

---

# Intellectual Property Laws In India- Everything you must know

By

**Vijay Pal Dalmia, Advocate**

**Supreme Court of India & Delhi High court**

**Partner: Vaish Associates Advocates**

**Email: [vpdalmia@vaishlaw.com](mailto:vpdalmia@vaishlaw.com) Mobile: +919810081079**

---

## Introduction

With the rapid globalisation and opening up of the Indian economy, “Intellectual Capital” has become one of the key wealth drivers in the present international trade. Intellectual property rights have become significantly conspicuous on the legal horizon of India both in terms of new statutes and judicial pronouncements. India ratified the agreement for establishing the World Trade Organization (the “WTO”), which contains the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS). Indian Statutes, enforcement provisions and methods of dispute resolution with respect to intellectual property (IP) protection are now fully TRIPS-compliant.

India has laws covering various areas of intellectual property as enumerated herein below:

- Trade Marks
- Patents
- Copyrights and Related Rights
- Industrial Designs
- Geographical Indications
- Layout Designs of Integrated Circuits
- Plant Varieties
- Information Technology and Cyber crimes
- Data Protection

Broadly, the following acts deal with the protection of intellectual property:

1. Trade Marks Act, 1999
2. The Patents Act, 1970 (as amended in 2005)
3. The Copyright Act, 1957
4. The Designs Act, 2000

- 
5. The Geographical Indications of Goods (Registration and Protection) Act, 1999
  6. The Semiconductor Integrated Circuits Layout Design Act, 2000
  7. The Protection of Plant Varieties and Farmers' Right Act, 2001
  8. The Information Technology Act, 2000

## **Trademarks**

### **Introduction**

India's obligations under the TRIPS Agreement for protection of trademarks, inter alia, include protection to distinguishing marks, recognition of service marks, indefinite periodical renewal of registration, abolition of compulsory licensing of trademarks, etc.

With the globalisation of trade, brand names, trade names, marks, etc, have attained an immense value that require uniform minimum standards of protection and efficient procedures for enforcement as were recognised under the TRIPS. In view of the same, extensive review and consequential repeal of the old Indian Trade and Merchandise Marks Act, 1958 was carried out and the new Trade Marks Act, 1999 was enacted. The said Act of 1999, with subsequent amendments, conforms to the TRIPS and is in accordance with the international systems and practices.

The Trade Marks Act provides, inter alia, for registration of service marks, filing of multiclass applications, increasing the term of registration of a trademark to ten years as well as recognition of the concept of well-known marks, etc. The Indian judiciary has been proactive in the protection of trademarks, and it has extended the protection under the trademarks law to Domain Names as demonstrated in landmark cases of *Tata Sons Ltd. v Manu Kosuri & Ors* [90 (2001) DLT 659] and *Yahoo Inc. v Akash Arora* [1999 PTC 201].

India, being a common law country, follows not only the codified law, but also common law principles, and as such provides for infringement as well as passing off actions against violation of trademarks. Section 135 of the Trade Marks Act recognises both infringement as well as passing off actions.

### **Well-known Trademark and Trans-border Reputation**

India recognises the concept of the "Well-known Trademark" and the "Principle of Trans-border Reputation". A well-known Trademark in relation to any goods or services means a mark that has become so to the substantial segment of the public, which uses such goods or receives such services such that the use of such a mark in relation to other goods and services is likely to be taken as indicating a connection between the two marks.

Trans-border Reputation concept was recognised and discussed by the Apex Indian Court in the landmark case of *N. R. Dongre v Whirlpool (1996) 5SCC 714*. The Trademark "WHIRLPOOL" was held to have acquired reputation and goodwill in India. The mark "WHIRLPOOL" was also held to have become associated in the minds of the public with Whirlpool Corporation on account of circulation of the advertisements in the magazines despite no evidence of actual sale. Hence, the trademark WHIRLPOOL was

---

held to have acquired trans-border reputation which enjoys protection in India, irrespective of its actual user or registration in India.

### **Legal Remedies against Infringement and/or Passing off**

Under the Trade Marks Act, both civil and criminal remedies are simultaneously available against infringement and passing off.

**Infringement** of trademark is violation of the exclusive rights granted to the registered proprietor of the trademark to use the same. A trademark is said to be infringed by a person, who, not being a permitted user, uses an identical/similar/deceptively similar mark to the registered trademark without the authorisation of the registered proprietor of the trademark. However, it is pertinent to note that the Indian trademark law protects the vested rights of a prior user against a registered proprietor which is based on common law principles.

**Passing off** is a common law tort used to enforce unregistered trademark rights. Passing off essentially occurs where the reputation in the trademark of party A is misappropriated by party B, such that party B misrepresents as being the owner of the trademark or having some affiliation/nexus with party A, thereby damaging the goodwill of party A. For an action of passing off, registration of a trademark is irrelevant.

Registration of a trademark is not a pre-requisite in order to sustain a civil or criminal action against violation of trademarks in India. In India, a combined civil action for infringement of trademark and passing off can be initiated.

Significantly, infringement of a trademark is a cognizable offence and criminal proceedings can be initiated against the infringers. Such enforcement mechanisms are expected to boost the protection of marks in India and reduce infringement and contravention of trademarks.

### **Relief granted by Courts in Suits for Infringement and Passing off**

The relief which a court may usually grant in a suit for infringement or passing off includes permanent and interim injunction, damages or account of profits, delivery of the infringing goods for destruction and cost of the legal proceedings.

The order of interim injunction may be passed ex parte or after notice. The Interim reliefs in the suit may also include order for:

- (a) Appointment of a local commissioner, which is akin to an “Anton Pillar Order”, for search, seizure and preservation of infringing goods, account books and preparation of inventory, etc.
- (b) Restraining the infringer from disposing of or dealing with the assets in a manner which may adversely affect plaintiff’s ability to recover damages, costs or other pecuniary remedies which may be finally awarded to the plaintiff.
- (c) The ‘John Doe’ order, known as “Ashok Kumar Orders” are injunction orders passed by a court of law against entities, whose identity is not known at the time of the issuance of the order. These orders are an exception to the general rule which requires the defendant to be identified prior to the filing of a law-suit. The John Doe order, is important in cases of fly-by-night operators who do not operate from a fixed location. It allows the plaintiff to search the premises and deliver up evidence of infringement of the rights of the plaintiff against the unknown infringers.

