



IPR Awareness Manual for industries



DEPARTMENT FOR PROMOTION OF
INDUSTRY AND INTERNAL TRADE
MINISTRY OF COMMERCE & INDUSTRY,
GOVERNMENT OF INDIA

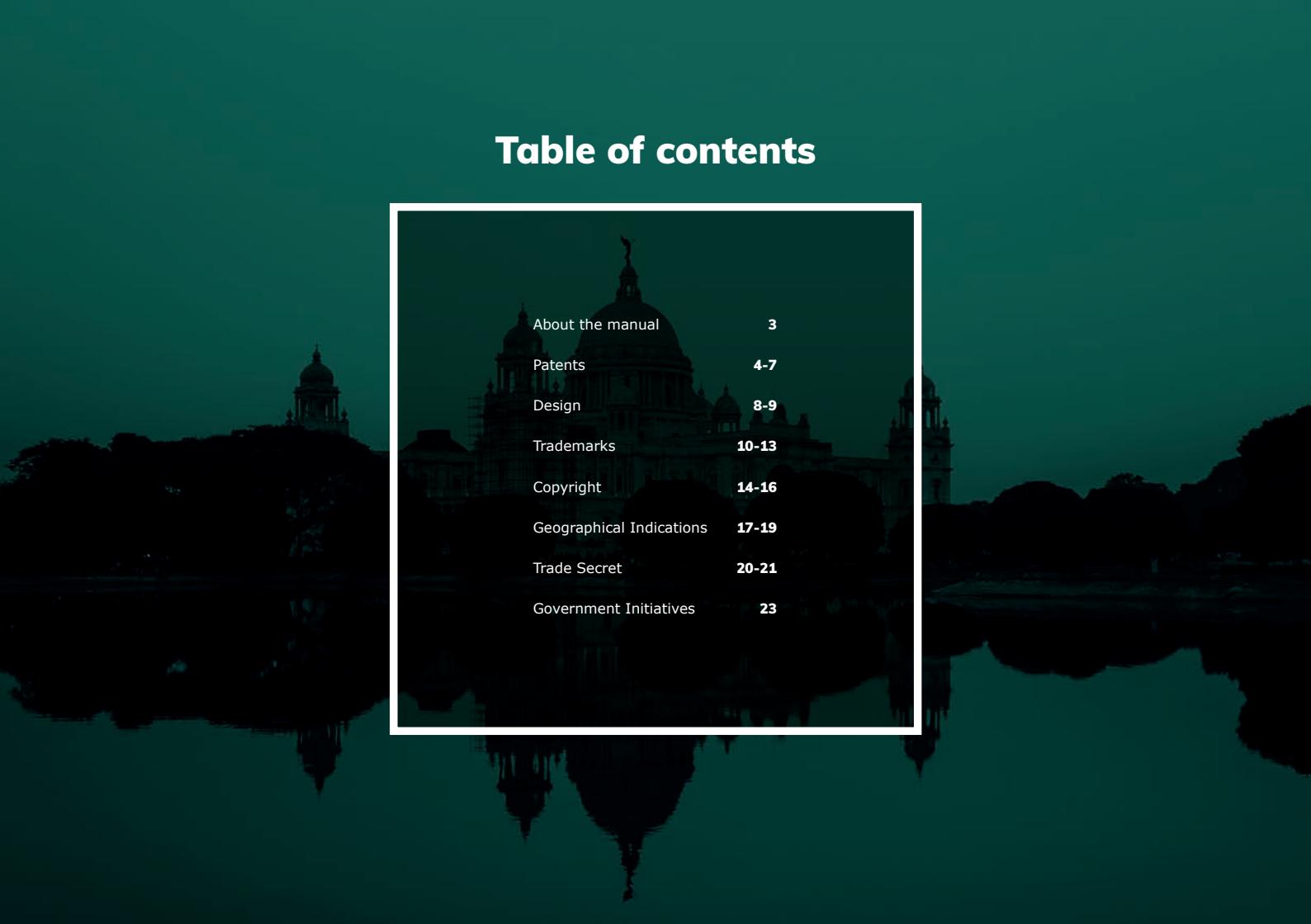


EMBASSY
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DANISH PATENT AND
TRADEMARK OFFICE

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*Creation of IP
is important for
the benefit of the
society and for the
innovator himself.*

About the manual

This manual is to aid the industries coming to India for understanding the ways and means of getting their innovation registered under the IP laws in India. Industry sector in India plays an important role in promotion of trade and economic development of the country. The objective of this manual is thus to act as a guide for the industries coming to India to be able to create their IP, safeguard it from infringement and earn revenue.

India being a Trade Related Aspects of Intellectual Property Rights (TRIPS) compliant country has a robust and dynamic IPR regime that aims at stimulating creativity and innovation and achieving socio-economic, industrial and cultural development and protection for traditional knowledge and biodiversity.

Creation of IP is important for the benefit of the society and for the innovator himself. There is addition of value to IP at every stage from creation/innovation to creating it into a product/service and then introducing it in the market for the benefit of the society. This manual focuses on all the important information about each IP that needs to be known by industries coming to India to be able to innovate & create new intellectual property.

