rs 7 Crore of the parties against whom the suit was filed.

V. **The Information Technology (Intermediary Guidelines) Rules, 2011**

   i. The Intermediary Guidelines Rules, 2011, require intermediaries to regulate the users hosting contents on their platforms. The guidelines impose a duty on the intermediaries to conduct a due diligence over the content posted by the users by informing about the restrictions as put under Guideline 3 of the Intermediary Guidelines.

   ii. In order to encourage IP protection over the cyber space, Section 3 (2) (d) of the guidelines imposes a duty on intermediaries to inform the users through rules and regulations, terms and conditions and user agreement not to host, display, modify, publish, transmit, update or share any information that infringes any patent, trademark, copyright or any other proprietary rights.

86. **What is the concept of Plea bargaining?**

Plea bargaining is an agreement resulting out of a successful negotiation between the victim and the accused in order to settle a criminal case in exchange for a lenient punishment. The accused may file an application for plea bargaining before the magistrate during the pendency of a trial stating the brief description of offences, an affidavit sworn by the accused that he has voluntarily preferred, after understanding the nature and punishment of the offence, plea bargaining in this and he has not previously been convicted of the same
offence. It is to be noted that the accused shall apply for plea bargain voluntarily and not under any undue influence by anyone as the same could be rejected by the court if it is found that the application was filed involuntarily and the accused has been convicted of the same offence previously. Further, the consent of complainant or victim is also important for the proceeding of plea bargaining. The provisions related to plea bargaining are provided under Chapter XXI-A from Sections 265-A to 265-L of the Criminal Procedure Code, 1973.

87. What are exceptions to the cognizance of plea bargaining?

Application for Plea bargaining can be allowed except in the following cases:

(i) Offences for which the punishment of death or of imprisonment for life is provided; or
(ii) Offences for which the imprisonment for term exceeding 7 years is provided; or
(iii) Offence which affects the socio-economic condition of the country; or
(iv) Offences committed against women or a child below the age of 14 years; and
(v) Offences for which the accused has previously been convicted.

88. How plea bargaining could help in effective disposal of IP Infringement cases?

Since most of the offences under the laws governing Intellectual Property Rights provides for imprisonment for less than 7 years. Therefore, availing plea bargaining in cases of IP infringement could help in disposing off such cases expeditiously as plea bargaining act as a win-win situation for all the parties involved in a dispute as the victim will have the accused’s conviction on record, the accused can avail a lenient punishment in exchange of pleading guilty for the offences he has committed and the judges can efficiently dispose-off the cases by granting the proportionate compensation to the victim towards the litigation cost and damages and a lenient punishment to the accused in exchange for his conviction and imposition of cost.

89. What is the quantum of punishment sentenced under plea bargaining?

Wherein the minimum punishment is provided under the law for the offence committed by the accused, the court may sentence the accused to half of such minimum sentence as prescribed under the concerned statute. However, in cases wherein there is no minimum punishment is provided under the provision, the court may sentence the accused to one-fourth of such prescribed punishment.
BORDER ENFORCEMENT UNDER THE INDIAN CUSTOMS ACT, 1962
90. What is role of Custom Authority in enforcing IPRs?

Under the provisions of The Customs Act 1962, the customs has power to prohibit importation and exportation of prohibited goods which includes IPR infringing goods. Thus, the customs in exercise of the powers given under Section 11 read with section 156 of the Customs Act, has notified the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007 in the year 2007 (hereinafter referred to as the “Rules” or the “said Rules”) enabling intellectual property right holders to enforce their rights at the Indian border on the suspected infringing goods coming to India.

91. What are the recent developments that has taken place with respect to enforcement of IPR by the Customs Authority?

- As per the latest Notification No.56/2018 dated 22nd June 2018 issued by the Government of India, the patents have been omitted from the ambit of IPRs from the Rules for the purpose of the enforcement by the Customs Authorities. In other words, the patents will not be enforced by the Customs Authorities under the said Rules. Further, two new rules have been added to the Rule 5 of the Rules 2007, wherein, firstly, the right holder of the IP in case of any amendment, cancellation, suspension or revocation of IPRs by the authorities under the IP laws or Appellate Board or any Court of Law shall give the notice to the Customs Authorities within a period of one month of such revision in the status of the concerned IP. And secondly, subsequent to the abovementioned notice, the Commissioner of Customs may accordingly amend, suspended or cancel the notice and the corresponding protection.

- As per the notification dated 8th May 2012, issued by the Central Board of Excise & Customs, the import of “parallel imports” was permitted on the ground that such imports do not qualify as an infringement. Parallel Imports is the import of original/genuine products (not counterfeit or pirated) which are sold/acquired legally abroad and imported into the country, by person other than the IP Right holder without his permission or authorization. In this regard, the Department for Promotion of Industry and Internal Trade (DPIIT) which is a nodal...
authority for all matters related to the Trade Marks Act, 1999 has stated that Section 30 (3) (b) of the Trade Marks Act, 1999 provides that where the goods bearing a registered trade mark are lawfully acquired by a person, the sale of the goods in the market or otherwise dealing in those goods by that or by a person authorized by him is not infringement of the trade mark by reason only of the goods having been put on the market under registered trade mark by the proprietor or with his consent. Thus, the Customs Authorities, for the purpose of enforcing IP Rights, can only act against the infringing material and not otherwise.

