



THE INSTITUTE OF
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

SUPPLEMENT PROFESSIONAL PROGRAMME

Intellectual Property Rights – Law & Practice (New Syllabus)

for

June, 2025 Examination

(Supplement covers amendments/developments
from May 2023 to November 30 2024)

GROUP 1

ELECTIVE PAPER 4.3

Lesson 4

Indian Patent Law and its Developments

November 12, 2024	Comviva Technologies Limited (Appellant) versus Assistant Controller of Patents & Design (Respondent)	Delhi High Court C.A.(COMM.IPD-PAT) 492/2022
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Brief Facts

An appeal filed by '*Appellant*' against an order passed by the Assistant Controller of Patents and Design refusing an application for grant of patent for an invention titled 'Methods and Devices for Authentication of an Electronic Payment Card using Electronic Token' on the ground that the same relates to 'computer program per se' and 'business method' and hence not patentable under Section 3(k) of the Patents Act.

Judgement

A perusal of the aforesaid clause from the Guidelines for Examination of Computer Related Inventions, 2017(CRI Guidelines, 2017) clearly shows that the term „business method“ would apply where the activity is in relation to the transaction of goods or services. However, where the subject matter of the application specifies an apparatus and/or a technical process for carrying out the invention, even partly, the Claims have to be examined as a whole. In other words, the Claims shall be treated as „business method“ only if they are essentially about carrying out business/ trade/ financial activity/ transaction. The use of words such as „business“, „sales“, „transaction“ „payment“ by themselves are not relevant to conclude that the invention is the business method.

While analysing the patentability of „business methods“ under Section 3(k) of the Patents Act, a Coordinate Bench in *Opentv INC v. The Controller of Patents and Designs* 2023 SCC OnLine Del 2771, has made the following observations:

“73. Thus, the only question that the Court or the Patent Office while dealing with patent applications involving a business method, needs consider is whether the patent application addresses a business or administrative problem and provides a solution for the same.

74. In order to judge as to whether a particular patent application seeks to patent business methods or not, at the outset, the following aspects, ought to be considered - (i) whether the invention is primarily for enabling conduct or administration of a particular business i.e., sale or purchase of goods or services; (ii) whether the purpose of the invention is for claiming exclusivity or monopoly over a manner of doing business; (iii) whether the invention relates to a method of sale or purchase of goods or services or is in fact a computer program producing a technical effect or exhibiting technical advancement. If it is the latter, it would be patentable but not if it is the former.”

While assessing the patentability of „computer software per se“ under Section 3(k) of the Patents Act, the Controller has to see whether the invention results in a technical effect or a technical advancement. A Coordinate Bench of this court in ***Ferid Allani v. Union of India*** 2019 SCC OnLine Del 11867, has observed that in today's digital era where the majority of the inventions are based on computer programmes, it would be a step backward to claim that all such inventions are not patentable. The relevant portion is set out below:

“ 10.....The bar on patenting is in respect of „computer programs per se.... “ and not all inventions based on computer programs. In today's digital world, when most inventions are based on computer programs, it would be retrograde to argue that all such inventions would not be patentable. Innovation in the field of artificial intelligence, blockchain technologies and other digital products would be based on computer programs, however the same would not become non-patentable inventions - simply for that reason. It is rare to see a product which is not based on a computer program. Whether they are cars and other automobiles, microwave ovens, washing machines, refrigerators, they all have some sort of computer programs in-built in them. Thus, the effect that such programs produce including in digital and electronic products is crucial in determining the test of patentability.

11. Patent applications in these fields would have to be examined to see if they result in a „technical contribution“. The addition of the terms „per se“ in Section 3(k) was a conscious step and the Report of the Joint Committee on the Patents (Second Amendment) Bill, 19991 specifically records the reasons for the addition of this term in the final statute as under: “In the new proposed clause (k) the words “per se” have been inserted. This change has been proposed because sometime the computer programme may include certain other things, ancillary thereto or developed thereon. The intention here is not to reject them for grant of patent if they are inventions. However, the computer programmes „as such“ are not intended to be granted patent. The amendment has been proposed to clarify the purpose.” 2019 SCC OnLine Del 11867

For details: https://dhccaseinfo.nic.in/jsearch/judgement.php?path=dhc/ABL/judgement/21-11-2024/&name=ABL12112024CAP4922022_170655.pdf

Patents (Amendment) Rules, 2024

Some salient features of the Patents (Amendment) Rules, 2024 are as follows:

- Unique provision for New 'Certificate of Inventorship' has been introduced to acknowledge the contribution of inventors in the patented invention.
- Provision for claiming benefits of Grace period under section 31 has been streamlined by incorporating new form, i.e., Form 31.
- Time limit to furnish foreign application filing details in Form 8 has been changed from six months from the date of filing of application to three months from the date of issuance of first examination report.
- Considering the fast pace of technology, time limit for filing request for examination has been reduced from 48 months to 31 months from the date of priority of application or from the date of filing of application, whichever is earlier.
- Provision to extend time limit and condone delay in filing has been further simplified and made more explicit to ease in practice. Now, the time for doing any act/proceeding may be extended any number of times up to six months by a request in prescribed manner.
- Renewal fee has been reduced by 10% if paid in advance through electronic mode for a period of at least 4 years.
- Frequency to file the statements of working of patents in Form 27 has been reduced from once in a financial year to once in every three financial years. Further, the provision to condone delay in filing of such statement for a period up to three months upon a request in prescribed manner has been incorporated.
- The procedure to file and dispose the Pre-grant representation by way of opposition under section 25(1) has been further streamlined and made more explicit by providing ways to dispose of the representation and fixing fees to file such representation in order to curb benami and fraudulent pre-grant oppositions and simultaneously encouraging the genuine oppositions.