India offers several ways to enforce IP rights against unauthorised use, including customs seizures and civil litigation. This manual intends to act as a ready guide for SMEs and other small scale industries coming to India to promote and market their innovation in India by carefully registering it under the Indian IP law and thus safeguarding it.

IPR framework in India

Intellectual property refers to creation of the mind: inventions; literary and artistic works and symbols, names and images used in commerce. These creative rights given to the creator over the use of his/her creation for a certain period of time, enables him to stop others from using their creation without the permission of the owner. IP rights enable creators to protect and monetize their creation.



Patents

- ✓ Patent in India is granted for invention of a new product or a process or both, involving inventive step and which is industrially applicable.
- ✓ A patent granted by an Indian patent office will be valid in India for a period of 20 years from the date of filing of application. Patent being a territorial right will have to be sought in each and every country in which the owner is interested.
- ✓ A patent application can be filed either by true and first inventor or his assignee or legal representative, giving patent owner the right to stop the third parties who do not have their consent, from the act of making, using or offering for sale, selling or importing their inventions.
- ✓ An applicant can file an application for patent at the appropriate patent office under whose jurisdiction the applicant normally resides/has his domicile/has a place of business or the place where the invention actually originated. For the applicant, who is a non-resident or has no domicile or no place of business in India, the address for service in India or place of business of his patent agent in India determines the appropriate patent office where applications for patent can be filed. It is essential for foreign companies to appoint an Indian patent agent to file an application for registration of patents in India. There are four patent offices in India situated in Mumbai, Chennai, New Delhi and Kolkata. Online patent application can be filed through comprehensive online filing system at <https://ipindiaonline.gov.in/epatentfiling/goForLogin/doLogin>
- ✓ An invention is a patentable subject matter if it meets the following criteria – i) it should be novel ii) it should be non-obvious i.e. must have an inventive step iii) it should be industrially applicable. Invention should be technical of nature and not covered by exemptions as specified in the provisions of section 3 and 4 of the Patents Act 1970.

What cannot be Patented?

Special attention should be directed to section 3 of the Indian Patents Act 1970, which lists examples of non-patentable inventions which are, in particular:

- Frivolous or contrary to Natural laws.
- Prejudicial to environment and public health.
- The mere discovery of a new form of a known substance which does not result in enhancement of the known efficacy of that substance or the mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant.
- Mere admixture resulting in aggregation of properties.
- Mere arrangement or re-arrangement or duplication of known devices each functioning independently of one another in a known way.
- Method of agriculture or horticulture.
- Any process for medical, surgical, curative, prophylactic (diagnostic, therapeutic) or other treatment of human beings or any process for a similar treatment of animals.
- Plants and animals in whole or any part thereof other than microorganisms but including seeds, varieties and species and essentially biological processes for production or propagation of plants and animals.
- Mathematical method, computer program per se, Algorithms.
- Method of doing business.
- A literary, dramatic, musical, or artistic work or any other aesthetic creation whatsoever including cinematographic work and television productions.
- A mere scheme or rule or method of performing mental act or method of playing game.
- Presentation of information.
- Topography of integrated circuits.
- Traditional Knowledge



Patent application fee in India

Natural Person / Start-up / Small Entity¹

1,600 INR

(Start-ups get 80% rebate on patent filing fee)

Others

8,000 INR

¹⁾ Small Entity as defined under Micro, Small and Medium Enterprises Development Act, 2006, as an entity where investment in Plant and Machinery is not more than 10 crores and the turnover does not exceed 50 crore rupees.

Documents Required for Filing a Patent Application²

- **Application form (Form 1)**
- including information relating to the name and address of the inventor, name, and address of the applicant; address for service in India and other information & declarations.
- **The provisional or complete specification (Form 2).** In case of filing of the provisional specification i.e. one which contains information related to invention, as detailed as possible, available with the applicant, complete specification to be provided within 12 months.
- **Drawings (if any).**
- **Abstract of the invention.**
- **Claims (in case of complete specification).**
- **Statement & undertaking** (under section 8) listing the number, filing date & current status of each foreign patent application in duplicate (Form 3).
- **Priority document** (if claiming priority) in convention application and PCT National Phase application on the direction of the Controller
- **Declaration of inventorship** where the provisional specification is followed by the complete specification or in the case of convention/PCT national phase application (Form 5).
- **Power of attorney** (if filed through Patent Agent).
- **Fees** (paid by cash/electronic means/by bank draft/ by banker's cheque)