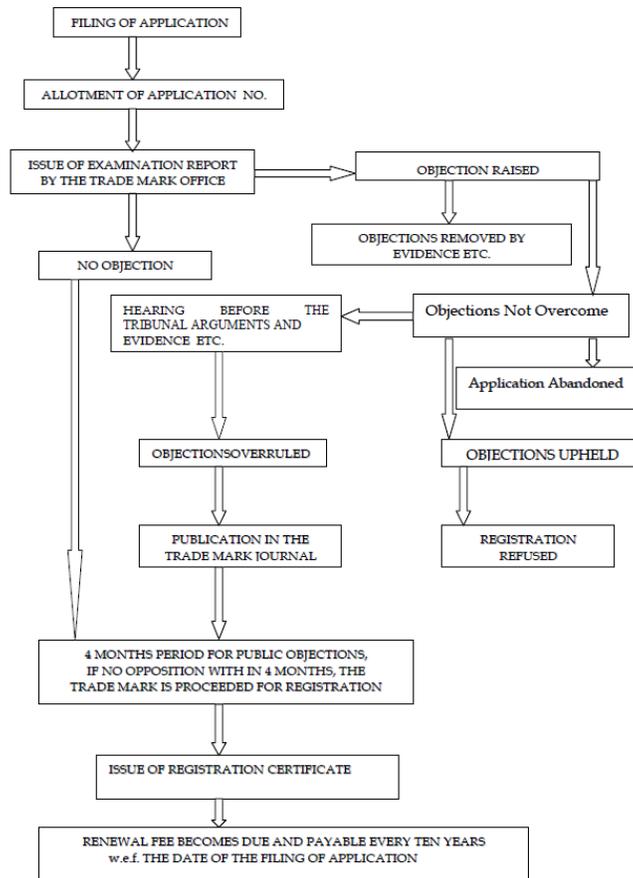
- (d) A ‘Norwich Pharmacal’ order is a court order for the disclosure of information or documents against a third party. It is usually granted against a third party which has been innocently mixed up in wrongdoing, forcing the disclosure of documents or information. In the case of *Souza Cruz v N K Jain* (1995 PTR 97), the Court directed excise and customs commissioners to disclose the complete export records of infringing cigarettes to Ukraine by the Defendant.

### Offences and penalties

In case of a criminal action for infringement or passing off, the offence is 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 Rs 50,000 (approx. US\$ 800) but may extend to Rs 2,00,000 (approx. US\$ 3,000).

### Procedure of registration of trademark in India

The procedure for registration of a trademark in India is given below:



---

## **Convention applications**

In order to fulfill the obligations of any treaty, convention or arrangement with a country or countries that are members of inter-governmental organisations, which accord to Indian citizens similar privileges as granted to their own citizens, the Central Government notifies such countries to be Convention Countries. In case of an application for registration of a trademark made in any of the Convention countries, a priority date can be claimed with regard to the application in India, provided that the application is made within six months of the application having been filed in the Convention country. The Government has notified and extended this privilege of priority to the members who have ratified the Paris Convention on Protection of Industrial Property.

## **Madrid Protocol**

After the amendment in the Trade Marks Act in 2010, Chapter IV A was inserted, which contains the special provisions relating to protection of trademarks through international registration under the Madrid Protocol. This amendment allows Indian entities to register their trademarks in 97 countries by filing a single application and in the same way also allows the foreign entities of the member countries of the Madrid Protocol to register their mark in India. India has joined the Madrid Protocol with effect from 8<sup>th</sup> July, 2013. As per the Amendment Act, from the date of the international registration of a trademark where India has been designated or the date of the recording in the register of the International Bureau about the extension of the protection resulting from an international registration of a trademark to India, the protection of the trademark in India shall be the same as if the trademark had been registered in India.

One of the major changes brought about by the 2010 amendment is inclusion of the words "**within eighteen months of the filing of the application**" in Section 23 of the Trade Marks Act. The said inclusion puts an obligation on the Registrar to complete the registration process for a mark in a time bound manner. This change will challenge every aspect of the registration process within trademark office in India, forcing deadlines at every stage of the registration procedure laid out under the Trade Marks Act and supplemented by the Trade Mark Rules in India.

## **Classification of goods and services**

For the purpose of classification of goods and services for registration of trademarks, India follows the International Classification of Goods and Services (Nice Classification) published by World Intellectual Property Organization (WIPO). For the purpose of classification of the figurative elements of marks, India follows the Vienna Agreement.

## **Opposition proceedings**

After advertisement of a trademark in the Trade Marks Journal, (which is available online at the website of Office of Registrar of Trademarks) an opposition challenging the application for registration can be filed by any person within a period of **4 months**.

## **Renewal of registration**

The trademark is initially registered for a period of 10 years, which is calculated from the date of filing of the application and in case of convention application, from the date of priority. The registration is required to be renewed within 12 months before the

---

date of expiry of the registration, ie, 10 years from the date of the application or subsequent renewals.

The failure in renewing the trademark within the stipulated period of time and a grace period of maximum one year granted for restoration of the trademark, automatically leads to removal of the trademark from the Register of Trademarks.

## **Rectification of Trademark**

An aggrieved person may file an application before the Registrar of Trademarks or to the Intellectual Property Appellate Board (IPAB) for cancellation or varying the registration of the trademark on the ground of any contravention or failure to observe a condition entered on the Register in relation thereto.

The application for rectification can also be filed for removal of an entry made in Register, without sufficient cause or wrongly remaining on the Register and for correction of any error or defect in any entry in the Register.

## **Assignment, Transmission and Licensing of Trademarks in**

### **India**

“**Assignment**” means an assignment in writing by an act of the parties concerned. While in case of licensing, the right in the trademark continues to vest with the proprietor, the assignment of the trademark leads to a change in the ownership of the mark. A registered trademark is assignable with or without the goodwill in respect of all or only some of the goods/services for which the mark is registered. India is a member to TRIPS and Article 21 of the TRIPS dealing with Licensing and Assignment mandates that “... the owner of a registered trademark shall have the right to assign the trademark with or without the transfer of the business to which the trademark belongs.” Section 39 of the (Indian) Trade Marks Act, 1999 allows for the assignment of an unregistered trademark with or without the goodwill of the business concerned.

Indian law contains restriction on the assignments of trademark, whether registered or unregistered, whereby multiple exclusive rights would be created in more than one person which would result in confusion. However, the assignment with limitations imposed, such as goods to be sold in different markets, ie, within India or for exports are valid. The Registrar is authorized to issue a certificate of validity of the proposed assignment on a statement of case by the proprietor of a registered trademark who proposes to assign the mark. The said certificate as to validity is conclusive unless vitiated by fraud. The assignments, wherein exclusive rights are created with respect to different markets within India are also valid.