Patents (Second Amendment) Rules, 2024

The Central Government notified the Patents (Second Amendment) Rules, 2024 on 16th March 2024. according to the Patents (Second Amendment) Rules, 2024, in the Patents Rules, 2003 after rule 107, the following chapters shall be inserted namely, -

CHAPTERXIVA - ADJUDICATION OF PENALTIES AND APPEALS

107A. Definitions.-In this Chapter, unless the context otherwise requires,-

- a. "adjudicating officer" means an officer authorized under section 124A of the Act;
- b. "Appellant" means a person aggrieved with an order of adjudicating officer and prefers an appeal before the appellate authority under sub-section (1) of section 124B of the Act;
- c. "appellate authority" means an authority officer authorized under sub-section (1) of section 124 B of the Act;

- d. words and expressions used in these rules and not defined but defined in the Act, shall have the meaning respectively assigned to them in the act.

107 B. Complaint.—(1) Any person may file a complaint in Form 31 through electronic means to the adjudicating officer regarding any contravention committed under sections 120, 122, and 123 of the Act.

107 C. Holding of inquiry. –

- (1) For the purpose of adjudication under section 124 A of the Act whether any person has committed any contravention as specified in that section, the adjudicating officer shall, issue a notice through electronic means to such person requiring him to show cause within such period as may be specified in the notice (being not less than seven days from the date of service thereof) why an inquiry should not be held against him.
- (2) Every notice under sub-rule (1) shall indicate the nature of contravention alleged to have been committed.
- (3) After considering the cause, if any, shown by such person, the adjudicating officer is of the opinion that an inquiry should be held, he shall issue a notice requiring the appearance of that person personally or through a legal practitioner duly authorised by him on such date as may be fixed in the notice.
- (4) On the date fixed, the adjudicating officer shall explain to the person proceeded against or his legal practitioner, the contravention, committed by such person and the provisions of the Act, in respect of which contravention is alleged to have committed.
- (5) The adjudicating officer shall, then, give an opportunity to such person to produce such documents or evidence as he may consider relevant to the inquiry and if necessary, the hearing maybe adjourned to a future date and in taking such evidence the adjudicating officer shall not be bound to observe the provisions of the Bhartiya Sakshya Adhiniyam 2023 (47 of 2023).
- (6) While holding an inquiry under this rule the adjudicating officer may require and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer may be useful for or relevant to the subject matter of the inquiry.
- (7) If any person fails, neglects or refuses to appear as required by sub-rule (3) before the adjudicating officer, the adjudicating officer may proceed with the inquiry in the absence of such person after recording the reasons for doing so.
- (8) If, upon consideration of the evidence produced before the adjudicating officer, the adjudicating officer is satisfied that the person has committed the contravention, he may, by order in writing, impose such penalty under the Act as he thinks fit
- (9) Every order made under sub-rule (8) shall specify the provisions of the Act in respect of which contravention has being committed and shall contain the reasons for imposing the penalty.
- (10) Every order made under sub-rule (8) shall be dated and signed by the adjudicating officer.
- (11) A copy of the order made under this rule and all other copies of proceedings shall be supplied free of charge to the person against whom the order is made.
- (12) The adjudicating officer shall complete the proceeding within the three months form the issuance of the notice to the opposite party.

107 D. Appeal:-

- (1) Any person aggrieved by an order of the adjudicating under this rule, may prefer an appeal in Form 32 through electronic means to appellate authority, within sixty days

from the date of the order, to the appellate authority, within sixty days from the date of the order. Provided that the appellate authority may entertain appeal after the expiry of the said period if he is satisfied that he has sufficient cause for not filing the appeal within such period.

(2) On receipt of the appeal, the appellate authority shall issue a notice requiring, to the Respondent, to file his reply within such period as may be specified in the notice.

(3) The appellate authority shall, after giving the parties a reasonable opportunity of being heard, pass a reasoned order, including an order for adjournment, and complete the proceedings ordinarily within six months from the date of the receipt of the appeal.

107H. Serving upon parties –

(1) All communications under this Chapter shall be transmitted through electronic means only.

(2) In proving such transmission, it shall be sufficient to show that the communication was properly addressed and transmitted through electronic means.

107I. Extension of time.-

The adjudicating officer or the appellate authority may, for reasons to be recorded in writing, where there is a reasonable cause for the delay or failure to act, extend any period specified in this chapter till such period as he may think fit.

107L. Order and penalties.-

(1) Every order under this Chapter, shall be dated, digitally signed, communicated to all the parties, and also uploaded on the official website of the adjudicating officer or the appellate authority as the case may be

(2) All sums realized by way of penalties under this Chapter shall be credited to the Consolidated Fund of India.

Indian Patent Law and its Developments

Contravention of Secrecy provisions relating to certain Inventions

Section 118 of the Patents Act, 1970 states that if any person fails to comply with any direction given under section 35 or makes or causes to be made an application for the grant of a patent in contravention of section 39, he shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.

Unauthorised claim of Patent Rights

If any person falsely represents that any article sold by him is patented in India or is the subject of an application for a patent in India, he shall be liable to penalty which may extend to ten lakh rupees, and in case of the continuing claim, a further penalty of one thousand rupees for every day after the first during which such claim continues.