Remedies in case of Infringement of Patents

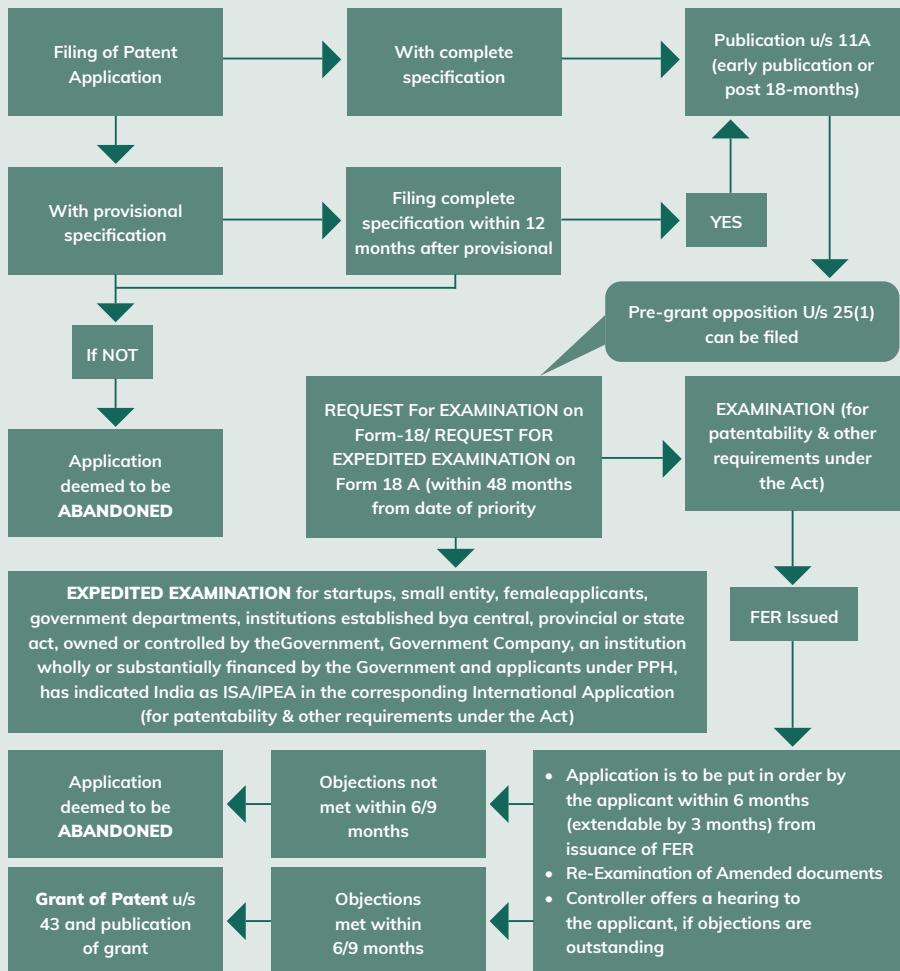
Civil Remedies

Section 108 under the Indian Patents Act, explains the relief which is granted by the court in case of suit filed for infringement;

- **A** Injunctions- When there is a *prima facie* case and/or balance of convenience is in the favour of the plaintiff; Interim injunction is granted. or
- **B** At the option of the plaintiff either an account of profits or damages.

²⁾ <https://www.legalraasta.com/blog/list-of-required-documents-for-patent-registration-in-india/>

Registration procedure



Design

- ✓ Industrial Design Right is an intellectual property rights that protects the features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article whether in two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined which is the finished article appeal to and are judged solely by the eye;
- ✓ An author of design or any other person/ company assigned by the author of design can apply and obtain the registration of design..
- ✓ The filing of the application can be done in any of the four offices i.e. Kolkata (head office), Delhi, Chennai and Mumbai, but all the subsequent prosecutions under The Design Act, 2000 and The Design Rules, 2001 are carried out at the Design Wing of Patent Office. A design application also can be filed online by submission of all the relevant documents at <https://ipindiaonline.gov.in/>.
- ✓ A design is registered by the Controller of Design as per Design Act 2000, for the term of 10 years from the date of filing or date of priority as the case may be, which can be further extended to another 5 years.



Fee for filing of Design Application in India:

Natural Person/
Small Entity/
Start-Ups:

1,000 INR

Others:

4,000 INR

Documents required for filing of the Design Application:

- A design application filed in Form-1 mentioning the full name, address, nationality, name of the article, class number priority application details (if any) and address for service in India of the applicant.
- 2 copies of representation sheets of the design.
- Power of attorney in Form 21 (if any).
- Certified copy of the priority application along with English translation of the same if necessary.
- Form 24 for claiming status of small entity along with necessary documentary evidence under Micro, Small and Medium Enterprise Act, 2006 (for Indian entities) or affidavit deposited by the applicant clearly stating that deponent is a small entity as defined under The Designs Rules, 2001 (for foreign entities).

Infringement Remedies Available

Infringement

A registered design is infringed by a person who, without the consent of the proprietor of the design, tries to sell or to import for the purpose of sale or to publish or expose or cause to be published or exposed for sale of the article; or any fraudulent or obvious imitation thereof.

