

Introductory

Questions

1. 'Intellectual property is the most basic form of property because a man uses nothing to produce it other than his mind. Prof. Niblett. Explain.
2. According to Prof. Niblett 'Intellectual property is the most basic form of property because a man uses nothing to produce it other than his mind. Critically examine the statement.

Ans: Traditionally property is classified into movable and immovable. Such property is called corporeal or tangible property i.e. having bodily existence, which can be seen and touched. There is a third category of property conceptualized in medieval Europe— 'incorporeal or intangible property', which is beyond physical perception i.e. it, cannot be sensed by any of five physical senses— called intellectual property.

Meaning of intellectual property

Of all animals, only human beings have capacity to create property by making use of their intellect. Thus, any property created by human being can be said to be 'intellectual property'. This description though gives some idea as to the meaning of 'intellectual property' is not good enough to explain its meaning as used in intellectual property laws. Since even a chair, a pair of shoes or any other material thing is also created by man making use of intellect. But a chair and a pair of shoes is not the intellectual property of the man creating it. The defining characteristic of intellectual property is the exclusive use of mind in its creation to the exclusion of any assistance of material objects,

Professor Niblett while describing "intellectual property' as most basic form of property" explains why it called so. "because man uses nothing to produce it other than his mind".

Thus, 'intellectual property" in its proper sense can be defined as, "Property that is created by man making use of nothing but his intellect".

a. Literary work— A literary work that is copied from an existing work cannot be termed as intellectual property, though to be eligible for protection under copyright law the work need not be expression of original idea. In fact, copying of any copyrighted work without due permission of its owner is penal offence under intellectual property laws and the person copying such work acquires no copyright in the work so copied.

b. Designs— A design to be eligible for registration must be new or original and not previously published in India. A design would also be registrable if the pattern though already known is applied to a new article.

Illustration: The shape of cap applied to lid of water bottle. The test is, though the design itself may not be new, it must be novel in respect to its application to material object.

c. Trade Marks— So far as the creation of the trade mark is concerned, little creativity goes into its creation. But still it must have some distinctive characteristic and must be capable of distinguishing goods or services of one person from those of another.

d. Patents— The same principal of novelty applies to an invention. Under patent laws, to be eligible for patent, the invention must involve any innovation or technology the knowledge of which is not previously acquired i.e. not anticipated by publication in any document or used in

the country or elsewhere in the world before the date of filing of patent application with complete specification.

Original form of property— what Professor Niblett means to say when he says that, intellectual property is the most basic form of property, is that, intellectual property is most original form of property in the sense that a work to be categorized as intellectual property must not be copied or duplicated. It must originate from its creator uncontaminated by existing work. So far as copyright in a work is concerned it must be original in form though originality of idea expressed in the work may **not** be **unique**.

a. Copyright works— under Section 13 of Copyright Act copyright subsists only in original:

- (i) literary, dramatic, musical and artistic works;
- (ii) cinematograph films; and
- (iii) sound recording.

Thus, where an author of literary work, composer of musical work, artist creating artistic work, person taking photograph or producer of a cinematograph film or sound recording copies or borrows from an existing work he is not entitled to copyright in the respective works.

b. Designs law— Section 4 of the Designs Act, 2000 expressly prohibits registration of design which:

- (a) is not new or original; or
- (b) has been disclosed to the public anywhere in India or in any country by publication in tangible form or by use or in any other way prior to the filing date, or the priority date of the application for registration.

The creator of intellectual property, particularly artistic intellectual property does not have the advantage of making use of existing intellectual property. He has to solely rely on the efforts of his mind. Hence the quip by Professor Niblett, "Intellectual property is the most basic form of property because a man uses nothing to produce it other than his mind".

The application of quip to industrial intellectual property like patents is doubtful. Thomas Alva Edison, an American inventor could not have invented carbon filament lamp and went to have patented more than a thousand products at the age of 21 without aid of electricity and support of his laboratory, things other than his mind.

Definition of Intellectual Property Questions

1. Explain the meaning, nature and characteristics of intellectual property. What are the objects to protect them.
2. Explain the meaning, nature and characteristics of intellectual property.
3. Define intellectual property and explain how it differs from other properties? How it can be protected?

Ans: "Intellectual property is creation a man's intellect without assistance from physical objects, consisting of reproducible set of information such as musical, literary, and artistic work; inventions, symbols, names, images, and designs used in commercial and industrial field".

"Intellectual property is that property which is created by human intelligence or mental labour and is mostly in intangible form even though it can be converted into corporeal form". Jeremy

Bentham considers as misleading and improper the application of term 'property' to include other rights apart from those which relates to material things.

G.W. Paton terms the distinction between corporeal and incorporeal rights inaccurate.".. it is inaccurate to speak of corporeal and incorporeal rights. Since a right is merely a relationship between persons, with respect to a property, all rights are incorporeal.

Because of rapid advance in the fields of science and technology, the significance of intellectual property has undergone a sea change. This does not mean that the concept of intellectual property was not known in ancient time. Under Roman law, if a man wrote on a piece of paper belonging to another the writing belonged to the owner of the piece of paper. In the Indian context, the ban mentioned in Manusashtra by the law giver Mnau on hearing the recitals of Vedas by certain class of people can be said to be an example of operation of copyright law, though of doubtful justification.

Nature/Characteristic/Ingredients/Salient Features/ Essentials of Intellectual Property

1. Incorporeal property: the defining characteristic of intellectual property is its incorporeal nature. Intellectual property is not tangible. It cannot be perceived by any of the senses. As intellectual property cannot be perceived by any senses it cannot be possessed. One may acquire possession of copyrighted work but that does not meant acquisition of copyright in the copy of the work. 'A' a person who has purchased a copy of dramatic work may lawfully read it, lend it, gift it or burn it but he cannot translate it or convert it into a narrative or make a cinematograph film basing on it without lawful entitlement. Ownership of intellectual property is represented by authorship of the work not by its possession. Intellectual property is an example of pure intangible property as distinguished from documentary intangible property which obtain their characteristic through execution of documents such as bill of exchange, leases and security certificates etc.

2. Intellectual property is indestructible: from characteristic of its being intangible, its corollary 'indestructibility' follows. Practically, every conventional property, including immovable property, is capable of destruction. When we say that immovable property is beyond destruction, what we mean is, the space occupied by the immovable property is beyond destruction.

3. Intellectual property is unobtainable: intellectual property does not exist in natural state like birds in the sky, fish in the pond, a diamond in the mine or an elephant in the wild. It has to be created. The property that exists without ownership is called res nullius as exemplified above. Intellectual property is not res nullius.

4. Subject matter of intellectual property capable of use by more than one person: subject matter of intellectual property is susceptible to use by more than one person at a time. A literary work can be read by and a piece of musing can be enjoyed and a patented invention can be exploited by infinite number of people simultaneously. Contrast this with subject matter of property in conventional sense. A bicycle can be used at any given time by limited number of people. Intellectual property is therefore also called non- rival property.

5. Rights in intellectual property are negative: the object of intellectual property law is to prevent the unauthorized use of intellectual property by persons other than its owner. Rights in intellectual property are called negative rights, because the owner of intellectual property has a

right to prevent all other persons from infringing his right in intellectual property and all other persons have corresponding duty to refrain from violating such rights.