Explanation 1.--For the purposes of this section, a person shall be deemed to represent--

- a) that an article is patented in India if there is stamped, engraved or impressed on, or otherwise applied to, the article the word "patent" or "patented" or some other word expressing or implying that a patent for the article has been obtained in India;

- b) that an article is the subject of an application for a patent in India, if there are stamped, engraved or impressed on, or otherwise applied to, the article the words "patent applied for", "patent pending", or some other words implying that an application for a patent for the article has been made in India.

Explanation 2.--The use of words "patent", "patented", "patent applied for", "patent pending" or other words expressing or implying that an article is patented or that a patent has been applied for shall be deemed to refer to a patent in force in India, or to a pending application for a patent in India, as the case may be unless there is an accompanying indication that the patent has been obtained or applied for in any country outside India. (Section 120)

Refusal or Failure to Supply Information

As per section 122 if any person refuses or fails to furnish:--

- a) to the Central Government any information which he is required to furnish under sub-section (5) of section 100;
- b) to the Controller any information or statement which he is required to furnish by or under section 146,

he shall be liable to penalty which may extend to one lakh rupees, and in case of the continuing refusal or failure, a further penalty of one thousand rupees for every day after the first during which such refusal or failure continues.;

If any person, being required to furnish any such information as is referred to in sub-section (1), furnishes information or statement which is false, and which he either knows or has reason to believe to be false or does not believe to be true, he shall be liable to penalty for a sum equal to one half per cent. of the total sale or turnover, as the case may be, of business or of the gross receipts in profession as computed in the audited accounts of such person, or a sum equal to five crore rupees, whichever is less.

Adjudication of penalties

The Controller may, by an order, authorise an officer referred to in section 73, to be the adjudicating officer for holding an inquiry and imposing penalty under the provisions of this Act, in the manner as may be prescribed, after giving the person concerned a reasonable opportunity of being heard. (Section 124A)

Appeal

Section 124B. states that whoever aggrieved by an order of the adjudicating officer under section 124A may prefer an appeal to the appellate authority, who shall be an officer at least one rank above the adjudicating officer, within a period of sixty days from the date of receipt of the order, as the Central Government may by notification authorise in this behalf.

Every appeal under this section shall be preferred in such form and manner as may be prescribed.

An appeal may be admitted after the expiry of the period of sixty days if the appellant satisfies the appellate authority that he had sufficient cause for not preferring the appeal within that period.

No appeal shall be disposed of unless the appellant has been given a reasonable opportunity of being heard.

The appellate authority referred to in sub-section (1) shall dispose of the appeal within sixty days from the date of filing the appeal.

Notwithstanding anything contained in this Act, if the person fails to comply with the order of the adjudicating officer under section 124A or the order of the appellate authority under this section, as the case may be, within ninety days of such order, he shall, in addition to the penalty, be punishable with fine of one lakh rupees or imprisonment for a term which may extend to one year, or with both.

Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure (1977)

The Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purpose of Patent Procedure was entered and signed on April 28, 1977. It was later amended on September 26, 1980. The Budapest Treaty eliminates the need to deposit microorganisms in each country where patent protection is sought.

The main feature of the Treaty is that a contracting State which allows or requires the deposit of microorganisms for the purposes of patent procedure must recognize, for such purposes, the deposit of a microorganism with any "international depositary authority", irrespective of whether such authority is on or outside the territory of the said State.

Disclosure of the invention is a requirement for the grant of patents. Normally, an invention is disclosed by means of a written description. Where an invention involves a microorganism or the use of a microorganism, disclosure is not possible in writing but can only be effected by the deposit, with a specialized institution, of a sample of the microorganism. In practice, the term "microorganism" is interpreted in a broad sense, covering biological material the deposit of which is necessary for the purposes of disclosure, in particular regarding inventions relating to the food and pharmaceutical fields.

It is in order to eliminate the need to deposit in each country in which protection is sought, that the Treaty provides that the deposit of a microorganism with any "international depositary authority" suffices for the purposes of patent procedure before the national patent offices of all of the contracting States and before any regional patent office (if such a regional office declares that it recognizes the effects of the Treaty). The European Patent Office (EPO), the Eurasian Patent Organization (EAPO), the African Intellectual Property Organization (OAPI) and the African Regional Intellectual Property Organization (ARIPO) have made such declarations.

What the Treaty calls an "international depositary authority" is a scientific institution - typically a "culture collection" - which is capable of storing microorganisms. Such an institution acquires the status of "international depositary authority" through the furnishing by the contracting State in the territory of which it is located of assurances to the Director General of WIPO to the effect that the said institution complies and will continue to comply with certain requirements of the Treaty.

On January 26, 2023 there were 49 such authorities: seven in the United Kingdom, four in the Republic of Korea, three in China, India, Italy, Poland and the United States of America, two each in Australia, Japan, the Russian Federation and Spain, and one each in Belgium, Bulgaria, Canada, Chile, the Czech Republic, Finland, France, Germany, Hungary, Latvia, Mexico, Morocco, the Netherlands, Slovakia and Switzerland.

The Treaty makes the patent system of the contracting State more attractive because it is primarily advantageous to the depositor if he is an applicant for patents in several contracting States; the deposit of a microorganism under the procedures provided for in the Treaty will save him money and increase his security. It will save him money because, instead of

depositing the microorganism in each and every contracting State in which he files a patent application referring to that microorganism, he will deposit it only once, with one depositary authority. The Treaty increases the security of the depositor because it establishes a uniform system of deposit, recognition and furnishing of samples of microorganisms.