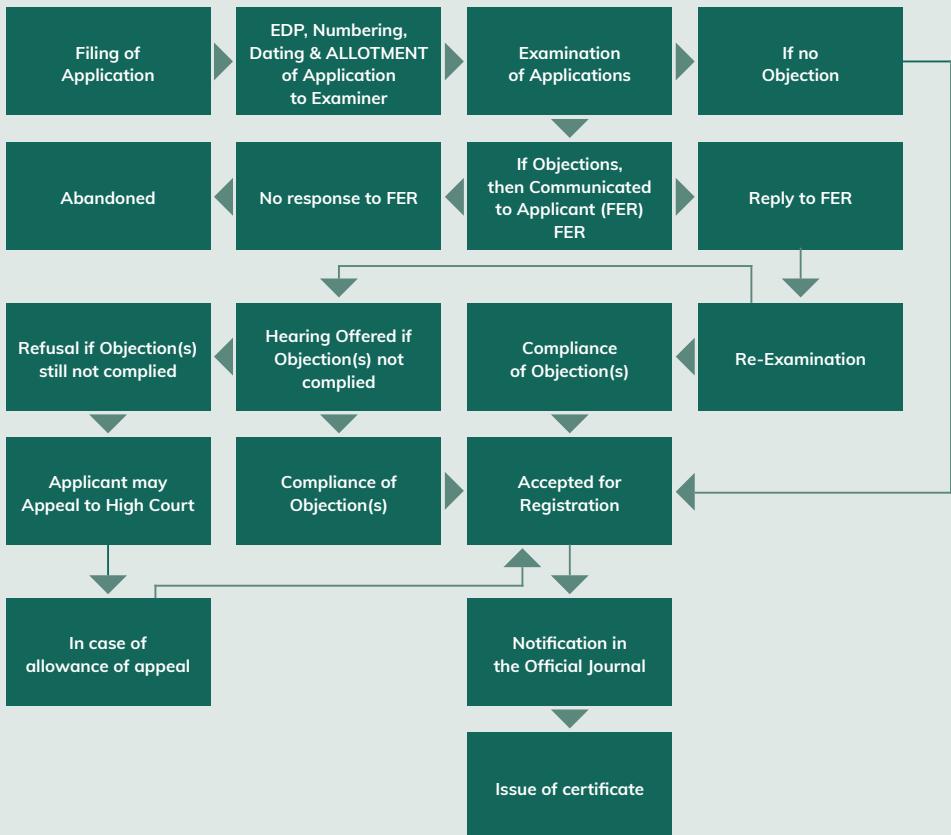
Remedies

Section 22(2) of the Design Act 2000 explains the remedies available in case of an infringement of registered design in India.

- Suit for the recovery of Damages
- Injunction
- Statutory Damages

Not more than 25,000/- per contravention (as a contract debt)
Not more than 50,000/- per contravention (in case of suit for recovery of damages for any such contravention and for an injunction against the repetition thereof)

Flow chart of design application registration



Trademarks

- ✓ As explained under section 2(zb) of the Trade Marks Act, 1999, "Trade mark" means a mark 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 words, logo, device, packaging, label. Colour, shape of goods, three dimensional marks and sound marks can also be registered as trade mark/service mark in India.
- ✓ Any person, claiming to be the proprietor of a trademark can file an application for registration of a trademark, for a period of 10 years that can be further renewed for every 10 years at any 4 branches of trademark registry i.e. Kolkata, Delhi, Chennai, Mumbai.

What does not qualify to be a trademark?

Section 9 of the Trade Marks Act, 1999 in India, explains the absolute grounds of refusal of registration of a trademark. Some of which are enlisted below:

- Devoid of any distinctive character and not capable of distinguishing the goods or services of one person from those of the others.
- Deceive or cause public confusion
- Scandalous or obscene matters
- Hurt religious susceptibility of any class or section of society
- Attract objections under the Emblems and Names Act, 1950
- Having any connotation in India.



Fee for filing of the Trade Mark application

Individual / Start-up / SMEs-

4,500 INR
(online)

5,000 INR
(at counter)

Others
9,000 INR
(online)

10,000 INR
(at counter)

Documents required for registration of a trademark

A) Individual/ Sole Proprietorship/Company

- 1) Copy of the trademark if the mark is other than the word mark. In case of word mark, it should be clearly written in capital letters.
- 2) Authorisation / Power of attorney favouring the trademark attorney for application filed through the attorney
- 3) In case of company, proof of signing authority on behalf of the company.
- 4) Registered Address of the company

B) Partnership/ LLP/Company

- 1) Copy of the trademark if the mark is other than the word mark. In case of word mark, it should be clearly written in capital letters
- 2) Authorisation / Power of attorney favouring the Trademark Attorney for application filed through the attorney
- 3) Incorporation certificate or Partnership deed
- 4) Identity proof of authority of signatory
- 5) Registered Address of the firm/company

Infringement Remedies Available

Infringement

Section 29 of the Trademark Act 1999 explains the infringement of a trademark. A trademark is said to be infringed when a person other than the registered user/proprietor uses a mark which is:

- Identical trademark and similar goods or services; or
- Similar trademark, and identical goods or services; or
- identical trademark, and identical goods or services;
- if the mark is creating confusion in the minds of public or giving them a wrong impression that the mark has an association with the registered trademark.