6. Intellectual Property law though territorial in application is regulated by international conventions: the intellectual property laws are territorial statutes i.e. they are applicable within the confines of India or the country legislating it. Such law is called *lex loci*. The extent of copyright law as given in Section 1 (2) of Copyright Act, 1957 is explicitly "whole of India". Similar is extent of trade mark law under The Trade Marks Act, 1999, The Patent Act, 1970 and The Designs Act, 2000.

Invention of printing press in seventeenth century and improvement in means of communication spread the works in intellectual property beyond the boundaries of countries of its origin. Rapid technological development in the second half of last century made reproduction of works in intellectual property easy and cheap and piracy lucrative forcing civilized countries to devise means for regulating intellectual property laws at international level.

7. Rights in intellectual property for limited duration: right to exploit intellectual property for monetary benefit is restricted by law to limited period. Thus copyright in literary work is granted for life of its owner plus sixty years, patent is granted for twenty years and for continuation of right in trade mark it has to be renewed from time to time. One of the attributes, of conventional property, ownership for indeterminate duration, is not available to intellectual property. So far as "trade mark" and "geographical indication" are concerned, no restriction of duration on their exploitation is placed.

8. Rights in intellectual property not unqualified: Application of doctrine of "eminent domain" to intellectual property— intellectual property like any other property is subject to principle of eminent domain. Eminent domain is the sovereign power vested in the State to acquire private property for the public use. The ultimate control over the intellectual property vests with the State. In public interest, State may acquire intellectual property from its owner and restrict its enjoyment.

9. Original form of property: intellectual property is most original form of property in the sense that a work to be categorized as intellectual property must not be copied or duplicated. It must originate from its creator uncontaminated by existing work. So far as copyright in a work is concerned it must be original in form though originality of idea expressed in the work may not be unique. The same principle of novelty applies to an invention. Under patent laws, to be eligible for patent, the invention must involve an innovation or technology the knowledge of which is not previously acquired i.e. not anticipated by publication in any document or used in the country or elsewhere in the world before the date of filing of patent application with complete specification. A design can only be registered when it is new or original and not previously published in India.

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(b) has been disclosed to the public anywhere in India or any country by publication in tangible form or by use or any other way prior to the filing date, or the priority date of the application for registration.

The creator of intellectual property, particularly artistic intellectual property does not have the advantage of making use of existing intellectual property. He has to solely rely on the efforts of his mind. Hence the quip by Professor Niblett, "Intellectual property is the most basic form of property because a man uses nothing to produce it other than his mind".

10. Exploitation of rights in intellectual property obligatory: not only the intellectual property law enforces rights granted to its owner under it, it also ensures that such rights are properly exploited. This is achieved by forcing the holder of rights in intellectual property to grant license to persons interested and capable of properly exploiting such rights in exceptional circumstances. Compulsory license is exception to copyright law and is resorted to only in public interest and in emergencies. Patent laws of many countries provide for granting of compulsory License in patented inventions. Paris Convention of 1883 required its member states to make provisions in patent law for grant of compulsory License. Article 5A.(2) of the Paris Convention reads:

"Each country of the Union shall have the right to take legislative measures providing for the grant of compulsory licenses to prevent the abuses which might result from the exercise of the exclusive rights conferred by the patent, for example, failure to work."

Though India is not a member of Paris Convention but having signed Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) is bound to implement the provisions of Agreement recommending legislation of specific provisions in respect of grant of compulsory license in intellectual property.

Distinction Between Intellectual & Conventional Property

Intellectual property as the phrase suggests is species of property in the conventional sense, movable or immovable. The concept of enforceable rights in intellectual property has originated in medieval Europe. Though intellectual property for the purpose of enforcement of rights is treated at par with conventional movable property, it can be distinguished from conventional property in the following aspects.

i) Corporeity— the first distinguishing feature between conventional property and intellectual property is in respect of corporeity—physical existence. Intellectual property is intangible or incorporeal property. It cannot be seen or handled as opposed to conventional property.

ii) Indestructibility— intellectual property being intangible is beyond destruction. Conventional property, movable or immovable having physical existence, is susceptible to destruction.

iii) Existence in natural state— intellectual property is not available in natural state, it has to be created using intellectual faculties.

iv) **Possession:** intellectual property being intangible is not liable to possession. As it is not susceptible to possession it can be used by any number of persons as opposed to conventional property.

v) **Rights in intellectual property for limited duration—**

right to exploit intellectual property for monetary benefit is restricted by law to limited period.

Rights in conventional property pass on from generation to generation infinitely.

vi) **Exercise of right in intellectual property obligatory—** the proprietor of intellectual property is not at liberty to hoard his rights without making use of it. He is compelled by various provisions of law to exploit his rights at the cost of acquisition of his rights by the State. A owner of conventional property cannot be forced to make use of his rights in his property.

Comparative Analysis of Classes of Intellectual Property

Copyright	Patents	Designs	Trademarks
1. 'Copyright' is right to copy and reproduce the work acquired by it ire nor by reason of its very creation.	Patent is a monopoly granted by Stale to the inventor to exploit a fixed duration	“Design” means only the feature of shape. Configuration, pattern, ornament or compositon of lines or colours applied to any article by any industrial by any process or means, manual mechanical or chemical.	"Trade mark" is a mark capable of graphically and having the part the goods or person from those of others and may include shape of goods, their packaging and combination of colours.
2. Copyright exists in original literary, dramatic, musical, artistic works, cinematograph films and sound recording	Protects ideas expressed as an invention and new uses of them provided they are novel and non-obvious.	Protects novel designs devised particular articles to be manufactured and marketed commercially.	Used in relation of goods and services, words, name, symbol or drawing to distinguish one type of goods or another.
3. Subsist for longest duration prescribed by law.	Rights in patent subsists for twenty years.	The term of copy right is ten years, at the first date of making the application, which can be extended by another five years.	No fixed duration is prescribed for its subsistence subject to renewal at fixed intervals
4. Has highest entertainment value.	Has industrial application, benefits largest number of people.	Has only aesthetic value.	Has commercial application, benefits only the owner of trade mark.
5. Registration is not required to clam copyright protection.	Sealing/registration of patent is essential to claim relief against infringement.	Registration is protection under Designs Act.	Registration is essential to claim protection under trade mark law

6. Represented in both audio and visual medium.	Reflects in the working inventions.	Visually represented	A visual representation of graphic sign.
7. Primary object is to protect the fruits of labour of copyright owner.	The objects is to protect the right of patentee to gain commercial advantage out of invention	Object is to effectively protect industrial designs so as to promote design activity to encourage the element in an article or production.	Function of trade mark to distinguish particular goods or services from other goods or services
8. Copyright Act provides for grant of compulsory licence in larger public interest	Controller is empowered to revoke grant it to person capable of proper working of patent.	No provision is made for grant of compulsory licence or compelling publication or use of designs	made for compulsory acquisition or licencing of trade mark.
9. Copyright is a bundle of rights that can be exploited separately of each of other.	Right in patent is right to prevent others for making use of invention.	Right in design is limited to restrain others from using the registered design.	Registrar of Trade Marks may allow honest concurrent use of registered trade mark by a person other than registered owner.