The Treaty does not provide for the institution of a budget but it does create a Union and an Assembly whose members are the States which are party to the Treaty. The main task of the Assembly is the amendment of the Regulations issued under the Treaty. No State can be requested to pay contributions to the International Bureau of WIPO on account of its membership in the Budapest Union or to establish an "international depositary authority".

The Treaty is open to States party to the Paris Convention for the Protection of Industrial Property (1883). Instruments of ratification or accession must be deposited with the Director General of WIPO.

Patent Law Treaty (PLT) (2000)

The PLT was concluded in 2000, and entered into force in 2005, establishes common and, as a general rule, maximum requirements regarding many of the procedural formalities relating to national/regional patent applications and patents. The aim of the Patent Law Treaty (PLT) is to harmonize and streamline formal procedures in respect of national and regional patent applications and patents and, thus, to make such procedures more user friendly. With the significant exception of filing date requirements, the PLT provides the maximum sets of requirements the office of a Contracting Party may apply. The Treaty contains, in particular, provisions on the following issues:

- Requirements for obtaining a filing date were standardized in order to minimize the risks that applicants could inadvertently lose the filing date, which is of utmost importance in the patent procedure. The PLT requires that the office of any Contracting Party must accord a filing date to an application upon compliance with three simple formal requirements: first, an indication that the elements received by the office are intended to be an application for a patent for an invention; second, indications that would allow the office to identify or to contact the applicant (however, a Contracting Party is allowed to require indications on both); third, a part which appears to be a description of the invention.
- A set of formal requirements for national and regional applications was standardized by incorporating into the PLT the requirements relating to form or content of international applications under the PCT, including the contents of the PCT request Form and the use of that request Form accompanied by an indication that the application is to be treated as a national application. This eliminates or reduces procedural gaps between national, regional and international patent systems.
- The standardized Model International Forms that have to be accepted by the offices of all Contracting Parties were established.
- A number of procedures before patent offices were simplified, which contributes to a reduction in costs for applicants as well as for offices. Examples of such procedures are exceptions from mandatory representation, the restriction on requiring evidence on a systematic basis, the requirement that offices accept a single communication covering more than one application or patent in certain cases (e.g., a single power of

attorney) or the restriction on the requirement to submit a copy of an earlier application and a translation thereof.

- The PLT provides procedures for avoiding the unintentional loss of substantive rights resulting from failure to comply with formality requirements or time limits. These include the obligation that offices notify the applicant or other concerned person, extensions of time limits, continued processing, reinstatement of rights, and restrictions on revocation/invalidation of a patent for formal defects, where they were not noticed by the office during the application stage.
- The implementation of electronic filing is facilitated, while ensuring the co-existence of both paper and electronic communications. The PLT provides that Contracting Parties were allowed to exclude paper communications and to fully switch to electronic communications as of June 2, 2005. However, even after that date, they have to accept paper communications for the purpose of obtaining a filing date and for meeting a time limit.

The PLT is open to States members of WIPO and/or States party to the Paris Convention for the Protection of Industrial Property (1883). It is also open to certain intergovernmental organizations. Instruments of ratification or accession must be deposited with the Director General of WIPO.

WTO - Trade-Related Aspects of Intellectual Property Rights (TRIPS) (1995)

The WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is the most comprehensive multilateral agreement on intellectual property (IP). The WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), negotiated during the 1986-94 Uruguay Round, introduced intellectual property rules into the multilateral trading system for the first time. It plays a central role in facilitating trade in knowledge and creativity, in resolving trade disputes over IP, and in assuring WTO members the latitude to achieve their domestic policy objectives. It frames the IP system in terms of innovation, technology transfer and public welfare. The Agreement is a legal recognition of the significance of links between IP and trade and the need for a balanced IP system.

The TRIPS Agreement is essential for facilitating intellectual property trade, settling intellectual property trade disputes, and giving WTO members the freedom to pursue their own national goals. The Agreement formally acknowledges the importance of the connections between intellectual property and trade. That was accomplished by the Uruguay Round. The TRIPS Agreement is an attempt to put these rights under common international law and to close the gaps in how they are safeguarded and upheld globally. It provides minimal requirements for enforcement and protection of intellectual property owned by citizens of other WTO members by each government.

The TRIPS Agreement requires Member countries to make patents available for any inventions, whether products or processes, in all fields of technology without discrimination, subject to the normal tests of novelty, inventiveness and industrial applicability. It is also required that patents be available and patent rights enjoyable without discrimination as to the place of invention and whether products are imported or locally produced (Article 27.1).

There are three permissible exceptions to the basic rule on patentability. One is for inventions contrary to order public or morality; this explicitly includes inventions dangerous to human, animal or plant life or health or seriously prejudicial to the environment. The use of this exception is subject to the condition that the commercial exploitation of the invention must

also be prevented and this prevention must be necessary for the protection of order public or morality (Article 27.2).

The second exception is that Members may exclude from patentability diagnostic, therapeutic and surgical methods for the treatment of humans or animals (Article 27.3(a)).

The third is that Members may exclude plants and animals other than micro-organisms and essentially biological processes for the production of plants or animals other than non-biological and microbiological processes. However, any country excluding plant varieties from patent protection must provide an effective *sui generis* system of protection. Moreover, the whole provision is subject to review four years after entry into force of the Agreement (Article 27.3(b)).