Penalty/ Remedies

• Criminal Remedies

Any person who falsely applies to goods and services a trademark & selling goods & services under the falsely applied trademark shall be punished under section 103 & 104 of the Trademarks Act 1999 with:

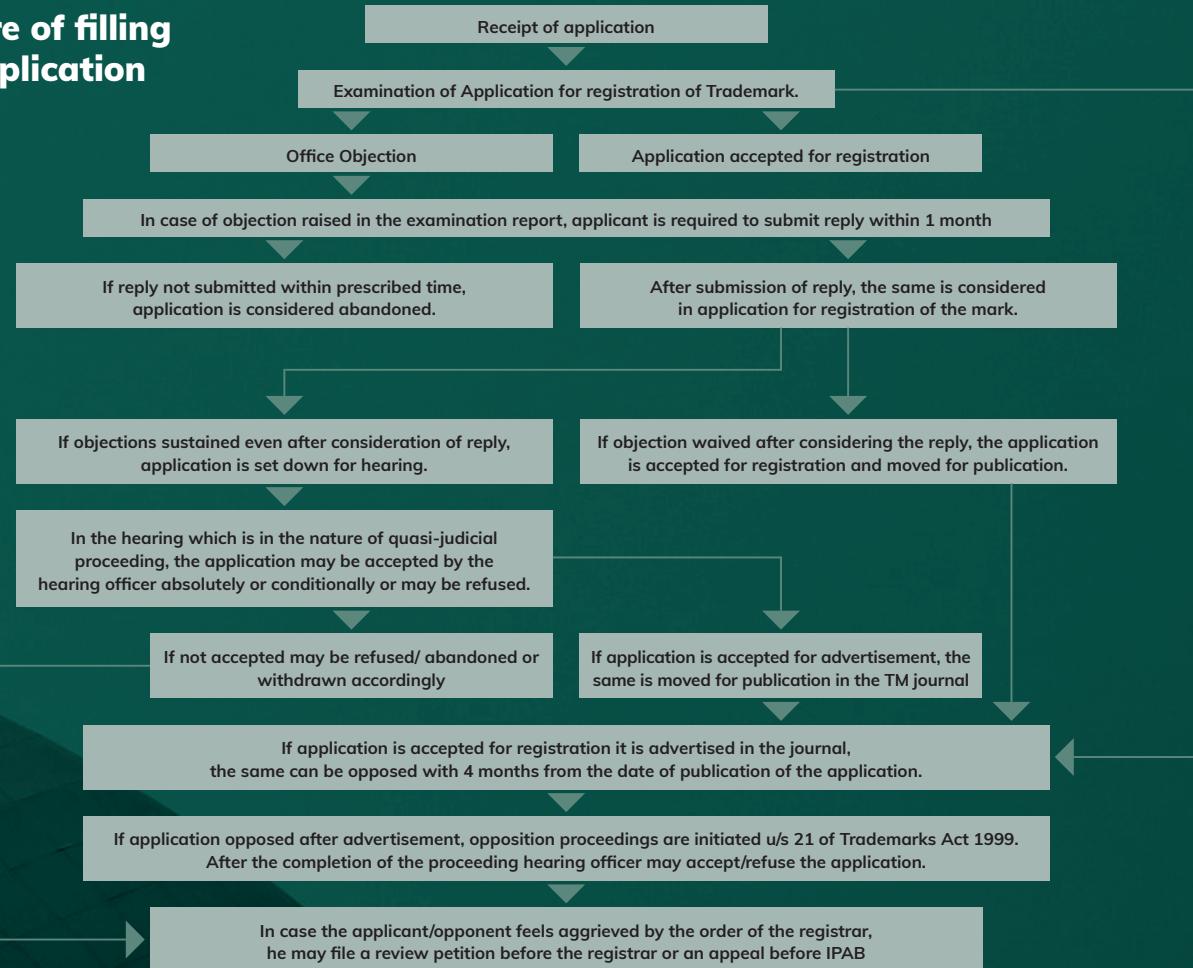
- Imprisonment for a period not less than six months that may extend to three years
- A fine that is not less than Rs 50,000 that may extend to Rs 2 lakh
- Civil Remedies (Unregistered Trademarks)

Section 135 of the Trade Marks Act 1999 lists down the Civil remedies available in case of Trade Mark infringement in India

- Injunction or stay against the use of trademark
- Damages can be claimed
- Handing over of the profits



Procedure of filling of TM application



Copyright

- ✓ Copyright is a form of intellectual property protection under Indian law granted to the creators of original works of authorship such as literary works (including computer programs, tables and compilations including computer databases which may be expressed in words, codes, schemes or in any other form, including a machine readable medium), dramatic, musical and artistic works, cinematographic films and sound recordings.
- ✓ Copyright protects the expression on ideas and not the ideas per se, giving owner the right to reproduce, adapt, perform, translate, distribute and publicly display the work etc.
- ✓ The term of a copyright in case of literary, artistic, dramatic and musical work is during life time of the author and 60 years after death of the author from the beginning of the calendar year, next following the year in which the author dies. In case of Cinematographic film, Sound Recording, Government work, Public Undertaking work and works of International Organization, the term of Copyright is 60 years from the year of publication.