A trademark is a property which can be transferred by a document for consideration, subject to certain provisions in the relevant Act. An assignment of trademark has to be in writing by acts of the parties concerned. When an assignment of a trademark is made, the assignee must apply to the Registrar of Trade Marks to register his or her title. Until such an application is filed by the Assignee, the assignment shall be ineffective against a person acquiring a conflicting interest in or under the registered trademark without the knowledge of the assignment. Where the validity of an assignment is in dispute, the Registrar of Trade Marks may refuse to register the assignment, unless adjudicated by a competent court.

---

## **Patents**

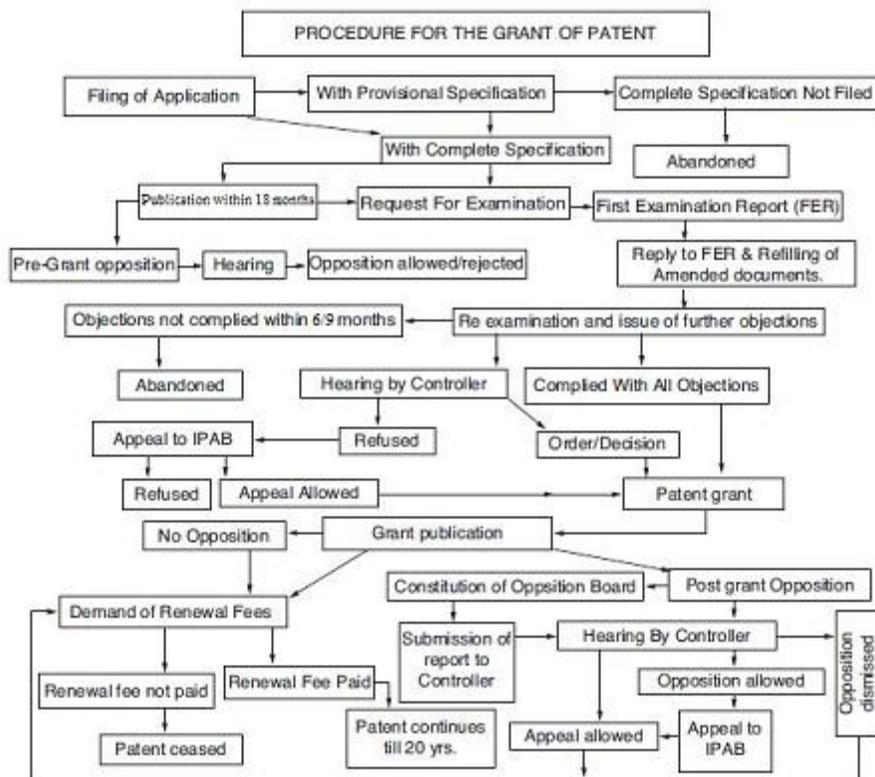
### **Background**

The history of Patent law in India starts from 1911 when the Indian Patents and Designs Act, 1911 was enacted. The present Patents Act, 1970 came into force in the year 1972, amending and consolidating the existing law relating to Patents in India. The Patents Act, 1970 was again amended by the Patents (Amendment) Act, 2005, wherein product patent was extended to all fields of technology including food, drugs, chemicals and micro-organisms. After the amendment, the provisions relating to Exclusive Marketing Rights (EMRs) have been repealed, and a provision for enabling grant of compulsory license has been introduced. The provisions relating to pre-grant and post-grant opposition have been also introduced.

An invention relating to a product or a process that is new, involving inventive step and capable of industrial application can be patented in India. However, it must not fall into the category of inventions that are non-patentable as provided under sections 3 and 4 of the (Indian) Patents Act, 1970. In India, a patent application can be filed, either alone or jointly, by true and first inventor or his assignee.

### **Procedure for Grant of a Patent in India**

After filing the application for the grant of patent, a request for examination is required to be made for examination of the application in the Indian Patent Office within 48 months from the date of priority of the application or from the date of filing of the application. After the first examination report is issued, the applicant is given an opportunity to meet the objections raised in the report. The applicant has to comply with the requirements within 6 months from the issuance of the first examination report which may be extended for further 3 months on the request of the applicant. If the requirements of the first examination report are not complied with within the prescribed period of 9 months, then the application is treated to have been abandoned by the applicant. After the removal of objections and compliance of requirements, the patent is granted and notified in the Patent Office Journal. The process of the grant of patent in India can also be understood from the following flow chart:



## Filing of Application for Grant of Patent in India by Foreigners

India being a signatory to the Paris Convention for the Protection of Industrial Property, 1883 and the Patent Cooperation Treaty (PCT), 1970, a foreign entity can adopt any of the aforesaid treaties for filing of application for grant of patent in India.

Where an application for grant of patent in respect of an invention in a Convention Country has been filed, then similar application can also be filed in India for grant of patent by such applicant or the legal representative or assignee of such person within 12 months from the date on which the basic application was made in the Convention Country, ie, the home country. The priority date in such a case is considered as the date of making of the basic application.

## Pre-grant Opposition

A representation for pre-grant opposition can be filed by *any person* under s 11A of the Patents Act, 1970 within six months from the date of publication of the application, as amended (the “Patents Act”) or before the grant of patent. The grounds on which the representation can be filed are provided under section 25(1) of the Patents Act. There is no fee for filing representation for pre-grant opposition. Representation for pre-grant opposition can be filed even though no request for examination has been filed. However, the representation will be considered only when a request for examination is received within the prescribed period.

---

## **Post-grant Opposition**

Any *interested person* can file post-grant opposition within twelve months from the date of publication of the grant of patent in the official journal of the patent office.

## **Grounds for Opposition**

Some of the grounds for filing pre-and post-grant opposition are as under:

- (a) Patent wrongfully obtained;
- (b) Prior publication;
- (c) The invention was publicly known or publicly used in India before the priority date of that claim;
- (d) The invention is obvious and does not involve any inventive step;
- (e) That the subject of any claim is not an invention within the meaning of this Act, or is not patentable under this Act;
- (f) Insufficient disclosure of the invention or the method by which it is to be performed;
- (g) That in the case of a patent granted on convention application, the application for patent was not made within twelve months from the date of the first application for protection for the invention made in a convention country or in India;
- (h) That the complete specification does not disclose or wrongly mentions the source and geographical origin of biological material used for the invention; and
- (i) That the invention was anticipated having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere.

## **Term of Patent**

The term of every patent in India is 20 years from the date of filing the patent application, irrespective of whether it is filed with provisional or complete specification. However, in case of applications filed under the Patent Cooperative Treaty (PCT), the term of 20 years begins from the international filing date.