The exclusive rights that must be conferred by a product patent are the ones of making, using, offering for sale, selling, and importing for these purposes. Process patent protection must give rights not only over use of the process but also over products obtained directly by the process. Patent owners shall also have the right to assign, or transfer by succession, the patent and to conclude licensing contracts (Article 28).

Members may provide limited exceptions to the exclusive rights conferred by a patent, provided that such exceptions do not unreasonably conflict with a normal exploitation of the patent and do not unreasonably prejudice the legitimate interests of the patent owner, taking account of the legitimate interests of third parties (Article 30).

The term of protection available shall not end before the expiration of a period of 20 years counted from the filing date (Article 33).

Members shall require that an applicant for a patent shall disclose the invention in a manner sufficiently clear and complete for the invention to be carried out by a person skilled in the art and may require the applicant to indicate the best mode for carrying out the invention known to the inventor at the filing date or, where priority is claimed, at the priority date of the application (Article 29.1).

If the subject-matter of a patent is a process for obtaining a product, the judicial authorities shall have the authority to order the defendant to prove that the process to obtain an identical product is different from the patented process, where certain conditions indicating a likelihood that the protected process was used are met (Article 34).

Compulsory licensing and government use without the authorization of the right holder are allowed, but are made subject to conditions aimed at protecting the legitimate interests of the right holder. The conditions are mainly contained in Article 31. These include the obligation, as a general rule, to grant such licences only if an unsuccessful attempt has been made to acquire a voluntary licence on reasonable terms and conditions within a reasonable period of time; the requirement to pay adequate remuneration in the circumstances of each case, taking into account the economic value of the licence; and a requirement that decisions be subject to judicial or other independent review by a distinct higher authority. Certain of these conditions are relaxed where compulsory licences are employed to remedy practices that have been established as anticompetitive by a legal process. These conditions should be read together with the related provisions of Article 27.1, which require that patent rights shall be enjoyable without discrimination as to the field of technology, and whether products are imported or locally produced.

Strasbourg Agreement Concerning the International Patent Classification (1971)

The Strasbourg Agreement establishes the International Patent Classification (IPC) which divides technology into eight sections with approximately 80,000 subdivisions. Classification is indispensable for the retrieval of patent documents in the search for "prior art". Such retrieval is needed by patent-issuing authorities, potential inventors, research and development units and others concerned with the application or development of technology.

The appropriate IPC symbols are indicated on patent documents (published patent applications and granted patents), of which over 2 million are issued each year. The appropriate symbols are allotted by the national or regional industrial property office that publishes the patent document. For PCT applications, IPC symbols are allotted by the International Searching Authority.

Classification is indispensable for the retrieval of patent documents in the search for "prior art". Such retrieval is needed by patent-issuing authorities, potential inventors, research and development units and others concerned with the application or development of technology.

Although only 64 States are party to the Agreement, the IPC is used by the patent offices of more than 100 States, four regional offices and the Secretariat of WIPO in administering the Patent Cooperation Treaty (PCT) (1970).

In order to keep the IPC up to date, it is continuously revised and a new edition enters into force each year on January 1.

The revision of the IPC is carried out by the IPC Committee of Experts set up under the Agreement. All States party to the Agreement are members of the Committee of Experts.

The Strasbourg Agreement created a Union, which has an Assembly. Every State that is a member of the Union is a member of the Assembly. Among the most important tasks of the Assembly is the adoption of the biennial program and budget of the Union.

The Agreement – commonly referred to as the IPC Agreement – was concluded in 1971 and amended in 1979. It is open to States party to the Paris Convention for the Protection of Industrial Property (1883). Instruments of ratification or accession must be deposited with the Director General of WIPO.

Patent Cooperation Treaty (PCT) (1970)

This treaty established an international patent filing system, making it possible to seek patent protection for an invention simultaneously in each of a large number of countries. The PCT was concluded in 1970, amended in 1979 and modified in 1984 and in 2001.

The Patent Cooperation Treaty (PCT) makes it possible to seek patent protection for an invention simultaneously in over 150 countries by filing an "international" patent application. Such an application may be filed by a national or resident of a PCT Contracting State. It may generally be filed with the national patent office of the Contracting State of which the applicant is a national or resident or with the International Bureau of WIPO.

If the applicant is a national or resident of a Contracting State party to a regional patent treaty the member States of which are PCT Contracting States, the international application may also be filed with the regional patent office set up under such a treaty.

The PCT regulates in detail the formal requirements with which international applications must comply.

The procedure under the PCT has numerous advantages for applicants, patent offices and the general public:

- i. applicants have up to 18 months more than if they had not used the PCT to reflect on the desirability of seeking protection in foreign countries, appoint local patent agents in each foreign country, prepare the necessary translations and pay national fees;
- ii. applicants can rest assured that, if their international application meets the PCT formality requirements, it cannot be rejected on formal grounds by any designated office during the national phase;
- iii. on the basis of the international search report and the written opinion, applicants can assess the chances of their invention meeting the patentability requirements;
- iv. applicants have the possibility, during the optional international preliminary examination procedure, to amend the international application and thus put it in order before processing by the various national and regional patent offices;
- v. the search and examination work of patent offices in the national phase can be reduced thanks to the international search report and the written opinion which are communicated to national Offices together with the international application;
- vi. applicants are able to access fast-track examination procedures in the national phase in Contracting States that have PCT-Patent Prosecution Highway (PCT-PPH) agreements or similar arrangements;
- vii. since each international application is published with an international search report, third parties are in a better position to formulate a well-founded opinion about the potential patentability of the claimed invention; and
- viii. for applicants, international publication on PATENTSCOPE puts the world on notice of their applications, which can be an effective means of advertising and looking for potential licensees.