✓ Registration of Copyright in India is voluntary and not mandatory under law. Copyright exists from the moment the work is created and is vested in the owner and can be only exercised by himself or by any other person who is duly authorized by the owner.

✓ The application for the registration of the copyright can be made by applying physically in the copyright office in Delhi or through speed/registered post; or through e-filing facility available on the official website of Copyright office i.e. copyright.gov.in.



Fee for registration of a Copyright

Literary, Dramatic,
Musical or Artistic work
Rs. 500/-
per work.

Literary or Artistic work
which is used or is capable of
being used in relation to any
goods or services
Rs. 2,000/-
per work

Cinematograph film
Rs. 5000/-
per work

Sound Recording
Rs. 2000/-
per work

Documents Required for registration of Copyright

1. Two hard copies of work or soft copy of the work uploaded on website.
2. Prescribed fees through DD/IPO or online payment.
3. NOC (No Objection Certificate) from author, if the applicant is different from author.
4. NOC from publisher (if work published and publisher is different from applicant)
5. Search Certificate issued by Registrar of Trademarks (TM-C)
6. NOC from person whose photograph appears on the Artistic work.
7. Power of Attorney in case of application being filed through an Attorney.

Infringement Remedies Available

Infringement

Copyright Infringement occurs when a person intentionally or unintentionally copies the work of another creator and is covered under acts of Piracy or Plagiarism.

*(Section 52 of the copyright act deals with exception wherein the use of the copyright work by a person other than the owner of the copyright work, without his permission, will not amount to copyright infringement. This is known as Fair use).

Civil Remedies

Sections 55 of the Copyright Act, 1957 lists down the Civil Remedies available for the infringement of Copyright in India.

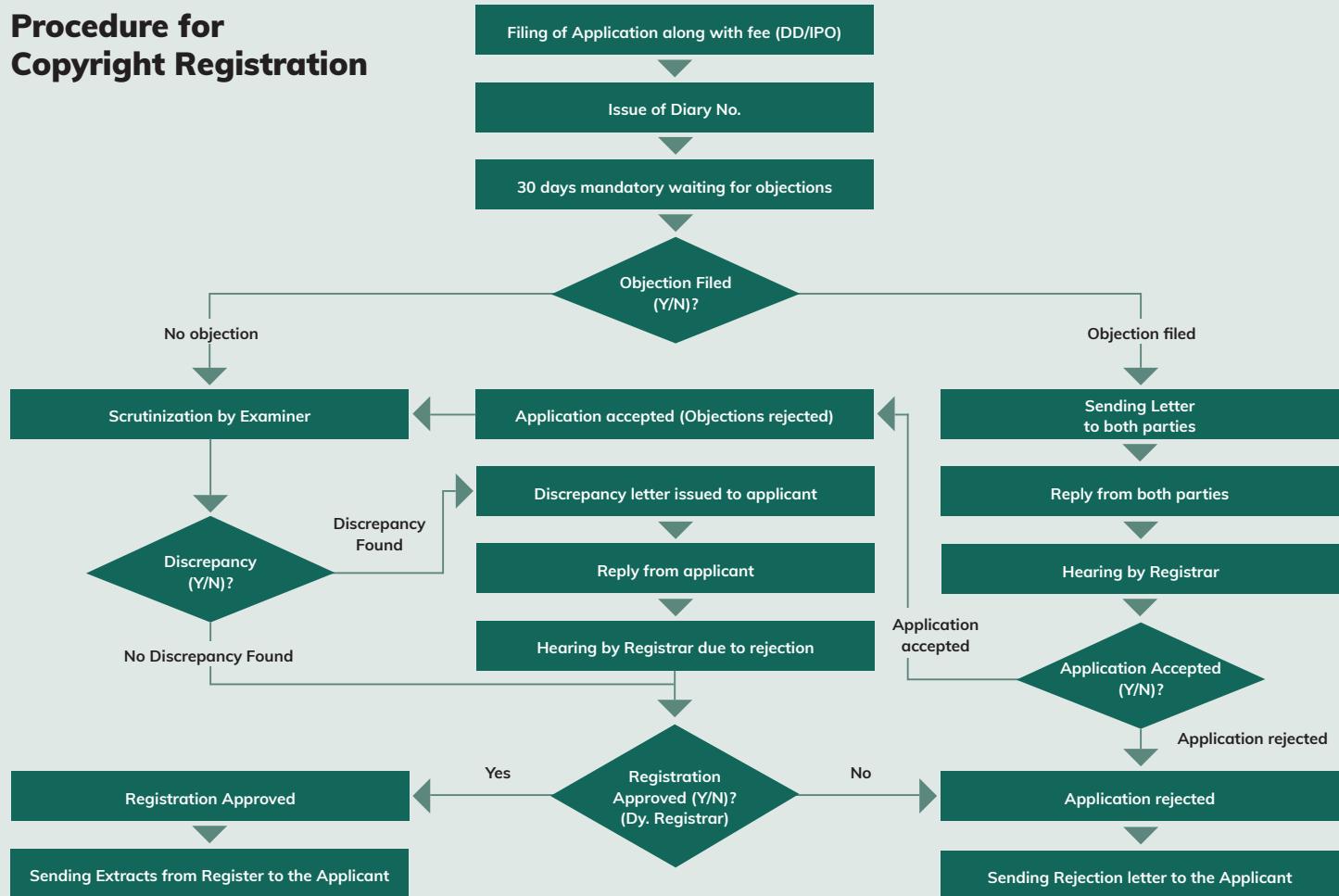
- Interlocutory Injunction
- Seek the profits made through unlawful conduct
- Compensatory damages suffered due to infringement