COMPETING RATIONALE FOR PROTECTION OF INTELLECTUAL PROPERTY/SCOPE AND OBJECT Questions

1. Intellectual property encourages innovation and development. Discuss.
2. Discuss how law relating to intellectual property encourages economic development.
3. Explain the need for protection of intellectual property. **Ans:** Intellectual property being intangible in form, is not susceptible to possession and custody, hence conventional laws of property are not sufficient to protect the rights of its creator. The creators of intellectual property need special kind of law that guarantees sufficient protection to their creations. Such law is known as "intellectual property law". Intellectual property law confers on the original creator of intellectual property exclusive rights enabling him to commercially exploit his creation for a fixed period. The intellectual property so created, in turn promotes general economic growth and development.

One of the reasons for Thomas Alva Edison to toil in his laboratory for developing electric bulb (carbon filament lamp) might have been the guarantee assured by intellectual property laws that he will have exclusive right of commercial exploitation out of his invention. He went on to register more than one thousand patents by the age of 21 years. The protection afforded by intellectual property law encourages inventors, scientists, and technologists to work harder knowing that their inventions, creations and discoveries would be protected by law and no one else would be able to steal the fruit of their hard toil.

"An artistic, literary or musical work is the brainchild of the author, the fruit of his labour and so, considered to be his property. So highly is it prized by all civilized nations that it is thought

worthy of protection by national laws and international conventions." Chinnappa Reddy, J in *Gramophone Co. v. Birender Bahadur Pandey* AIR 1984 SC. 676.

"Intellectual property is a powerful tool of economic growth inspiring creativity and innovation, generating revenue, promoting investment, enhancing culture, preventing 'brain-drain' and nurturing overall economic health. It affects virtually all aspects of economic and cultural life. It has become an important component of business transactions."— S.K. Verma, *Intellectual Property Rights*, Indian Law Institute, pg.609.

In Copinger and Skone James on Copyright (15th Ed. 2005. para 2- 05, page 27. Vol. 1), it is stated:

"Finally, it is considered a social requirement in the public interest that authors and other rights owners should be encouraged to publish their work so as to permit the widest possible dissemination of works to the public at large. These four fundamental principles are cumulative and inter-dependent and are applied in the justification of copyright in all countries, although different countries give varying emphasis to each of them. To generalize, it is true to say that in the development of modern copyright laws, the economic and social arguments are given more weight in Anglo- American laws of common law tradition, whereas, in Continental law countries with civil law systems, the natural law argument and the protection of authors are given first place.

The protection of copyright, along with other intellectual property rights, is considered as a form of property worthy of special protection because it is seen as benefiting society as a whole and stimulating further creative activity and competition in the public interest."

A creator of intellectual property is assured that he will enjoy the fruits of his invention without any fear of misappropriation by others. This assurance is indispensable to promote intellectual property. Thus, promotion and protection of rights in intellectual property contribute industrial development and resultant economic growth.

Inventors and authors have guarantee of monopoly of commercial exploitation of their rights for a certain period. Unless others in the field invent something original over the invention of patent holder they cannot assert any right on the patented work.

Intellectual property law assures healthy competition in two ways. Firstly, it guarantees the holder intellectual property rights monopoly over commercial exploitation of his right for a certain period. Secondly, infringement of his is met with stringent penalty.

"The normal right which an author or artist desires is the power to restrict reproduction of his work without consent in order that others may not unjustifiably profit from the toil of his brain. The rules of copyright achieve this end". *Text Book of Jurisprudence*, IV Ed. GW. Paton, pg. 534.

Object of intellectual property law is twofold; it protects the moral and economic rights and rights to reputation of creators and the rights of the public in access to those creations. Secondly,

it promotes creativity and the dissemination and application of its results and encourages fair trading thereby contributing to economic and social development.

Intellectual property law induces innovation and development by giving impetus to:

- 1. Creativity and innovation:** industrial and commercial houses encourage scientists and technologists to develop their products through research and innovation as patent law offers security of commercial exploitation of developed products.
- 2. Generation of revenue:** additional revenue is generated by offering the developed products to consumer.
- 3. Investment:** industrialists readily invest in countries where the monopoly rights granted under intellectual property laws are strictly enforced.
- 4. Enrichment of culture:** monopoly rights granted by copyright law facilitate creation of high quality work in literary, dramatic, musical, cinematograph films, artistic work and sound recording.
- 5. Discourages brain-drain:** migration of creators of intellectual property from developing countries in search of better opportunities to developed countries is contained by the monopoly rights offered by intellectual laws to their works.

Criticism:

Copyright laws slow intellectual progress of society. The critics can be answered thus...

1. To maintain a judicious balance between the rights of copyright creator and interest of community copyright laws are enacted with necessary exceptions and limitations.
2. To strike an appropriate and viable balance between the rights of the copyright owners and the interests of the society as a whole, there are exceptions in the law.
3. Many types of exploitation of work which are for social purposes such as education, religious ceremonies, and so on are exempted from the operation of the rights granted in the Act.
4. Copyright in a work is considered as infringed only if a substantial part is made use of unauthorisedly.
5. So far as the 'substantial part of copyrighted work is concerned there cannot be any hard and fast test. For example, if a lyricist copy a very catching phrase from another lyricist's song, there is likely to be infringement even if that phrase is very short.

Intellectual property rights identified for the purpose of legal protection are:

1. Rights of artists, painters, musicians, sculptors, photographers and authors of copyright;
2. Rights of computer programmers;
3. Rights of performers, producers of phonograms and broadcasting organization in respect of fixation of their programs for copyright in their works;
4. Rights of traders in their trade marks;
5. Right of inventor for patent in his patent;
6. Right of computer technologists for their layout designs of integrated circuits for patent in the works developed by them;
7. Right of breeder in bio-technology for a patent in the new plant variety grown by them;
8. Right of designers for their distinctive industrial designs striking to eye;
9. Right of manufacturers and producers of geographical indication in relation to such produce;

10. Right of businessmen for protection of their undisclosed information on technology and management.

The rights in intellectual property identified for protection under law can be broadly categorized into:

1. Copyright;
2. Rights in patent;
3. Rights in design;
4. Rights in trademarks; and
5. Rights in geographical indications.

Copyright

Meaning of copyright— copyright is exclusive right of multiplying, commercially dealing with and making assignment of the copies of the work recognized by law as subject matter of copyright for a specified period.

Subject matter of copyright— the subject matters of copyright were basically original creations in literature, dramatic, musical and artistic works. Copyright was subsequently extended to computer programme, cinematograph film and sound recording.

Copyright law confers the following rights on the owner of copyright;

1. Right to reproduce the work in any material form.
2. Right to issue copies of the work to public.
3. Right to perform the work in public, or communicate it to the public.
4. Right to make any cinematograph film or sound recording of the work where the copyright is in literary, dramatic or musical work.
5. Right to make translation of the work.
6. Right to sell or give on commercial rental or offer for sale or for commercial rental any copy of computer programme.
7. Right to include the work in any cinematograph film where the copyright is in an artistic work.
8. Right to make any adaptation of the work where the work is susceptible to such adaptation.

RIGHTS IN PATENT

Meaning— Rights in patent refer to monopoly rights granted by state to anyone who invents or discovers any new and useful process, machine, article of manufacture, or composition of matter, to make commercial gain from his creation for a fixed duration.

Right of patentee— a patentee in case of product patent has, exclusive right to prevent third parties from using, offering for sale, selling or importing patented product and in case of process patent, the right to prevent third parties from using, offering for sale, selling or importing for those purposes the product obtained directly by that process in India.

RIGHTS IN DESIGN

Meaning—A design is some shape, configuration, pattern or ornamentation or composition of lines or colours applied to an article in any form by any industrial process or means.