The PCT created a Union which has an Assembly. Every State party to the PCT is a member of the Assembly. Among the most important tasks of the Assembly are the amendment of the Regulations issued under the Treaty, the adoption of the biennial program and budget of the Union and the fixing of certain fees connected with the use of the PCT system.

The PCT offers a reduction of one of the fees to be paid at the time of filing (the international filing fee) by 90% to applicants from certain States. Applicants from one group of States (which meet specific criteria on gross domestic product and numbers of PCT applications filed) must be natural persons who are nationals and residents of the qualifying State. And for a second group of States (classified by the United Nations as least developed countries), applicants can be either natural persons or legal entities. The lists of the States qualifying for these reductions are updated every five years.

It is open to States party to the Paris Convention for the Protection of Industrial Property (1883). Instruments of ratification or accession must be deposited with the Director General of WIPO.

Paris Convention for the Protection of Industrial Property (1883)

The first major international agreement relating to the protection of industrial property rights, including patents and the repression of unfair competition. It outlines, in particular,

national treatment, the right of priority, and a number of common rules in the field of substantive patent law.

The substantive provisions of the Convention fall into three main categories: national treatment, right of priority, common rules.

1. Under the provisions on **national treatment**, the Convention provides that, as regards the protection of industrial property, each Contracting State must grant the same protection to nationals of other Contracting States that it grants to its own nationals. Nationals of non-Contracting States are also entitled to national treatment under the Convention if they are domiciled or have a real and effective industrial or commercial establishment in a Contracting State.
2. The Convention provides for the **right of priority** in the case of patents (and utility models where they exist), marks and industrial designs. This right means that, on the basis of a regular first application filed in one of the Contracting States, the applicant may, within a certain period of time (12 months for patents and utility models; 6 months for industrial designs and marks), apply for protection in any of the other Contracting States. These subsequent applications will be regarded as if they had been filed on the same day as the first application. In other words, they will have priority (hence the expression "right of priority") over applications filed by others during the said period of time for the same invention, utility model, mark or industrial design.
3. The Convention lays down a few **common rules** that all Contracting States must follow.
 - (a) Patents- Patents granted in different Contracting States for the same invention are independent of each other: the granting of a patent in one Contracting State does not oblige other Contracting States to grant a patent; a patent cannot be refused, annulled or terminated in any Contracting State on the ground that it has been refused or annulled or has terminated in any other Contracting State.

The inventor has the right to be named as such in the patent.

The grant of a patent may not be refused, and a patent may not be invalidated, on the ground that the sale of the patented product, or of a product obtained by means of the patented process, is subject to restrictions or limitations resulting from the domestic law.

Each Contracting State that takes legislative measures providing for the grant of compulsory licenses to prevent the abuses which might result from the exclusive rights conferred by a patent may do so only under certain conditions. A compulsory license (a license not granted by the owner of the patent but by a public authority of the State concerned), based on failure to work or insufficient working of the patented invention, may only be granted pursuant to a request filed after three years from the grant of the patent or four years from the filing date of the patent application, and it must be refused if the patentee gives legitimate reasons to justify this inaction. Furthermore, forfeiture of a patent may not be provided for, except in cases where the grant of a compulsory license would not have been sufficient to prevent the abuse. In the latter case, proceedings for

forfeiture of a patent may be instituted, but only after the expiration of two years from the grant of the first compulsory license.

The Paris Convention, concluded in 1883, was revised at Brussels in 1900, at Washington in 1911, at The Hague in 1925, at London in 1934, at Lisbon in 1958 and at Stockholm in 1967, and was amended in 1979.

The Convention is open to all States. Instruments of ratification or accession must be deposited with the Director General of WIPO.

RxPrism Health Systems Private Limited v. Canva Pty. Ltd. CS (COMM) 573/2021 and I.A. 14842/2021, High Court of Delhi, dated July 18, 2023

Brief Facts-

The present suit for injunction restraining patent infringement, rendition of accounts etc., has been filed by the Plaintiff RxPrism Health Systems Private Limited against the Defendant Canva Pty. Ltd. , seeking a permanent injunction restraining infringement of Indian Patent No. 'IN 360726'. The Plaintiff is based in India, whereas the Defendant is based out of Australia.

The Plaintiff seeks an interim injunction restraining the Defendant from engaging in activities such as using, making, selling, distributing, advertising, offering for sale, etc., or dealing in any product that infringes the subject matter of Indian Patent No. 'IN360726' (hereinafter, 'IN726' or 'suit patent').

The case of the Plaintiff is that it developed a novel and innovative product which is a system and a method for 'creating and sharing interactive content'. This system of sharing content is distinct from video advertisements. It filed an Indian patent application bearing number '201841048222' on 19th December, 2018, which was published on 3rd January, 2020. The Plaintiff claims to have launched their product based on this patent, called 'My Show & Tell' ('Plaintiff's product') in May 2020.

On 10th March, 2021, the Plaintiff's patent was granted in India. Additionally, it is stated that the Plaintiff has been granted two patents in the US, and has patent applications pending for grant in other jurisdictions.

Defendant, Canva is a graphic designing platform launched in 2013, and offers comprehensive design solutions on the website, www.canva.com and provides services such as blog graphics, presentations, flyers, posters, and invitations creation, catering to a global audience. One notable feature they provide is the 'Present and Record' feature enabling users to rapidly create interactive presentations, with personalised visual content.