Criminal Remedies

Section 63 of the Copyright Act, 1957 lists down the Criminal remedies available in case of a copyright infringement.

- Imprisonment up to 3 years but, not less than 6 months
- Fine which shall not be less than Rs. 50,000 but, may extend up to Rs. 2 lakh

Procedure for Copyright Registration



Geographical indications

- ✓ Geographical Indication (GI) refers to the indication which defines the goods originating from a particular territory of a country or region or locality in that territory. GI protects any agricultural goods, natural goods or manufactured goods or any goods of handicraft or goods or industry including food stuff originating from a definite geographical territory.
- ✓ GI is a community right that can be applied for specific products by association of persons or producers representing the interest of the producers of the concerned geographical indications.
- ✓ Link between the product and its original place of production.
- ✓ The protection under these rights is for a term of 10 years and can be renewed after every 10 years for an indefinite period of time.
- ✓ The application for registration of GI can be filed at the office of the GI Registry located in Chennai. The application can also be filed online by accessing <http://www.ipindia.nic.in/>

GI not registrable

As per section 9 of Geographical Indication of Goods (Registration & Protection) Act,1999, anything

- Which would be likely to deceive or cause confusion
- Use of which is contrary to law
- Contains any scandalous or obscene matter
- Likely to hurt religious susceptibility of any class or section of society
- Generic names or indication of goods or which have fallen into disuse in that territory or region.



Fee for registration of GI

Application for registration of a GI should be in the prescribed form, accompanied by the prescribed fee

Rs.5000/-
Per Class.



Documents required for registration of Geographical Indication

- Name of GI (Word or Logo or Label)
- Details of Applicant (Name and address of the applicant)
- Name of the Goods and class
- Specification and Description
- Certified copy of the map- Geographical Area of production
- An affidavit, how the Applicant represent the interest of producers
- Proof of origin
- Method of production
- Application duly signed by the applicant or his agent, must be filed in a duplicate
- Application to be accompanied by a statement of case.
- Documents in support of historical origin, reputation and uniqueness of the GI.
- Document describing the special feature of GI and how it qualifies as a GI.
- In case of foreign application- home country registration is a must.

Infringement Remedies Available

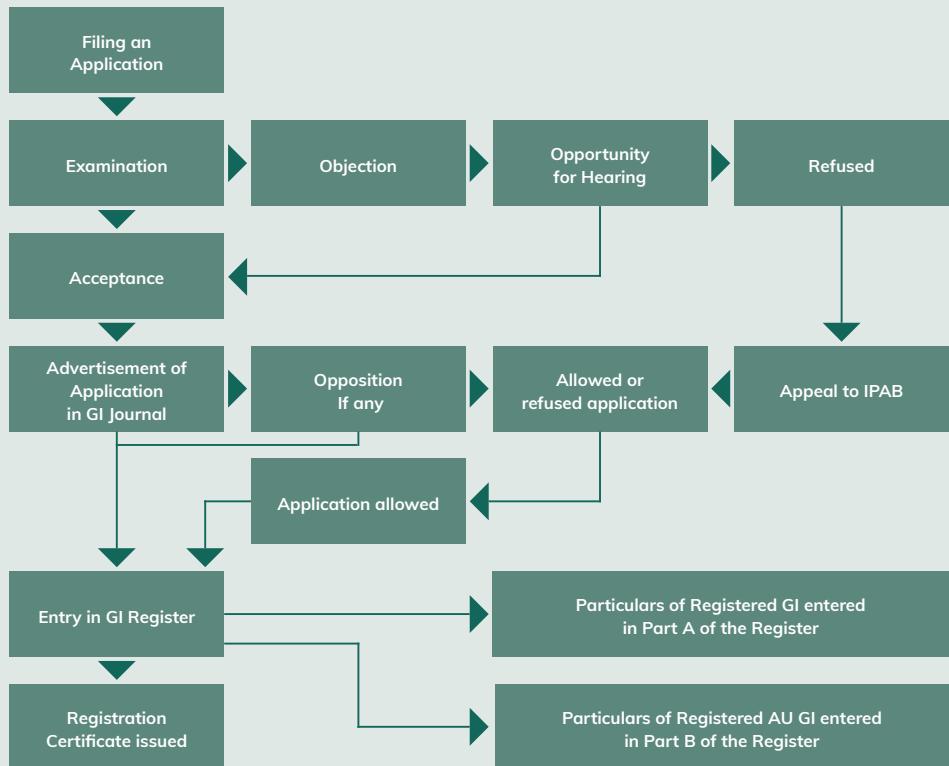
Infringement

- A registered geographical indication is said to be infringed when a person not being an authorised user of the GI, uses it on the goods or suggests the origin of the goods from some other geographical area other than the true place of origin of the goods, thus misleading the public.
- Uses any geographical indication in a manner which constitutes an act of unfair competition including passing off in respect of registered geographical indications.