92. What are the provisions under the Customs Act, 1962, which facilitates enforcement of IPRs?

According to Section 11 of the Customs Act, 1962, read with the Section 2 (33) and Section 11 (2) (n) of the Customs Act, 1962, states that if the Central Government is satisfied that it is necessary so to do for the protection of trademarks and copyrights, it may, by notification prohibit either absolutely or subject to such conditions as may specified in the notification, the import or export of goods of any specified description.

93. How the Customs Authority can help in enforcing trademarks?

According to Section 140 of the Trademarks Act, 1999, read with the Section 29 of the Act, states that the proprietor or a licensee of a registered trademark may give notice in writing to the collector of Customs to prohibit the importation of any goods if the import of the said goods constitutes infringement under clause (c) of sub-section (6) of section 29. Further where the goods are prohibited by notification under Section 11 (2) (n) of the Customs Act, 1962, it allows the Commissioner of Customs to act upon the complaint made by the proprietor of the trademark is he has a reasonable reason to believe that the trademark complained of is used as a false trademark, may require the importer or his agent to furnish all the relevant details as may be asked by the Commissioner or his duly authorized subordinate so as to inquire about the source of the infringing goods and all such infringing goods are confiscated thereof and details obtained by the importer or his agent is communicated to the proprietor of the trademark whose mark is wrongly appropriated.

94. How the Customs Authority can help in enforcing copyrights?

According to Section 53 of the Copyright Act, 1957, the owner of the Trade Marks, Copyright or any other right as provided under the Act, in respect or any work or performance
embodied in such work, or the owner’s duly authorized agent, may give notice in writing to
the Commissioner of Customs or any officer as may be authorized in this behalf by the
Central Board of Indirect Taxes and Customs:-

a. That he is the owner of the said right along with the proof of such ownership.
b. That he requests the Commissioner for a period not exceeding one year, to treat infringing
copies of his work as prohibited goods, and that such infringing copies are expected to arrive
in India at a time and a place as may be specified in the notice.
c. The Commissioner upon his confirmation of the right and the evidence furnished to that
effect may treat infringing copies of the work as prohibited goods that have been imported
into India, excluding goods in transit.

95. Can the Customs Authority stop the export of infringing goods?
The Rules are applicable to Imports only, however, the Right Holder has remedy under the
provisions of the Customs Act, 1962 to invoke the powers of the Customs Authority to
protect the export of goods of any specified description for the purpose of protection of
trademarks, copyright and patent provided the Right Holder files the written complaint
before the concerned customs office against a specific person/entity with all the details of
the suspected shipment involved in exporting infringing products.

96. How the Customs Authority helps in enforcing IPRs? What are the steps involved in such
enforcement?
The enforcement of IPRs through Customs Authority can be done in the following manner: -

i. Registration
An application in the prescribed form must be submitted to the customs for registration of
IPR. A single application can be submitted for all Customs ports along with the requisite
documents.

ii. Suspension of Import Of Suspected Goods
Upon importation of suspected infringing goods, the Customs authorities send a notice to
the Right Holder as well as the importer/consignee stating the reasons for suspension and
directing them to join the proceedings within the prescribed period.
iii. **Furnishing Consignment Specific Bond and Bank Guarantee By The Right Holder**

The Right Holder is required to furnish a Bond for 110% of the declared value of the imported goods and a Bank Guarantee of 25% of the said Bond value i.e. 25% of 110%, within the stipulated period of three days from the notice of suspension. The Right Holders can also opt for an on-line centralized bond scheme in place of consignment specific Bond which can be used at all ports in India, thereby relieving the Right Holder from furnishing consignment specific Bonds at each and every Port where the goods have been suspended, within the short period of three days. This Bond and Bank Guarantee is provided to safeguard the interest of the Customs Authority and the Importer.

iv. **Show Cause Notice by The Customs**

In case the goods are found to be counterfeit upon examination and confirmed by the Report, then the Customs will issue a Show Cause Notice to the importer and all other necessary parties who have facilitated the said importation of the goods. The said show-cause notice will also be issued to the Right Holder and the Right Holder can file a reply to the same.

v. **Hearing/Written Submissions and Disposal Of The Suspended Good**

Once replies to the show-cause notice has been submitted by the parties, the Customs will fix a date for adjudication of the case and call all the parties including the Right Holder to make their oral or written submissions and pass its final judgement.

vi. **Destruction of Suspended Goods**

After the final order for absolute confiscation is passed by the Customs, the goods shall then be destroyed or disposed off, under official supervision, after obtaining a ‘No-Objection’ from the Right Holder.

vii. **Return of Bond and Bank Guarantee**

After all the formalities and destructions of counterfeit goods, the customs shall return the Bond and Bank Guarantee to the Right Holder.
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