Right of owner of design— the registered owner of design has copyright in the design registered for ten years. Acquisition of copyright means that such owner is empowered to restrain the use of design by others.

RIGHTS IN TRADEMARK

Trade Mark, meaning— "trade mark" from the point of view of a consumer is a mark by which he identifies goods of trader or manufacturer or services of service provider.

Rights in Trademarks— only a owner of registered trademark has exclusive right to make use of the trademark in relation to goods or services for which the trademark is registered. No person is entitled to institute any proceedings to prevent, or to recover damages for the infringement of an unregistered trademark.

Geographical indication, legal aspect— certain goods, natural or manmade, originating from particular geographical area

have inherent qualities. There is no dearth of examples, silk sarees from Benaras, Pashmeena shawals from Kashmir and oranges from Nagpur. Given the inherent quality of these goods, any crooked trader may be tempted to push oranges produced in Chennai as originating from Nagpur and sarees produced in Kolkata as weaved in Banaras thereby deceiving the consumer and also famishing the reputation of genuinely manufactured sarees from Benaras and oranges produced in Nagpur. Geographical Indications of Goods (Registration and Protection) Act, 1999 is enacted with the object of protecting both the reputation of goods as well as the interest of innocent consumer.

Right of owner of geographical indication— the registered proprietor or the authorized user or users acquire right to obtain relief for Infringement of geographical indication.

No action for infringement of unregistered geographical indication—no person is entitled to institute any proceeding to prevent, or to recover damages for the infringement of an unregistered geographical indication.

The rights granted under intellectual property law are not without remedies. The violation of any of the rights is met with stringent legal consequences civil as well as criminal, preventing violation of intellectual property rights.

Evaluation of 'intellectual property rights' in Indian context— negative fallout India being a welfare State has to keep the interests of its population above all other considerations. Patent laws in India are framed with the object of keeping the prices of pharmaceutical products within the reach of masses. Even agricultural products are excluded from purview of patent law with similar object As India is signatory to WTO it has to amend its patent law to bring it in conformity with TRIPS Agreement. While doing so India has to answer the following genuine concerns:

1. As heavy royalties are charged by patent holders for permitting production of pharmaceutical products, lifesaving drugs will become expensive for the well-off and unaffordable to the masses.

2. Farmers in agricultural sector will have to shell out extra to set off the payments of royalties to patent holder.
3. Provisions relating to 'licenses of rights' under Sections 88 and 89 of Patents Act, 1970 by which interests of consumers are protected from dishonest patent seekers will become ineffective once they are brought in conformity with provisions of TRIPS Agreement.
4. Indian pharmaceutical manufacturers do not have the financial strength to invest in R & D to compete globally which they will be forced to once India amends its patent law to include product patent in pharmaceutical industry.
5. Availability of traditional medicine like Ayurvedic and Unani to masses will become expensive once patent system is introduced as the terms of TRIPS dictate. Production and sale of the same will be monopolized in the hands of commercial patent holders.

INTRODUCTION TO LEADING INTERNATIONAL INSTRUMENTS CONCERNING INTELLECTUAL PROPERTY RIGHTS Questions

1. Intellectual property is territorial in nature. Discuss, with reference to the international aspects affecting various intellectual property laws. 2. Explain the international nature of intellectual property.

Ans: Intellectual property law though territorial in application is regulated by international convention— The intellectual property laws are territorial statutes i.e. they are applicable within the confines of India or the country legislating it. Such law is called *lex loci*. The extent of copyright law as given in Section 1 (2) of Copyright Act, 1957 is explicitly "whole of India". Similar is extent of trade mark law under The Trade Marks Act, 1999. The Patent Act, 1970 and The Designs Act, 2000. Invention of printing

press in seventeenth century and improvement in means of communication spread works in intellectual property beyond the boundaries of countries of its origin. Rapid technological development in the second half of last century made reproduction of works in intellectual property easy and cheap and piracy lucrative forcing civilized countries to devise means for regulating intellectual property laws at international level.

A. Berne Convention for protection of Literary and Artistic Works—an International Union for Protection of Literary and Artistic Works was established in 1886 at Berne Switzerland. It started functioning on 5th December 1887. It has been revised five times with two additions and is controlled by WIPO. More than 171 States have signed this Convention.

Scope and object—Berne Convention has 38 Articles, first 20 Articles deal with substantive provisions like rights, duties and obligations of member States. It covers in its fold wide range of subjects under "literary and artistic work" which include every production in the literary, scientific and artistic domain, irrespective of mode or form of expression.

1. Article 1. Union of Countries: under this Article all convention countries have formed a union for the protection of rights of authors in their literary and artistic works.

2. Article 2. Meaning of expression 'literary and dramatic': a very wide meaning is given to above expression.

3. Article 3. Persons to which protection of Convention applies: under Clause (1) sub clauses (a), (b) and Clause (3) the persons on whom the protection of Convention is conferred are mentioned:

(a) authors who are nationals of one of the countries of Union, for their works, published or not;

(b) authors who are not nationals of one of the countries of the Union, for their works first published in one of those countries, or simultaneously in a country outside the Union and in a country of the Union.

(c) authors who are not nationals of one of the countries of the Union but who have their habitual residence in one of them.

4. Sub-clause (3) defines 'published works' as works published with the consent of their authors.

5. Article 4. Protection to authors not covered by Article

3: the protection of this Convention is extended even if conditions of Article 3 not fulfilled to:

(a) authors of cinematograph works the maker of which has headquarters or habitual residence in one of the countries of the Union;

(b) authors of works of architecture erected in a country of the Union or of other artistic works incorporated in a building or other structure located in a country of the Union.

6. Article 5. Rights of authors in countries other than their own: Authors of any country in Union are granted protection to rights in respect of their works in countries other than the country of origin.

7. Article 6. Forfeiture of rights of authors in certain cases: Where any country outside the Union fails to protect in an adequate manner the works of authors who are nationals of one of the countries, the latter country may restrict the protection given to the works of authors who are at the date of publication, nationals of the other country and are not habitually resident in one of the countries of Union.

8. Article 6 bis. Right of author against distortion, mutilation or other modification etc.: Apart from the author's economic rights, and even after the transfer of the said rights, the author shall have the right to claim authorship of the work and object to any distortion, mutilation or other modification of, or other derogatory action in relation to, the said work, which would be prejudicial to his honour or reputation. The above right continues even after death of author at least until the expiry of economic rights.

9. Article 7. Term of protection: This Article establishes a minimum term of protection of life plus 50 years or an alternative of 50 years from the publication for anonymous and pseudonymous works.

10. Article 8. Right to translation: Authors of literary and artistic work are conferred exclusive right to translation or authorize the translation of their works.

11. Article 9. Right to reproduction: Authors of literary and artistic work are, subject to legislation by member country, conferred exclusive right to authorize reproduction of their works.

B. PARIS UNION— need to protect the intellectual property was felt as far back as 1883. Paris Convention was convened in 1883. 140 States signed the convention and agreed to abide by its provisions.

Article 1 (2) of the Convention states, the protection of industrial property has its objects patents, utility models, industrial designs, trade marks, services marks, trade names, indications of source of appellations of origin and the suppression of unfair competition.

Article 1 (3) states, industrial property shall be understood in the broadest sense and shall apply not to industry and commerce proper but likewise to agricultural and extractive industries and to all manufactured or natural products, for example wines, grain, tobacco leaf, fruit, cattle, minerals, mineral water, beer, flowers and flour.