On 26th May 2020, the Defendant filed a provisional application in Australia bearing Australian patent application number '2020901701' titled 'Presentation Systems and Methods' that thereafter lapsed on 7th February 2022. In the meantime, the Defendant launched its Canva product with the 'Present and Record' ('Defendant's product') feature, on 27th August, 2020. The Defendant also filed another PCT application bearing 'PCT/AU2021050502' on 26th May, 2021 in respect of their invention, which claims priority from their Australian patent application.

Issues-

Whether the Canva product incorporating the 'Present and Record' feature, constituted an infringement upon the plaintiff's patent (IN360726)?

Judgement-

Court stated that -

“It is important to note that, during the course of submissions, apart from the Microsoft PowerPoint 2016, no other documents were even pressed by the Defendant to make out a case for invalidity. However, the Court has perused the three closest prior arts cited, and has found that the said three prior arts do not render the Plaintiff’s patent vulnerable to invalidity.

Insofar as non-infringement is concerned, the Defendant’s Expert states that all the elements of the Plaintiff’s patent do not exist in the Defendant’s product. The chart extracted in paragraph 70 clearly demonstrates that the so-called differences, which the Defendant seeks to rely upon are, in fact, non-existent. The functionality of the Defendant’s product, which has been demonstrated to the Court, clearly falls within the claims of the suit patent and all the essential elements of the suit patent exist in the Defendant’s product. In any event, the settled law on the test for infringement, as set out in *Raj Parkash v. Mangat Ram Chowdhury* [AIR 1978 Delhi 1] and *Sotefin SA v. Indraprastha Cancer Society and Research Centre* (2022:DHC:595) is that the trivial or minor differences between the patented invention and the Defendant’s product would not permit the Defendant to escape the infringement.

The conduct of the Defendant- initially claiming that the impugned technology is their own technology and for which they had also purportedly filed a PCT application as claimed in the reply, and then subsequently abandoning the PCT application during the pendency of the suit- is at least prima facie evidence of the Defendant’s attempt to camouflage its stand. The filing of a PCT patent application is an attempt to claim a right on similar technology, and the abandoning of the same after the Plaintiff attempted to demonstrate through the PCT application actual infringement is a complete somersault.

According to the affidavit, Defendant’s Canva product is available in three forms: ‘Canva Free’, ‘Canva Pro’ and ‘Canva for Enterprise’. The latter two are subscription-based models, whereas the first one provides unpaid/free access to certain features on the Canva platform. Data has been filed in respect of all three forms indicating the number of users and net revenue from sales....Considering the fact that the Plaintiff has made out a case of infringement, especially by a mapping of claim charts, and that the Defendant has been unable to make a credible challenge to the Plaintiff’s patent, the balance of convenience also lies in favour of the Plaintiff whose market opportunities for licensing and revenue generation can be completely eroded, if in case an interim injunction is not granted at this stage. Further, if the injunction is not granted in favour of the Plaintiff, irreparable loss and injury would be caused to the Plaintiff.

The Defendant shall stand restrained from making available their Canva product with the ‘Present and Record’ feature, which infringes the Plaintiff’s suit patent being IN360726 or use any other feature that would result in infringement of the Plaintiff’s patent IN360726.”

Bajaj Auto Ltd. v. TVS Motor Company. Ltd. (Civil Appeal No. 6472 of 2004) Supreme Court dated

Brief Facts-

The legal dispute involved two suits between Bajaj Auto Limited and T.V.S. The first suit was initiated by Bajaj in the Madras High Court under Section 108 of the Patents Act, 1970. Bajaj sought a permanent injunction against T.V.S., alleging that T.V.S.’s use of CCVTi technology in

their 125-CC Flame engine infringed upon Bajaj's patented DTS-i technology. Bajaj claimed that, apart from a three-valve component, T.V.S.'s engine was substantially similar to their patented product.

While this initial suit was ongoing, Bajaj also sought a temporary injunction. In response, T.V.S. filed a counter-suit against Bajaj in the Madras High Court under Section 106 of the Patents Act, alleging groundless threats of infringement.

The Madras High Court granted the temporary injunction requested by Bajaj, halting T.V.S. from fulfilling pending orders and developing new models for the duration of the injunction. T.V.S. subsequently requested the repeal of this injunction, which was granted by the Division Bench of the Madras High Court.

Issues-

- Whether T. V. S. infringed the patent of Bajaj Ltd.?
- Whether improvements made on patented technology can be used without infringing the original patent?

Judgement-

The Apex Court determined that if TVS used the exact technological combination as patented by Bajaj, it could have constituted infringement. However, since TVS made improvements by utilizing three valves instead of two, the court concluded that this did not amount to infringement. The court emphasized that even the slightest variation or modification in the technology, leading to different combinations achieving the same result, would not constitute infringement. This interpretation was supported by the precedent set in the case of *Improver Corporation and Ors. v. Remington Consumer Products and Ors.*

The Supreme Court's involvement in this case significantly expanded the scope of trademark, patent, and copyright infringement. It emphasized the importance of expeditiously resolving intellectual property disputes due to their significant implications. The court issued guidelines to lower courts, including the directive that intellectual property matters should be heard daily and resolved within two to three months. It stressed the mandatory compliance of this order by all lower and tribunal courts, allowing adjournments only under exceptional circumstances beyond the control of the parties, with the hearing to resume the following day otherwise.