## **Payment of Renewal Fee**

It is important to note that a patentee has to renew the patent every year by paying the renewal fee, which can be paid every year or in lump sum.

## **Restoration of Patent**

A request for restoration of patent can be filed within eighteen months from the date of cessation of patent along with the prescribed fee. After the receipt of the request, the matter is notified in the official journal for further processing of the request.

---

## **Patent of Biological Material**

If the invention uses a biological material which is new, it is essential to deposit the same in the International Depository Authority (IDA) prior to the filing of the application in India in order to supplement the description. If such biological materials are already known, in such a case it is not essential to deposit the same. The IDA in India located at Chandigarh is known as Institute of Microbial Technology (IMTECH).

## **Rights granted by a Patent**

If the grant of the patent is for a product, then the patentee has a right to prevent others from making, using, offering for sale, selling or importing the patented product in India. If the patent is for a process, then the patentee has the right to prevent others from using the process, using the product directly obtained by the process, offering for sale, selling or importing the product in India directly obtained by the process.

Before filing an application for grant of patent in India, it is important to note “*What is not Patentable in India?*” Any invention which is (a) frivolous, (b) obvious, (c) contrary to well established natural laws, (d) contrary to law, (e) morality, (f) injurious to public health, (g) a mere discovery of a scientific principle, (h) the formulation of an abstract theory, (i) a mere discovery of any new property or new use for a known substance or process, machine or apparatus, (j) a substance obtained by a mere admixture resulting only in the aggregation of the properties of the components thereof or a process for producing such substance, (k) a mere arrangement or rearrangement or duplication of known devices, (l) a method of agriculture or horticulture and (m) inventions relating to atomic energy, are not patentable in India.

## **Maintainability of Secrecy by the Indian Patent Office (IPO)**

All patent applications are kept secret up to eighteen months from the date of filing or priority date, whichever is earlier, and thereafter they are published in the Official Journal of the Patent Office published every week. After such publication of the patent application, public can inspect the documents and may take the photocopy thereof on the payment of the prescribed fee.

## **Compulsory Licensing**

One of the most important aspects of Indian Patents Act, 1970, is compulsory licensing of the patent subject to the fulfillment of certain conditions. At any time after the expiration of three years from the date of the sealing of a patent, any person interested may make an application to the Controller of Patents for grant of compulsory license of the patent, subject to the fulfillment of following conditions, ie,

- the reasonable requirements of the public with respect to the patented invention have not been satisfied;
- that the patented invention is not available to the public at a reasonable price; or
- that the patented invention is not worked in the territory of India.

It is further important to note that an application for compulsory licensing may be made by any person notwithstanding that he is already the holder of a licence under the patent.

---

For the purpose of compulsory licensing, no person can be stopped from alleging that the reasonable requirements of the public with respect to the patented invention are not satisfied or that the patented invention is not available to the public at a reasonable price by reason of any admission made by him, whether in such a licence or by reason of his having accepted such a licence.

The Controller, if satisfied that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that the patented invention is not available to the public at a reasonable price, may order the patentee to grant a licence upon such terms as he may deem fit. However, before the grant of a compulsory license, the Controller of Patents shall take into account following factors:

- The nature of invention;
- The time elapsed, since the sealing of the patent;
- The measures already taken by the patentee or the licensee to make full use of the invention;
- The ability of the applicant to work the invention to the public advantage;
- The capacity of the applicant to undertake the risk in providing capital and working the invention, if the application for compulsory license is granted;
- As to the fact whether the applicant has made efforts to obtain a license from the patentee on reasonable terms and conditions;
- National emergency or other circumstances of extreme urgency;
- Public non-commercial use; and
- Establishment of a ground of anti-competitive practices adopted by the patentee.

The grant of compulsory license cannot be claimed as a matter of right, as the same is subject to the fulfilment of above conditions and discretion of the Controller of Patents. Further judicial recourse is available against any arbitrary or illegal order of the Controller of Patents for grant of compulsory license. In 2012, the Controller of Patents has granted the first compulsory license to Natco Pharma to sell a generic version of the patented cancer drug 'Nexavar' in India. However, the subsequent applications, by BDR Pharmaceuticals for Bristol-Myers Squibb's Dasatinib and Lee Pharma for AstraZeneca's Saxagliptin, to sell generic version of these patented drugs were rejected.

The Government of India has while exercising its power under section 66 of the Patents Act, 1970 in the Public Interest, revoked Patent No. 252093, entitled "a synergistic, ayurvedic functional food bioactive composition (Cinata) and a process of preparation thereof" granted to m/s Avesthagen Ltd., on the ground that the aforesaid patent is prejudicial to public.

## **Infringement of Patent**

Patent infringement proceedings can only be initiated after grant of patent in India but may include a claim retrospectively from the date of publication of the application for grant of the patent. Infringement of a patent consists of the unauthorised making, importing, using, offering for sale or selling any patented invention within the India. Under the (Indian) Patents Act, 1970 only a civil action can be initiated in a Court of Law. Further, a suit for infringement can be defended on various grounds including the

---

grounds on which a patent cannot be granted in India and based on such defence, revocation of Patent can also be claimed.

## **Licensing and Assignment of Patent**

An assignment in a patent or a share in a patent or a mortgage, license or the creation of any other interest in a patent is permissible. In the case of patents, assignment is valid only when it is in writing and the agreement is reduced to the form of a document embodying all the terms and conditions governing the rights and obligations of the parties to the agreement. The application for registration is required to be made by the transferee in the prescribed form.

## **Copyright**

Indian copyright law is at parity with the international standards as contained in TRIPS. The (Indian) Copyright Act, 1957, pursuant to the amendments in 1999, 2002 and 2012, fully reflects the Berne Convention for Protection of Literary and Artistic Works, 1886 and the Universal Copyrights Convention, to which India is a party. India is also a party to the Geneva Convention for the Protection of Rights of Producers of Phonograms and is an active member of the World Intellectual Property Organization (WIPO) and United Nations Educational, Scientific and Cultural Organization (UNESCO).

### **“Work” protected in India**

Under the Copyright Act, 1957 the term “work” includes an artistic work comprising of a painting, a sculpture, a drawing (including a diagram, a map, a chart or plan), an engraving, a photograph, a work of architecture or artistic craftsmanship, dramatic work, literary work (including computer programmes, tables, compilations and computer databases), musical work (including music as well as graphical notations), sound recording and cinematographic film.

In order to keep pace with the global requirement of harmonization, the Copyright Act, 1957 has brought the copyright law in India in line with the developments in the information technology industry, whether it is in the field of satellite broadcasting or computer software or digital technology. The amended law has also made provisions to protect performer’s rights as envisaged in the Rome Convention.