Nationals of all the convention countries were bound by the provisions of Convention. The Union evolved a concept of 'union'. All the countries which signed the convention, constituted a 'union' for the protection of industrial property.

C. TRIPS (Trade Related Aspects of Intellectual Property Rights)—The developed nations felt that in the absence of any regulating mechanism, the developing nations were exploiting commercial benefits of their intellectual property. The developed nations, therefore, campaigned for an universally acceptable and enforceable system of intellectual property law. In 1986 an accord called 'Final Act' containing 26 agreements was signed among countries TRIPS being one of such agreements, the other being formation of World Trade Organization.

Objects;

- (i) Promotion of and adequate protection of intellectual property rights.
- (ii) To resolve disputes on trade related intellectual property issues.
- (iii) To establish mutually supportive relationship between WTO and WIPO.

D. THE WORLD INTELLECTUAL PROPERTY ORGANIZATION (WIPO)— It is the most important international organization for the promotion of intellectual property established in 1967. Its predecessors were International Bureaus of Bern and Paris Union.

Objects:

- (i) to promote the protection of intellectual property throughout the world,
- (ii) to ensure administrative cooperation among Unions.

Membership of WIPO— the membership is open to any state which is member of any of the Unions. Even a state not member of Unions can join, if it is member of United Nations.

Organs of WIPO:

- (i) General Assembly,
- (ii) Conference,
- (iii) Co-ordination Committee, and
- (iv) International Bureau.

Main Forms of Intellectual Property/Select Aspects of Law of Copyright in India

COPYRIGHT

Copyright Act, 1957

Salient Features of **Copyright** Act of 1957.

- (a) Provisions for Copyright Office and Copyright Board for the purpose of registration of copyright and for settlement of certain kinds of disputes.
- (b) Provision for compulsory licensing of Copyright.
- (c) Provisions to determine first ownership of copyright in different categories of work.
- (d) The Act provides definition for various categories of work in which copyright exists.
- (e) Scope of rights conferred on authors of copyright is adequately described.
- (f) The Act provides comprehensive definition of copyright.
- (g) The Act states term of copyright of different kinds of work,
- (h) Provisions relating to assignment of ownership.
- (i) Provisions relating to performing rights of or by societies.
- (j) Provision for broadcasting rights.
- (k) Provision for international copyright.
- (l) Definition of infringement of copyright.
- (m) Civil and criminal remedies against infringement.
- (n) Remedies against groundless threat of legal proceedings.

The Act seeks to maintain a balance between the interest of the owner of the copyright in protecting his works on the one hand and the interest of the public to have access to the works, on the other. The extent to which the owner is entitled to protection in regard to his work for which he has obtained copyright and the interest of the public is a matter which would depend upon the statutory provisions. Whereas the Act provides for exclusive rights in favour of owners of the copyright, there are provisions where it has been recognized that public has also substantial interest in the availability of the works. The provisions relating to grant of compulsory license must be viewed having regard to the aforementioned competing rights wherefor an appropriate balance has to be struck. For the said purpose, we may notice the broad features of the Act.

Section 16 of the Act provides that no person shall be entitled to copyright otherwise than under and in accordance with the provisions of the Act. Section 14 defines the expression "copyright" to mean the exclusive right to do or authorize the doing of specific things in respect of a work, as detailed in that section.

The primary method that an owner of copyright employs to exploit the copyright and to make this work available to the public is through the vehicle of voluntary licenses in terms of Section 30 of the Act. The freedom to contract is the foundation of economic activity and an essential aspect of several Constitutional rights including the freedom to carry on trade or business guaranteed under Article 19(1)(g) and the right to property under Article 300A of the Constitution of India. But the said right is not absolute. It is subject to reasonable restrictions. Section 30 enables the owner of the copyright to grant any interest in the copyright by a license in writing signed by him or by his duly authorized agent.

Philosophy of the Copyright Act

The underlying philosophy of the Copyright Act is that the owner of the copyright is free to enter into voluntary agreement or licenses on terms mutually acceptable to him and the licensee. The Act confers on the copyright owner the exclusive right to do the various acts enumerated in Section 14. An infringement of copyright occurs if one of those acts is done without the owner's license. A license passes no interest, but merely makes lawful that which would otherwise be unlawful. The Act also expressly recognizes the notion of an "exclusive license" which is defined in Section 2(j). But, that does not mean, as would be noticed from the discussions made hereinafter, that it would apply in all situations irrespective of the nature of right as also the rights of others. It means a license which confers on the licensee, to the exclusion of all other persons (including the owner of the copyright) any right comprised in the copyright in a work. An exclusive licensee has specific rights under the Act such as the right to have recourse to civil remedies under Section 55 of the Act. This Scheme shows that a copyright owner has complete freedom to enjoy the fruits of his labour by earning an agreed fee or royalty through the issuance of licenses. Hence, the owner of a copyright has full freedom to enjoy the fruits of his work by earning an agreed fee or royalty through the issue of licenses. But, this right is not absolute. It is subject to right of others to obtain compulsory licence as also the terms on which such licence can be granted.

THE COPYRIGHT ACT, 1957

Though the introduction to Act does not begin with formal preamble it states that the Copyright Act is an Act to amend and consolidate the law relating to copyright in India.

Chapter I Preliminary Questions

1. Mere expression of some of the ideas, thoughts and opinions from original work in the author's own words does not constitute an abridgement entitled for copyright. Comment.
2. Only an abridgement of literary work, if it is new and original and the author has employed sufficient skill and labour is entitled to copyright. Comment.
3. State the essential elements of abridgement of literary work eligible for copyright protection.
4. Enumerate essentials of performance.
5. Whether definition of 'performance' can be validly applied to following presentations, give your reasons.
 - a. Rendition of classical music by vocalist.
 - b. Presentation of dance in dance competition.
 - c. Peculiar style of cricketer in hitting sixes.

Ans: Section 2—Section 2 is interpretation clause. It gives definition of certain words and expressions frequently used at various places in the Act. The object of such a definition is to avoid the necessity of repetitions in explaining all the subject matter to which the word or expression refers.

Definition of important terms

Section 2 of the Act defines various terms used in the Act.

Adoption: adoption in context of Copyright Act means conversion of one type of work to another type of work.

(i) adoption in relation to a dramatic work means the conversion of the work into a non dramatic work.

Illustration: Conversion of stage play 'Merchant of Venice' by Shakespeare into a narrative.

(ii) in relation to literary work or artistic work it means the conversion of the work into dramatic work by performance in public or otherwise.

Illustration: Conversion of 'A Study in Scarlet' a detective story by Sir Arthur Conan Doyle into a stage play.

Case Law: (1982) RPC 109; Redwood v. Chappell—in this case a owner of copyright in literary work permitted another person by license to arrange the literary work into play. Dispute arose as to copyright in work so arranged. It was held that the licensee arranging the work is owner of copyright in arranged work.

(iii) in relation to literary or dramatic work it means any abridgement of work or any version of the work in which the story or action is conveyed wholly or mainly by means of pictures in a form suitable for reproduction in a book, or in a newspaper, magazine or similar periodical;

Case Law: Lord Atkinson in Macmillan and Co. v. K. J. Cooper, AIR 1924 PC 75, "An abridgement of an author' s work means a statement designed to be complete and accurate of the thoughts, opinions and ideas by him expressed therein, but set forth much more concisely in the compressed language of abridger".