F. Hoffman-La Roche Ltd. v. Cipla Ltd. (2012) Delhi HC CS (OS) No.89/2008 dated September 12, 2012

Brief Facts-

A dispute arose in the Delhi High Court concerning Roche's medicine "Erlotinib," marketed as TARCEVA by Hoffman-La Roche Ltd. Erlotinib hydrochloride was a key component for both Hoffman-La Roche Ltd. and Cipla. Roche had obtained a patent for Erlotinib and began distributing it under the trade name TARCEVA in February 2007.

In January 2008, it came to light that Cipla intended to introduce a nonexclusive version of Erlotinib. Roche subsequently filed an infringement claim against Cipla, alleging a violation of Patent No. 774 for Erlotinib Hydrochloride, for which Roche held a license.

Cipla, an Indian multinational corporation, indeed launched a generic version of Erlotinib. Roche filed a lawsuit against Cipla on January 15th, 2008, alleging infringement, asserting that Cipla was attempting to use their patented medicine Erlotinib Hydrochloride without authorization.

Issues-

- Whether Cipla violated Hoffman-La Roche Ltd.'s patent on Erlotinib Hydrochloride by selling a generic version of the medication in India.
- Whether Hoffman-La Roche Ltd. patent was valid and enforceable.

Judgement-

The Apex Court considered Cipla's argument regarding public welfare, acknowledging that the generic form of Erlotinib served the public interest as a life-saving medication exclusively produced and imported in India. When denying an interim injunction, the court emphasized the necessity of considering the consequences of the requested relief, particularly since the medication was readily available at a lower cost.

The court ruled that Cipla had not violated Hoffman-La Roche Ltd's patent on Erlotinib, finding their claim unfounded. Consequently, Cipla's production and distribution of the generic version of Erlotinib within India were deemed lawful.

While Hoffman-La Roche Ltd ultimately prevailed in the case, Cipla was granted a permanent injunction on manufacturing in March 2016. Cipla was instructed to provide accounts for the production and sale of Erlotinib, and Hoffman-La Roche Ltd was awarded expenses amounting to Rs. 5,000,000. The Supreme Court, however, declined to issue a long-term injunction against Cipla-manufactured goods.

Notably, Tarceva medication contained only polymorph B, contrary to the division's ruling that there was no infringement because it was combined with polymorphs A and B. It's essential to highlight that the Indian Patent Office rejected Hoffman-La Roche Ltd's request for a patent on polymorph B due to its failure to meet the requirements of section 3(d) and pass the patentability test. Cipla Limited achieved a significant victory in the patent case against Hoffman-La Roche Ltd in September 2012.

Lesson 7

Trademarks

August 30, 2024	The Indian Hotels Company Limited (Plaintiff) Vs. Manoj (Defendant)	High Court of Delhi CS(COMM) 683/2022 & I.A. 35307/2024
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Adoption of the similar trade mark and trade name by the defendants is not only a violation of the rights of the plaintiff, but may also deceive general unwary consumers and appears dishonest.

Brief Facts:

In the above case, the Defendant has unauthorizedly used the Plaintiff's Trade Marks, as well as various content and photographs available on the Plaintiff's website. The Plaintiff has no connection or association with the Defendant and has not authorized the Defendant to use the said marks, logos, photographs and content. The Defendant has also not filed its written statement and has not entered appearance to defend his actions before Court.

The Plaintiff has filed the present suit before the High Court seeking an order of permanent injunction restraining infringement of registered trademarks and copyrights, passing off, dilution and tarnishment of trademarks, damages, rendition of accounts, delivery up, etc.

Judgement

Hon'ble High Court observed that the defendant has chosen not to file its written statement and has not entered appearance to defend his actions. High Court opined that no purpose would be served by directing the plaintiff to lead ex parte evidence. The defendant has no real prospect of defending the plaintiff's claim. Thus, the plaintiff is entitled to a summary judgment under Order XIII-A of the CPC read with Rule 27 of the Delhi High Court Intellectual Property Rights Division Rules, 2022.

High Court held that the Court is empowered to grant a summary judgment, where the defendant has no real prospects of successfully defending the claim, and when there is no other compelling reason why the claim should not be disposed of before recording of oral evidence, this Court in the case of *DS Confectionery Products Limited Versus Nirmala Gupta and Another* 2022 SCC OnLine Del 4013, has held as follows:

"xxx xxx xxx

24. Adoption of the similar trade mark and trade name by the defendants is not only a violation of the rights of the plaintiff, but may also deceive general unwary consumers and appears dishonest.

25. In the present case, the defendants have chosen not to file their written statements, nor have they entered appearance in the suit to defend the same. In my opinion, therefore, this is a fit case where a Summary Judgment in terms of Order XIII-A of the Civil Procedure Code, 1908, as applicable to commercial disputes of a specified value, read with Rule 27 of the IPD Rules deserves to be passed in favour of the plaintiff and against the defendants.

xxx xxx xxx

xxx xxx xxx"

On the aspect of damages being claimed by the plaintiff, High Court noted that in various cases, damages have been granted on account of the defendant not appearing deliberately, despite having knowledge of the proceedings. It is to be noted that not filing any defence by the defendant shows the malafides and guilt of the defendant, that he has no plausible explanation for his intentional, illegal and infringing acts. Hon'ble High Court gave directions inter alia for decree of permanent injunction in favour of the plaintiff and against the defendant and the plaintiff is held entitled to damages.