### **Registration of Copyright**

In India, the registration of copyright is not mandatory as the registration is treated as mere recordal of a fact. The registration does not create or confer any new right and is not a prerequisite for initiating action against infringement. The view has been upheld by the Indian courts in a catena of judgments.

### **Need for Registration of Copyright**

The awareness of Intellectual Property (IP) Laws is considerably low among the enforcement authorities in India, and most of the IP litigation is confined to metropolitan

---

cities. Despite the fact that the registration of copyright is not mandatory in India and is protectable through the International Copyright Order, 1999, it is advisable to register the copyright as the copyright registration certificate is accepted as a “proof of ownership” in courts and by police authorities, and acted upon smoothly by them.

## **Enforcement of Copyright in India**

The law of copyright in India not only provides for civil remedies in the form of permanent injunction, damages or accounts of profits, delivery of the infringing material for destruction and cost of the legal proceedings. etc. but also makes instances of infringement of copyright, a cognizable offence punishable with imprisonment for a term which shall not be less than six months but which may extend to three years with a fine which shall not be less than Rs 50,000 (approx. US\$ 800) but may extend to Rs 2,00,000 (approx. US\$ 3,000). For the second and subsequent offences, there are provisions for enhanced fine and punishment under the Copyright Act. The (Indian) Copyright Act, 1957 gives power to the police authorities to register the Complaint (First Information Report, ie, FIR) and act on its own to arrest the accused, search the premises of the accused and seize the infringing material without any intervention of the court.

## **Protection to Foreign Works in India**

Copyright of “works” of foreign nationals, whose countries are member of Convention Countries to which India is a signatory, are protected against any infringement of their “works” in India through the International Copyright Order, 1999. The Indian courts have also been pro-active for the protection of copyright of foreign authors/owners, which includes software, motion pictures including screen play of motion pictures and database.

The Government of India is also taking initiative to combat piracy in the software industry, motion pictures and the music industry along with players in the industry through their associations and organizations like NASSCOM (National Association of Software and Service Companies), NIAPC (National Initiative Against Piracy and Counterfeiting) etc.

## **Licensing and Assignment of Copyright**

Copyright in any work, present or future, can only be assigned or licensed in writing by the copyright owner or his duly authorised agent.

## **Duration/Term of Copyright**

In the case of original literary, dramatic, musical and artistic works, the duration of copyright is the lifetime of the author or artist, and 60 years counted from the year following the death of the author.

In the case of cinematograph films, sound recordings, posthumous publications, anonymous and pseudonymous publications, works of government and works of international organisations are protected for a period of 60 years which is counted from the year following the date of publication.

---

## Industrial Designs

The TRIPS provides minimum standards of protection of industrial designs. The Designs Act, 2000 duly adheres to the said minimum standards by providing protection to original and aesthetically appealing designs capable of being applied commercially and is in consonance with the changes in technology and economic advances.

### Registrability of Designs

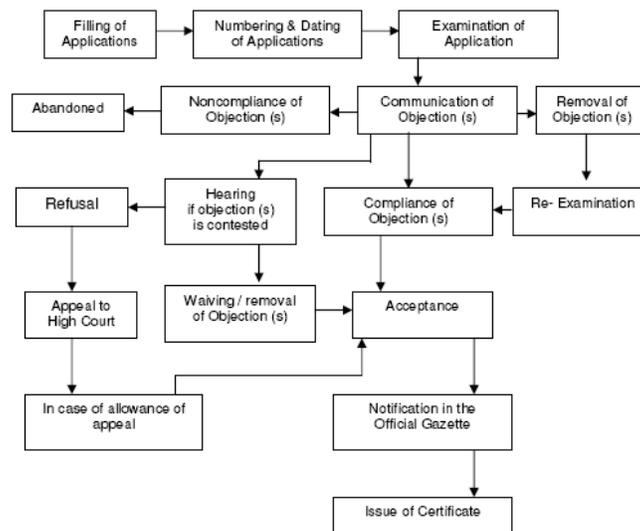
Features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article, whether in two dimensional or three dimensional or in both forms, can be registered under the (Indian) Designs Act, 2000. However, functionality aspects of a design are not protected under the (Indian) Designs Act, 2000, as the same are subject matter of patents.

### Term of Design

The total period of validity of registration of an Industrial Design under the (Indian) Designs Act, 2000 is 15 years. Initially, a design is registered for a period of 10 years, giving the owner of registered design exclusive rights to sell, make or import the articles and initiate a legal action against infringement. This initial period of 10 years can be further extended by a period of 5 years on the payment of renewal fees.

### Process of Registration of Design

The process of registration of an industrial design in India can be understood with the help of following flowchart:



---

## **Cancellation, Protection and Enforcement of Designs**

Design of an article is not registrable in India, if it:

- is not new or original;
- has been disclosed to the public anywhere in *India or in any other country* by publication in tangible form or by use in any other way prior to the filing date or priority date of the application;
- is not significantly distinguishable from known designs or combination of known designs; or
- comprises or contains scandalous or obscene matter.

The above grounds may also be used for revocation or cancellation of the registration of any design, as well as a defense in an infringement proceeding.

The (Indian) Designs Act, 2000 only provides for civil remedies. Besides injunction, monetary compensation is recoverable by the proprietor of the design either as contract debt or damages. An action for infringement of design can only be initiated after the registration of the design.

Any foreign entity, interested in protecting any of its Industrial Design in India, must register its industrial design by filing an appropriate application within six months from the date of the corresponding convention application, ie, the first application filed in the home country.

## **Geographical Indications**

A geographical indication (GI) is an indication, whether in the form of a name or sign, used on goods that have a specific geographical origin and possesses qualities or a reputation that are due to the place of origin. Geographical indications are valuable rights, which if not adequately protected, can be misused by dishonest commercial operators to the detriment of both the consumers and the legitimate users.

The TRIPS prescribes minimum standards of protection of GIs and additional protection for wines and spirits. Articles 22 to 24 of Part II Section III of the TRIPS prescribe minimum standards of protection to the geographical indications that WTO members must provide. India, in compliance with its obligation under TRIPS, has taken legislative measures by enacting the Geographical Indications of Goods (Registration and Protection) Act, 1999, which came into effect on 15<sup>th</sup> September, 2003 and the Geographical Indications of Goods (Registration and Protection) Rules, 2002.

As per the (Indian) Geographical Indications of Goods (Registration and Protection) Act, 1999 “Geographical Indication”, in relation to goods, means an indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of such goods is essentially attributable to its geographical origin and in case where such goods are manufactured goods one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be.