Case Law: Govindan v. Gopalakrishnan, AIR 1955 Madras 319. It is held in that, "abridgement is the reproduction of an original work in a much more precise and concise way. So a genuine abridgement of a literary work is an 'original work' and is subject matter of copyright. A digest of any literary work is an abridgement. An abridgement of a literary work is entitled to protection if it is original and the author has bestowed sufficient skill and labour upon it. It does not matter if the amount of originality is very small".

Following are some of tests laid down in above case:

a) The complete work must be preserved in its precise import and exact meaning, and then the act of abridgement is an exertion of the individuality used in condensing and transferring a large work into a small compass rendering it less expensive and more convenient both to the time and use of reader.

b) Independent labour must be apparent and reducing the size of the work by copying some of its parts and deleting some other parts will not constitute abridgement.

c) The substance and essence of work must be preserved in proper language.

d) Abridged work must signify exercise of mind, labour, skill and judgment.

e) Literary taste and skill requisite to compile properly and effectively is prerequisite. Mere process of selecting passages from works is not enough to bestow originality on abridged work.

The leading case in which many legal aspects of abridgement of literary work were discussed and law laid down is Macmillan and Co. v. KJ. Cooper AIR 1924 PC 75.

Facts: The appellants published a book "Plutarch's Life of Alexander, Sir, Thomas North's Translation. The work of appellants was mechanical reduction to 20,000 words i.e. half of the original work of Sir Thomas North edited by H.E.M. Parr M.A. The book of the appellants was prescribed for the Matriculation Examination to be held in the year 1919 by Bombay University. Respondents, subsequent to publication by appellants, published their book precisely on the same general plan as that of appellants' titled Plutarch's Life of Alexander the Great, North's Translation edited with introduction, marginalia, notes and summary by A. Darby M. A. The appellants' book apart from 20,000 words contained marginal notes, introduction to North's translation and Alexander's place in history etc. which was omitted from the respondent's book. The book published by respondent contained 7000 words in addition to 20,000 words from the book of appellants. Appellants brought action to restrain respondents from printing, distributing or otherwise disposing of copies of book published by them. Both the appellants and respondents styled their works as abridgement of original. Lord Atkinson declaring such styling of their works "abridgement" as misnomer observed:

"Strictly speaking, an abridgement of an author's work means a statement designed to be complete and accurate of the thoughts, opinions and ideas by him expressed therein, but set forth much more concisely in the compressed language of the abridger". Stating as to what work cannot qualify to be abridgement, his Lordship further observed. "A publication like that of the appellant's or respondent's, the text of which consists of a number of detached passages, selected from an author's work, often not contiguous but separated from those which precede and follow them by considerable bodies of print knit together by a few words so as to give these passages, when reprinted, the appearance of a continuous narrative is not an abridgement at all. It only expresses in the original author's own words, some of the ideas, thoughts and opinions set forth in his work".

A passage at page 39 from Copinger's Law of Copyright is extracted in the same case defining 'abridgement' in following terms: "To constitute a true and equitable abridgement, the entire work must be preserved in its precise import and exact meaning and then the act of abridgement is an exertion of the individuality employed in moulding and transfusing a large work into a small compass, thus rendering it less expensive and more convenient both to the time and use of reader. Independent labour must be apparent, and the reduction of the size and work by copying some of its parts and omitting others confers no title of authorship and result will be an abridgement not entitled to protection.

To abridge in the legal sense of the word is to preserve the substance, the essence of the work in language suited to such a purpose, language substantially different from that of the original. To make such an abridgement requires exercise of mind, labour, skill and judgment brought into play, and the result is not merely copying. Following essentials of valid abridgement can be gathered from the above passage.

a) Precise import and exact meaning— the entire work must be preserved in its precise import and exact meaning, and then the act of abridgement is an exertion of individuality employed in

moulding and transferring a large work into a small compass, thus rendering it less expensive and more convenient both to the time and use of reader.

b) Application of independent labour— independent labour must be apparent and the restriction of the size of the work by copying some of its parts and omitting others confers no title to the authorship, and the result will not be an abridgement.

c) Substance of original work not to be destroyed— to abridge in the legal sense of the term is to preserve the substance, the essence of the work in language suited to such purpose, is the language substantially different from that of the original.

d) Exercise of mind— to make such an abridgement requires exercise of mind, labour, skill and judgment brought into play and the result is not mere copying.

e) Literary taste and skill— literary taste and skill requisite to compile properly and effectively is important. Mere process of selecting passages from works is not enough; the skill manifested in making or arranging selection is important.

Works that do not constitute valid abridgement.

a) Work that only expresses some of the ideas, thoughts and opinions set forth in original work in author's own words.

b) Selecting scraps from original work without applying judgment, bereft of literary taste and skill required to compile a proper and effective abridgement and to **print them** in narrative form.

c) Mere process of selecting passages from works readily accessible to public.

(iv) in relation to musical work any arrangement or transcription of work; and

(v) in relation to any work, any use of such work involving its rearrangement or alteration;

Ingredients of Artistic Craftsmanship...

a. Intent of author— One of the essential attributes of artistic craftsmanship is conscious intent of the author of work to produce a work of art. The author of the work must create it with deliberate object of crafting a work of art. A casually or routinely produced work is not fit to be termed a work of artistic craftsmanship.

b. Pride in sound workmanship— "Craftsmanship particularly when considered in its historical context, implies a manifestation of pride in sound workmanship—a rejection of shoddy, the meretricious, the facile. But the craftsmanship—not the work itself—must, in addition, be artistic.

Case Law: *George Hensher v. Restawile Upholstery* [1975] RPC 52, Lord Kilbrandon declared, "The first essential of work of art (which I think an artistic work must be) if it is to be distinguished from a work of craftsmanship—is that it shall have come into existence as the product of an author who is consciously concerned to produce a work of art. The work either is or is not a work of art before anyone except the author has seen it; it does not depend for its artistic character upon (he criticism, whether favourable or unfavourable, of other people who may make value judgments about it.

Works that are not usually works of artistic craftsmanship:

(a) Work of cobbler.

(b) Work of dental mechanic.

(c) Work of pattern maker.

(d) Work of a boiler maker.

(e) Work of a plumber.

(f) Work of wheelwright.

(g) Work of matcher.

Works that may qualify to be works of artistic craftsmanship:

- (a) Work of blacksmith.
- (b) Work of woodworkers.
- (c) Work of printers.
- (d) Work of bookbinders. Work of cutlers. Work of needle workers.
- (e) Work of weavers.

Works that qualify to be works of artistic craftsmanship:

- (a) Work of maker of hand painted tiles.
- (b) Work of maker of stained glass windows. **"Author"**

Author: The term has special significance in copyright law. It is the author, his assignee, representative, licensee or anyone claiming through him who can rightfully claim copyright in the work created by author.

Under **Section 2 (d)** 'author' means:

- (a) in relation to literary or dramatic work, the author of the work;
- (b) in relation to musical work the composer;
- (c) in relation to an artistic work other than photograph, the artist;
- (d) in relation to photograph, the person taking the photograph;
- (e) in relation to cinematograph film or sound recording the producer;
- (f) in relation to any literary, dramatic, musical or artistic work which is computer generated, the person who causes the work to be created.

Broadcast

Under **Section 2 (dd)** 'broadcast' means communication to the public:

- (a) by means of wireless diffusion, whether in one or more forms of signs, sounds or visual images; or
- (b) by wire, and includes a re-broadcast.