Penalty/ Remedies

- Imprisonment for a term not less than six months or more than three years
- Fine which may not be less than fifty thousand and more than two lakhs.

Registration procedure



Trade secrets in India

As defined in the **Black's Law dictionary**, trade secret is a "formula, process, device, or other business information that is kept confidential to maintain an advantage over competitors. It's an information including a formula, pattern, compilation, program, device, method, technique or process:

- (1) That derives independent economic value, actual or potential, from not being generally known or readily ascertainable by others who can obtain economic value from its disclosure or use, and;
- (2) That is the subject of reasonable efforts, under the circumstances, to maintain its secrecy.

What can be characterised as trade secrets

Trade secrets are any confidential information that is valuable to a business.

- Technical information like product formula and recipes, product design, manufacturing processes, computer code.
- Business and Financial information like customer list, consumer preferences, pricing information, marketing and business plans.

Information not referred to as Trade Secret

- Information that can be easily discovered by the competitors by looking at or studying the product once the product has been released in the market.
- Information independently developed by an individual through research.
- Information that is already available in the public domain
- Self-acquired skill or knowledge of any employee of the company cannot be termed as a trade secret by the company.

Infringement Remedies

- Although India has no specific trade secrets law, Indian courts have upheld trade secrets protection under various statutes, including contract law, copyright law, the principles of equity and – at times – the common-law action of breach of confidence (which in effect amounts to a breach of contractual obligation).
- As a signatory of the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs), India is obligated to protect undisclosed information and has preferred to apply common law principles to protect such information.
- In the absence of a unified legislation formally recognizing or defining "Trade Secrets," the protection for confidential information in India is done through various statutory provisions under section 27 of the Indian Contract Act and Section 72 of the Information Technology Act that recognizes and protects different types of confidential information.
- The Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, renders the use and disclosure of confidential information by an insider subject to prosecution under the Securities Exchange Board of India Act.
- The Copyright (Amendment) Act, 2012, under Section 65A provides for criminal remedies for circumvention of technological measures implemented for the protection of works in which copyright subsists, especially if such act is done with the intention of infringing the copyright in such works³.

Civil Remedies

- an injunction preventing a licensee, employee, vendor or other party from disclosing a trade secret;
- the return of all confidential and proprietary information; and
- compensation for any losses suffered due to the disclosure of trade secrets

Criminal Remedies

- Under Section 72 of the Information Technology Act; punishable with imprisonment for a term which may extend to two years, or with fine which may extend to one lakh rupees, or with both⁴.
- Under section 65A of Copyright (Amendment) Act, 2012; punishable with imprisonment which may extend to two years and shall also be liable to fine⁵.

³⁾ <http://www.legalserviceindia.com/legal/article-310-protection-of-trade-secrets-under-indian-law.html>

⁴⁾ <https://www.indiacode.nic.in/bitstream/123456789/1999/3/A2000-21.pdf>

⁵⁾ <https://copyright.gov.in/Documents/CopyrightRules1957.pdf>



Government initiatives to strengthen innovation and creativity through start-ups & industries

- A scheme for facilitating Start-Ups Intellectual Property Protection (SIPP) has been launched to facilitate protection of Patents, Trademark and Designs of innovative and interested Start-Ups. The scheme aims to promote awareness and adoption of Intellectual Property Rights amongst Start-Ups and is inclined to nurture and mentor innovative and emerging technologies among Start-Ups and assist them in protecting and commercializing it by providing them access to high-quality IP services and resources⁶.
- Introduction of 'expedited examination under the amended patent rules wherein Start-Ups from world will now be able to register their patent in India at faster speed and much lower cost.
- MSMEs and Start-Ups both can file for expedited examination of the application along with 8 other classes of both Indian and foreign applicants.
- With the amendment in the patent rules, no fee is charged in case of withdrawal of application by the applicant.
- Online hearings have been introduced to improve communication and reduce distance barriers, time & efforts of the applicant.
- Automatic issuance of electronic patent certificate by office of CGPDTM has also been facilitated to promote ease of doing business.

⁶⁾ As per the definition Notified in the Gazette of India vide G.S.R. 180(E) dated 17th February, 2016, an entity shall be considered as a 'startup'-

a) Up to five years from the date of its incorporation/registration,

b) If its turnover for any of the financial years has not exceeded Rupees 25 crore, and

c) It is working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property;

Provided that any such entity formed by splitting up or reconstruction of a business already in existence shall not be considered a 'startup';

Provided further that in order to obtain tax benefits a startup so identified under the above definition shall be required to obtain a certificate of an eligible business from the Inter-Ministerial Board of Certification.

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