---

GIs have been used in India for a wide variety of products, such as Basmati Rice, Darjeeling Tea, Kangra Tea, Feni, Alphonso Mango, Alleppey Green Cardamom, Coorg Cardamom, Kanchipuram Silk Saree, Kohlapuri Chappal, Rasgulla etc.

By registering a geographical indication in India, the rights holder can prevent unauthorized use of the registered geographical indication by others by initiating infringement action by way of a civil suit or criminal complaint. Registration of the GIs in India is not mandatory as an unregistered GI can also be enforced by initiating an action of passing off against the infringer. It is, however, advisable to register the GI as the certificate of registration is prima facie evidence of its validity and no further proof of the same is required.

## **Registration of Geographical Indications**

An application for the registration of a GI is to be made to the Registrar of Geographical Indications in the form prescribed under the Geographical Indications of Goods (Registration and Protection) Act, 1999 (the GI Act) read with the Geographical Indications (Registration and Protection) Rules, 2002 (the GI Rules).

## **Duration of Protection**

A Geographical Indication is registered for a period of 10 years and the registration may be renewed from time to time for a period of 10 years at a time.

## **Infringement of Geographical Indications**

The remedies relating to the infringement of Geographical Indications are similar to the remedies relating to the infringement of Trademark. Similarly, under the (Indian) Geographical Indications of Goods (Registration and Protection) Act, 1999, falsification of a Geographical Indication will carry a penalty with imprisonment for a term which may not be less than six months but may extend to three years and with a fine which may not be less than Rs 50,000 (approx. US\$ 800) but may extend to Rs 2,00,000 (approx. US\$ 3,000).

## **Plant Varieties**

India, having ratified the TRIPS and in order to give effect to it, have enacted the Protection of Plant Varieties and Farmer's Rights Act, 2001 (the "Plant Act") (based on the recommendations of the International Union for Protection of New Varieties of Plants, Geneva). The Plant Act provides for setting up of a Protection of Plant Varieties and Farmers' Rights Authority (the "Authority") that shall be responsible for promoting the development of new varieties of plants and protecting the plant varieties and rights of the farmers and breeders. The Protection of Plant Varieties and Farmers' Rights Authority has been established and is located at NASC Complex, DPS Marg, Opp. Todapur, New Delhi - 110 012, India.

---

The Plant Act contains elaborate provisions to safeguard the rights of Indian farmers in addition to plant breeder's rights and researcher's rights. Till now, the Government of India has notified 114 crops with their genera eligible for registration of varieties.

### **Procedure for Registration**

A new variety shall be registered if it conforms to the criteria of novelty, distinctiveness, uniformity and stability. After an application is made for the registration of the Plant Variety, the Registrar examines the application to see if it fulfills the criteria for registration of a Plant Variety. On being satisfied, the Registrar accepts the application, resulting in publication in the Journal for public objections, if any. The Registrar registers the application if the application remains unopposed or the opposition is decided in favour of the Applicant.

### **Duration of Protection**

The duration of protection of registered varieties is different for different crops, as given below:

- For trees and vines - 18 years;
- For other crops - 15 years;
- For extant varieties - 15 years from the date of notification of that variety.

### **Rights under the Plant Act**

Under the Plant Act, the researcher has the liberty to conduct experiment with a registered variety, and the farmer has been given the exclusive right to save, use, sow, re-sow, exchange, share or sell his farm produce including seed or a variety protected under the Plant Act. However, the farmer is not allowed to sell the branded seed of a protected variety. Further, a certificate of registration for a variety issued under the Act shall confer an exclusive right on the breeder or his successor, agent or licensee to produce, sell, market, distribute, import or export the variety.

### **Infringement of Plant Varieties and Farmers' Rights**

Any person, who produces, sells imports or exports any variety without the permission of the owner, infringes the rights of owner. Use of a denomination which is similar to a registered denomination and likely to confuse the general public also amounts to infringement. Infringement of any right under the Plant Varieties and Farmers' Rights attracts both civil and criminal action. A criminal action under the Act entails punishment up to two years or a fine up to Rs 5,00,000 (approx. US\$ 8000), or with both.

### **Layout Designs of Integrated Circuits**

In compliance with the TRIPS Agreement, India has enacted the Semiconductor Integrated Circuits Layout-Designs Act, 2000 in order to provide protection to layout designs of integrated circuits. The Act defines "Layout Design" to mean a layout of

---

transistors and other circuitry elements and includes lead wires connecting such elements and expressed in any manner in a semiconductor integrated circuit. Under the (Indian) Semiconductor for Integrated Circuits Layout-Designs Act, 2000, a Semiconductor Integrated Circuit has been defined as a product having transistors and other circuitry elements which are inseparably formed on a semiconductor material or an insulating material or inside the semiconductor material and designed to perform an electronic circuitry function.

### **Registerability of Layout-Design**

A Layout Design which is (a) not original (b) has been commercially exploited in India or in a convention country or (c) not inherently distinctive or distinguishable from any other registered Layout-Design cannot be registered as a Layout Design. In order to claim protection for Layout Design, it is mandatory that it should be registered.

### **Duration of Protection**

Registration of a Layout-Design is valid only for a period of 10 years from the date of filing an application for registration or commercial exploitation in any country, whichever is earlier.

### **Infringement of Layout-Design**

In addition to the civil remedies available, an infringement of a Layout-Design is considered to be a criminal offence in India. Infringement of a registered layout design has been made punishable under the (Indian) Semiconductor for Integrated Circuits Layout-Designs Act, 2000 with imprisonment of up to three years or fine of Rs 50,000 (approx. US\$ 800) up to maximum of Rs 10,00,000 (approx. US\$ 16,000), or with both.

### **Trade Secrets**

At present, there is no particular legislation to protect undisclosed information/trade secret outside the normal recourse to breach of contract. Under the Indian contract law, restrictive agreements pertaining to confidentiality and trade secrets would usually fall under the ambit of agreements in restraint of profession and trade. The validity of these agreements is tested on the reasonableness of the restrictions imposed. This protection is limited in relation to the protection sought as per Art 39 of the TRIPS. There is also no provision at the moment in India at the national level for data protection with respect to confidential and valuable information submitted to the Government or regulatory agencies. International pressure on the Indian Government is rising on the data protection issue and the Government is likely to take concrete steps towards the same soon.