To broadcast is to disseminate information through wireless diffusion, in one or more forms of signs, sound or visual images or by wire and also includes rebroadcast. Broadcast is active process by which information is spread among public. It is not confined to audio visual transmission, it also includes transmission by wireless diffusion through one or more forms of signs. The definition obviously includes broadcast by means of electric telegraph. Such communication by definition has to public as against private communication and it connotes one way transmission. Thus communication through mobile wireless phone between friends or among a group of people is not broadcast as defined under the Act.

Section (e) defines "calendar year" as the year commencing on the 1 st day of January.

"Cinematograph film"

"Cinematograph film" under Section 2 (f) means any work of visual recording and includes a sound recording accompanying such visual recording and "cinematograph" shall be construed as including any work produced by any process analogous to cinematography including video films.

Cinematograph film is a film which by rapid projection through a apparatus called cinematograph produces the illusion of motion on a screen of many photographs taken successively on a long film-

Concise Oxford Dictionary.

The definition is wide enough to include all known means of recording visual images. It expressly includes sound recording accompanying visual images, known as sound track, and video films.

Etymologically cinematography has its origin in Greek, kinesis meaning 'images' and grapho meaning 'record'. It has close relation with still photography.

Case Law: Entertaining Enterprises v. State of Tamil Nadu AIR 1984 Madras 290—The High Court held that as a result of the inclusive definition of cinematograph film under Section 2 (f) of the Act, the exhibition of film in a television through video tapes in which a cinematograph film is recorded, will also fall within the definition of cinematograph film.

Under Section 2 (fa) "commercial rental" is defined negatively. Thus, "commercial rental" does not include, lease of lending of a lawfully acquired copy of (i) a computer programme, (ii) sound recording, (iii) visual recording or (iv) cinematograph for non-profit purposes by a non-profit library or non-profit educational institution.

Explanation appended to the definition clarifies as to what is meant by a "a non-profit library or non-profit educational institution". A non-profit library or non-profit educational institution for above clause means library or educational institution which receives grants from the Government or is exempted from payment of tax under Income Tax Act, 1961. The definition "commercial rental" and explanation defining a "non-profit library or non-profit educational institution" is added by amending Act 27 of 2012, w.e.f. 21-6-2012.

The explanation does not clarify whether libraries and educational institutions owned and/or controlled by Government are within the ambit of "non-profit library or non-profit educational institution".

Illustration:

i. A private educational institute 'X' running on funds generated by it lends a lawfully acquired copy of a computer programme to its students for free.

ii. An educational institute 'X' running on grant received from Government lends a lawfully acquired copy of a computer programme to its students on payment of certain cost.

iii. An educational institute 'X' running on grant received from Government lends a lawfully acquired copy of a computer programme to its students without collecting any cost.

Acts of lending computer programmes by institutes in illustrations (i) & (2) are covered by "commercial lending" as defined under Section 2 (fa).

Communication to public

"Communication to public" as defined under Section 2 (ff) means making any work available for being seen or heard or otherwise enjoyed by the public directly or by any means of display or diffusion other than by issuing physical copies of such work regardless of whether any member of public actually sees, hears or enjoys the work so made available. It is further provided that communication through satellite or cable or any other means of simultaneous communication to

more than one household or place of residence including residential rooms of any hotel or hostel shall be deemed to be communication to the public.

This provision is amended by Act 27 of 2012.w.e.f. 21-6-2012. The object seems to prevent infringement of copy right by making use of latest developments in technology.

Making communication to public under the Act connotes the passive act of making any work available to public by means of display or diffusion with the intention that the public should see or hear or enjoy the work. The actual seeing, hearing or enjoying of work by public is, however, not necessary. Issuing copies of such work is expressly excluded from the definition. But explanation appended to provision makes clear that, communication through satellite or cable or any other means of simultaneous communication to more than one household or place of residence including residential rooms of any hotel or hostel shall be deemed to be communication to public. The purpose of the explanation seems to be prevention of copyright by diffusion through cable television network.

Composer

"Composer" under **Section 2 (ff)** in relation to a musical work, means the person who composes the music regardless of whether he records it in any form of graphical notation.

Nutation: Notations are symbols or signs by which composition of melody are represented on paper.

Computer programme

Section 2 (ffd). "Computer programme" means a set instructions expressed in words, codes, schemes or in any other form, including a machine readable medium, capable of causing a computer to perform a particular task or achieve a particular result.

Dramatic work

Section 2 (h). "Dramatic work" includes any piece of recitation, choreographic work or entertainment in dumb show, the scenic arrangement or acting, form of which is fixed in writing or otherwise but does not include cinematograph film.

"Fixed in writing"

To avail copyright protection, the work must have been reduced to writing or otherwise fixed in material form. Common law rule is that no protection can be provided to a work which is not reduced to writing or otherwise fixed in material form. Such reduction of a work to writing or securing it in material form through electronic or mechanical medium is called "fixation" of work.

Exclusive licence

Section 2(j). "Exclusive licence" means a licence which confers on the licensee and persons authorized by him, to the exclusion of all other persons including the owner of copyright any right comprised in the copyright in a work.

Exclusive licensee is one who acquires the right conferred on him by the owner of copyright to the exclusion of the entire world.

Government work

Section 2(k). "Government work" means a work which is made or published by or under the direction of:

- (a) the Government or any department of the Government;
- (b) any Legislature in India;
- (c) any Court, Tribunal or other judicial authority in India. Section 2(k) defines the 'government work' which would be a work which is made or published by or under the direction or control of, amongst others, any Court, Tribunal or other judicial authority in India. By virtue of this definition, the judgments delivered by the Supreme Court would be a government work. Under Section 17(d), the Government shall, in the absence of any agreement to the contrary, be the first owner of the copyright in a government work. In the absence of any agreement to the contrary, the government shall be the first owner of the copyright in the judgments of the Supreme Court, the same being a government work under Section 2(k).

Section 52(1) expressly provides that certain acts enumerated therein shall not constitute an infringement of copyright and sub-clause (iv) of clause (q) excludes the reproduction or publication of any judgment or order of a Court, Tribunal or other judicial authority, unless the reproduction or publication of such judgment or order is prohibited by the Court, the Tribunal or other judicial authority from copyright. The judicial pronouncements of the Apex Court would be in the public domain and its reproduction or publication would not infringe the copyright. The reproduction or publication of the judgments delivered by the Supreme Court by any number of persons would not be infringement of a copyright of the first owner thereof, namely, the Government, unless it is prohibited.

A work which is made by any of the authorities mentioned under sub-clauses but not published is nevertheless a Government work. Government includes Central Government as well as State Government.

Case Law: 2000 Cr.LJ. 202 (All)—publishing of books for students of classes of IX and X as per syllabus of Board without any sanction from Government does not violate provision of copyright.

Indian work

Section 2(1). "Indian work" means a literary, dramatic, or musical work:

- (a) the author of which is a citizen of India; or (b) which is first published in India; or
- (c) the author of which, in case of an unpublished work, is, at the time of making of the work, a citizen of India.