---

## **Enforcement of Intellectual Property Laws in India**

India has a well-established statutory, administrative and judicial framework to safeguard Intellectual Property Rights (IPRs), however, it is still facing problems with the enforcement of IPR. It has always been a concern about slow judicial system involving lengthy and time-consuming procedure of trial in India, however, in recent years, Indian courts have shown dynamism and zeal for effective protection of Intellectual Property Rights. It has been observed that by adopting right policies and strategies, IPR can be effectively protected with the help of law enforcement authorities.

For any IPR related litigation, it is necessary to understand the Indian Judicial system and its psychology. It has been observed that the Indian Courts are very active in granting equitable reliefs like injunctions, etc, but are still reluctant in awarding punitive pecuniary damages.

## **Authorities involved in the Execution of Orders of Courts**

The Government Authorities including police are bound to execute and enforce the orders of court, and as such the courts are empowered to direct any government authority to do or not to do or prevent / compel any person to comply with the orders of the court. There are effective methods for the enforcement of the orders of the court, including Contempt of Court proceedings, which provides for a fine as well as imprisonment, in case of non-compliance of the order of the court. Execution/ compliance of the orders of the court are also done by way of appointment of the Local Commissioner/Receivers by the court. In India, certain State Governments have formed special Intellectual Property Cells, which deal with offences relating to infringement of IPR.

In any civil action for enforcement of Intellectual Property Rights, the following reliefs may be claimed in such suit:

- Permanent Injunction;
- Interim Injunction;
- Damages;
- Accounts and handing over of profits;
- Anton Pillar Order (Appointment of Local Commissioner by the Court for custody/ sealing of infringing material/accounts);
- Delivery up of goods/packing material/dies/plates for destruction.

Additionally, in case of infringement of Trademark, infringement of Copyright, Geographical Indication, Plant Variety and Semiconductor Integrated Circuits Layout Design following **Criminal** action can also be initiated:

- Registration of First Information Report (FIR); or
- Filing of a Criminal Complaint before a Competent Magisterial Court with application for issue of search and seizure warrants directing the police to raid

---

of the premises of the accused for seizure of the infringing material and arrest of the infringers.

It is interesting to note that in India, wherever provisions have been made for criminal prosecution for violation of any Intellectual Property Rights, a criminal case can be filed against known as well as unknown persons. It is also important to note that both civil and criminal remedies, wherever applicable, can be availed simultaneously and both the remedies are coexistent.

### **Competent Court**

In India, a suit may be instituted in any court of original jurisdiction, subject to their pecuniary and territorial jurisdiction. In relation to IPR litigation, the designation of the lowest court is “District and Sessions Judge”. These cases can also be filed in the High Court, directly, if such High Court is having original jurisdiction. The jurisdiction of the High Court can be invoked, subject to the payment of court fees. The structure of court fees payable varies from state to state.

### **Border Control Measures for Enforcement of IPR**

The Government of India under s 11 of the (Indian) Customs Act, 1962 is empowered to prohibit importation and exportation of goods of specified description, if it deems necessary to do so. The provision, *inter alia*, empowers the government to prohibit the import or export of goods for “the protection of patents, trademarks and copyrights”. The goods imported in contravention of the provisions of the Customs Act or any other laws for the time being in force are liable to be confiscated. In this regard, a customs officer is empowered to inspect any premises, conveyance, x-ray any person and effect search and seize in case where they have reasons to believe that the goods are of contraband nature. They can also investigate or interrogate any person and arrest him.

### **Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007**

India has notified the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007. The rules comply with border measures as required by the TRIPS Agreement empowering the Customs Officers to enforce IPR over the imported products. Actions under Customs Act are independent to the remedies provided under various statutes on Intellectual Property. As per rule 2(b) of the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007, Intellectual Property includes patents, designs, and geographical indications together with trademarks and copyrights.

Upon receipt of the Application, in the prescribed format, the Custom Authorities may register the Complaint and enforce Border Control measure for the protection of the Intellectual Property Rights. It is important to note that this right is not unfettered. Certain provisions have been also made and an elaborate procedure has been laid down for the release of the seized goods upon an application of the importer of the goods.

---

## Data Protection Laws in India

Data Protection refers to the set of privacy laws, policies and procedures that aim to minimise intrusion into one's privacy caused by the collection, storage and dissemination of personal data. Personal data generally refers to the information or data which relate to a person who can be identified from that information or data whether collected by any Government or any private organization or an agency.

The Constitution of India does not patently grant the fundamental right to privacy. However, the courts have read the right to privacy into the other existing fundamental rights, ie, freedom of speech and expression under Art 19(1)(a) and right to life and personal liberty under Art 21 of the Constitution of India. However, these Fundamental Rights under the Constitution of India are subject to reasonable restrictions given under Art 19(2) of the Constitution that may be imposed by the State. Recently, in the landmark case of Justice K S Puttaswamy (Retd.) & Anr. vs. Union of India and Ors., the constitution bench of the Hon'ble Supreme Court has held Right to Privacy as a fundamental right, subject to certain reasonable restrictions.

India presently does not have any express legislation governing data protection or privacy. However, the relevant laws in India dealing with data protection are the Information Technology Act, 2000 and the (Indian) Contract Act, 1872. A codified law on the subject of data protection is likely to be introduced in India in the near future.

The (Indian) Information Technology Act, 2000 deals with the issues relating to payment of compensation (Civil) and punishment (Criminal) in case of wrongful disclosure and misuse of personal data and violation of contractual terms in respect of personal data.

Under section 43A of the (Indian) Information Technology Act, 2000, a body corporate who is possessing, dealing or handling any sensitive personal data or information, and is negligent in implementing and maintaining reasonable security practices resulting in wrongful loss or wrongful gain to any person, then such body corporate may be held liable to pay damages to the person so affected. It is important to note that there is no upper limit specified for the compensation that can be claimed by the affected party in such circumstances.

The Government has notified the *Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011*. The Rules only deals with protection of "Sensitive personal data or information of a person", which includes such personal information which consists of information relating to:-

- Passwords;
- Financial information such as bank account or credit card or debit card or other payment instrument details;
- Physical, physiological and mental health condition;
- Sexual orientation;
- Medical records and history;
- Biometric information.

---

The rules provide the reasonable security practices and procedures, which the body corporate or any person who on behalf of body corporate collects, receives, possess, store, deals or handle information is required to follow while dealing with “Personal sensitive data or information”. In case of any breach, the body corporate or any other person acting on behalf of body corporate, the body corporate may be held liable to pay damages to the person so affected.

Under section 72A of the (Indian) Information Technology Act, 2000, disclosure of information, knowingly and intentionally, without the consent of the person concerned and in breach of the lawful contract has been also made punishable with imprisonment for a term extending to three years and fine extending to Rs 5,00,000 (approx. US\$ 8,000).

It is to be noted that s 69 of the Act, which is an exception to the general rule of maintenance of privacy and secrecy of the information, provides that where the Government is satisfied that it is necessary in the interest of:

- the sovereignty or integrity of India,
- defence of India,
- security of the State,
- friendly relations with foreign States or
- public order or
- for preventing incitement to the commission of any cognizable offence relating to above or
- for investigation of any offence,

It may by order, direct any agency of the appropriate Government to intercept, monitor or decrypt or cause to be intercepted or monitored or decrypted any information generated, transmitted, received or stored in any computer resource. This section empowers the Government to intercept, monitor or decrypt any information including *information of personal nature* in any computer resource.

Where the information is such that it ought to be divulged in public interest, the Government may require disclosure of such information. Information relating to anti-national activities which are against national security, breaches of the law or statutory duty or fraud may come under this category.

## **Information Technology Act, 2000**

The Information Technology Act, 2000 (hereinafter referred to as the “IT Act”) is an act to provide legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”, which involve the use of alternative to paper-based methods of communication and storage of information to facilitate electronic filing of documents with the Government agencies.

### **Grounds on which Government can interfere with Data**

Under section 69 of the IT Act, any person, authorised by the Government or any of its officer specially authorised by the Government, if satisfied that it is necessary or expedient so to do in the interest of sovereignty or integrity of India, defence of India,

---

security of the State, friendly relations with foreign States or public order or for preventing incitement to the commission of any cognizable offence relating to above or for investigation of any offence, for reasons to be recorded in writing, by order, can direct any agency of the Government to intercept, monitor or decrypt or cause to be intercepted or monitored or decrypted any information generated, transmitted, received or stored in any computer resource. The scope of section 69 of the IT Act includes both interception and monitoring along with decryption for the purpose of investigation of cyber-crimes. The Government has also notified the *Information Technology (Procedures and Safeguards for Interception, Monitoring and Decryption of Information) Rules, 2009*, under the above section.

The Government has also notified the *Information Technology (Procedures and Safeguards for Blocking for Access of Information) Rules, 2009*, under section 69A of the IT Act, which deals with the blocking of websites. The Government has blocked the access of various websites.

### **Penalty for Damage to Computer, Computer Systems, etc. under the IT Act**

Section 43 of the IT Act, imposes a penalty without prescribing any upper limit, doing any of the following acts:

1. accesses or secures access to such computer, computer system or computer network;
2. downloads, copies or extracts any data, computer data base or information from such computer, computer system or computer network including information or data held or stored in any removable storage medium;
3. introduces or causes to be introduced any computer contaminant or computer virus into any computer, computer system or computer network;
4. damages or causes to be damaged any computer, computer system or computer network, data, computer data base or any other programmes residing in such computer, computer system or computer network;
5. disrupts or causes disruption of any computer, computer system or computer network;
6. denies or causes the denial of access to any person authorised to access any computer, computer system or computer network by any means; (g) provides any assistance to any person to facilitate access to a computer, computer system or computer network in contravention of the provisions of this Act, rules or regulations made thereunder;
7. charges the services availed of by a person to the account of another person by tampering with or manipulating any computer, computer system, or computer network, he shall be liable to pay damages by way of compensation to the person so affected.
8. destroys, deletes or alters any information residing in a computer resource or diminishes its value or utility or affects it injuriously by any means;
9. steals, conceals, destroys or alters or causes any person to steal, conceal, destroy or alter any computer source code used for a computer resource with an intention to cause damage.

---

## **Tampering with Computer Source Documents as provided for under the IT Act, 2000**

Section 65 of the IT Act lays down that whoever knowingly or intentionally conceals, destroys, or alters any computer source code used for a computer, computer programme, computer system or computer network, when the computer source code is required to be kept or maintained by law for the time being in force, shall be punishable with imprisonment up to three years, or with fine which may extend up to Rs 2,00,000 (approx. US\$3,000), or with both.

### **Computer related offences**

Section 66 provides that if any person, dishonestly or fraudulently does any act referred to in section 43, he shall be punishable with imprisonment for a term which may extend to three years or with fine which may extend to Rs 5,00,000 (approx. US\$ 8,000) or with both.

### **Penalty for Breach of Confidentiality and Privacy**

Section 72 of the IT Act provides for penalty for breach of confidentiality and privacy. The Section provides that any person who, in pursuance of any of the powers conferred under the IT Act Rules or Regulations made thereunder, has secured access to any electronic record, book, register, correspondence, information, document or other material without the consent of the person concerned, discloses such material to any other person, shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to Rs 1,00,000, (approx. US\$ 3,000) or with both.

### **Amendments as introduced by the IT Amendment Act, 2008**

Section 10A was inserted in the IT Act which deals with the validity of contracts formed through electronic means which lays down that contracts formed through electronic means “shall not be deemed to be unenforceable solely on the ground that such electronic form or means was used for that purpose”.

The following important sections have been substituted and inserted by the IT Amendment Act, 2008:

1. Section 43A – Compensation for failure to protect data.
2. Section 66 – Computer Related Offences
3. Section 66A – Punishment for sending offensive messages through communication service, etc. (This provision had been struck down by the Hon’ble Supreme Court as unconstitutional on 24<sup>th</sup> March 2015 in Shreya Singhal vs. Union of India)
4. Section 66B – Punishment for dishonestly receiving stolen computer resource or communication device.
5. Section 66C – Punishment for identity theft.
6. Section 66D – Punishment for cheating by personation by using computer resource.
7. Section 66E – Punishment for violation for privacy.
8. Section 66F – Punishment for cyber terrorism.

- 
9. Section 67 – Punishment for publishing or transmitting obscene material in electronic form.
  10. Section 67A – Punishment for publishing or transmitting of material containing sexually explicit act, etc, in electronic form.
  11. Section 67B – Punishment for publishing or transmitting of material depicting children in sexually explicit act, etc, in electronic form.
  12. Section 67C – Preservation and Retention of information by intermediaries.
  13. Section 69 – Powers to issue directions for interception or monitoring or decryption of any information through any computer resource.
  14. Section 69A – Power to issue directions for blocking for public access of any information through any computer resource.
  15. Section 69B – Power to authorize to monitor and collect traffic data or information through any computer resource for cyber security.
  16. Section 72A – Punishment for disclosure of information in breach of lawful contract.
  17. Section 79 – Exemption from liability of intermediary in certain cases.
  18. Section 84A – Modes or methods for encryption.
  19. Section 84B – Punishment for abetment of offences.
  20. Section 84C – Punishment for attempt to commit offences.