Infringing copy

Section 2 (m). "infringing copy" means: (i) in relation to a literary, dramatic, musical or artistic work, a reproduction of it otherwise than in the form of a cinematograph film; (ii) in relation to cinematograph film, a copy of the film made on any medium by any means; (iii) in relation to a sound recording, any other recording, made by any means; (iv) in relation to a programme or performance in work such a broadcast reproduction right or a performer's right subsists under the provisions of Copyright Act. the sound recording or a cinematograph film of such programme or performance, (v) if such reproduction, copy or sound recording is made or imported in contravention of the provisions of this Act.

"Infringing copy" is analogous to "corpus delicti" i.e. the body of crime in criminal law. In the absence of infringing copy no case for infringement of copyright can be made out.

Literary work

Section 2(o). Literary work includes computer programme, tables and compilations including computer databases. "Literary work" as defined by Section 3 of the U.K, Copyright Act 1988 is more specific for it expressly excludes dramatic or musical work written, spoken or sung.

Musical work

Section 2(p). "Musical work" means a work consisting of music and includes any graphical notation of such work but does not include any words or any action intended to be sung, spoken or performed with the music.

The definition of musical work is substituted by amending Act of 1994 to meet the requirement of Indian musical work retaining the protection for Western musical works susceptible to be scripted in elaborate system of musical notations. Words accompanying music are covered under literary work and any action intended to be sung, spoken or performed is covered under performance, hence both are excluded from the scope of definition of musical work.

Performance

Section 2(q). "Performance" in relation to performer" s right means any visual or acoustic presentation made live by one or more performers.

To perform is to present one's skill and talent to audience. Noteworthy feature of definition is that its application is restricted to live performance unlike other works in which copyright exists. Restriction of performance to live presentation impliedly connotes presence of spectators or audience to such performance. A performance presented in soliloquy i.e. in the absence of any audience will not qualify as performance under Section 2(q). Similarly performance by contestants in a sporting event will also not also qualify as performance because the object of participants is competition, to surpass the performance of other participants, and not a mere presentation. It is doubtful whether the definition can be appropriately applied to performance of dance in competition presented by dancers on television shows.

Ingredients of performance:

- (a) one or more persons who present performance;
- (b) live performance by one or more performers; and
- (c) spectators.

Performer

Section 2(qq). "Performer" includes an actor, singer, musician, dancer, acrobat, juggler, conjurer, snake charmer, a person delivering a lecture or any other person who makes performance.

Explanation added by amending Act 27 of 2012, w.e .f. 21 -6- 2012 states that, in a cinematograph film a person whose performance is causal or incidental in nature and in the normal course of the practice of the industry is not acknowledged anywhere including in the

credits of the film shall not be treated as a performer except for the purpose of clause (b) of Section 38 B.

Illustration: An extra artist standing in a crowd in a shot in a film is not a performer under the explanation.

Section 38B is added by amending Act 27 of 2012. Under Sub-Section (b) of Section 38 B, the performer of a performance shall independently of his right after assignment either wholly or partially of his right have the right to restrain or claim damages in respect of any distortion, mutilation or other modification of his performance that would be prejudicial to his reputation.

Illustration:

a. 'X' a woman artist is shown in shot of cinematographic film standing in a crowd. Subsequently by use of technical effects, she is shown scantily clad in the same shot. 'X' has right to restrain or claim damages in respect of the modification of her performance in the shot.

b. 'X' a woman artist is shown in shot of cinematographic film standing in a crowd. Subsequently by use of technical effects, she is shown differently clad in the same shot. 'X' has no right to restrain or claim damages in respect of the modification of her performance in the shot.

The defining distinction between illustration 'a' and 'b' is. in illustration 'a' right of 'X' to decency is prejudiced whereas in illustration 'b' none of her right is prejudiced.

The inclusive definition of performer in the Copyright Act, 1957 is widest in scope. It is wider even than the definition in Article 3 (a) of Rome Convention, 1961 which defines 'performers' restrictively to mean, actors, singers, musicians, dancers, and other-persons who act, deliver, declaim, play in, or otherwise perform literary or artistic work.

Photograph

Section 2 (s). "Photograph" includes photo-lithograph and any work produced by any process analogous to photography but does not include any part of a cinematograph film.

The definition is applicable to any work produced by any process provided that such process is similar to the process of photography. The process of photography involves obtaining a picture or other image by chemical action of light or other radiation on specially sensitized material such as film or glass.

Photography, as defined by Oxford Talking Dictionary, is a process by which a picture or other image is obtained by chemical action of light or other radiation on specially sensitized material such as film or glass.

Sound recording

Section 2(xx). "Sound recording" means a recording of sound from which such sounds may be produced regardless of the medium on which such recording is made or the method by which the sounds are produced.

The definition covers recording of sound in all known mediums, vinyl records, tapes, compact discs, digital audiotapes and MP3s.

The definition of "sound recording" given in Copyright Designs and Patents Act, 1988 of U.K. is more explicit, the Act defines a sound recording to mean (a) a recording of sounds, from which the sounds may be reproduced, or (b) a recording of the whole or any part of literary, dramatic, or musical work, from which sounds reproducing the work or part may be produced, regardless of the medium on which the recording is made or the method by which the sounds are reproduced or produced.

Some of the terms defined under Section 2 have restrictive and some of them have extensive meaning. The rule of interpretation is that, "when a word is defined 'to mean' such and such, the definition is prima facie restrictive and exhaustive; whereas, where the word defined is declared to 'include' such and such, the definition is prima facie extensive.

Clause (xa) states the meaning of, "**Rights Management Information**", as.

- (a) the title or other information identifying the work or performance;
- (b) the name of the author or performer;
- (c) the name and address of the owner of rights;
- (d) terms and conditions regarding the use of the rights; and
- (e) any number or code that represents the above information referred to in Sub-Section (a) to (b) but does not include any device or procedure intended to identify the user.

Publication

Section 3. Meaning of publication. Publication means making a work available to the public by issue of copies or by communicating the work to public.

Under Section 2(ff) defining 'communication to public' issuing of copies to public is expressly excluded from the purview of making communication to public. The distinguishing feature between "making communication to public" as defined under Section 2(ff) and 'communication to public' under Section 3 is the excluded act of issuing copies to public for making a work available to public.

Exception to publication

Where in the opinion of Copyright Board the distribution of copies or communication to the public referred to in Section 3 was of an insignificant nature, it shall not be deemed to be publication for the purposes of that Section.

The exception excluding distribution or communication of copies of insignificant nature from the scope of publication is embodiment of legal maxim, "de minimis nont curallex", the law does not concern itself with a disturbance which is trivial or immaterial.

When work not deemed to be published or performed in public

Section 4. A work shall not be deemed to be performed in public or preformed in public, if published or performed in public without the licence of the owner of copyright, except for the purpose of action in infringement of copyright.

This provision is negative deeming provision. When a work is in fact performed or published but without any licence from owner of copyright such work shall be regarded as not published and not performed. The definition without deeming provision shall create an anomaly whereby no action for infringement may lie as the work is deemed to be not published or performed. The

provision therefore, creates an exception and enacts that for purpose of infringement of copyright such work shall be considered published or performed in public.

When work deemed to be first published in India

Section 5. A work published in India shall be deemed to be first published in India though it has been published simultaneously in some other country, unless such other country provides a shorter term of copyright for such work; and a work shall be deemed to be published simultaneously in India and in another country if the time between the publication in India and the publication in such other country does not exceed thirty days or such other period as the Central Government may determine in relation to any specified country.

This is also a deeming provision. The deeming is in respect of chronology of publication of work in India and other country. Where a work is concurrently published in India and in some other country, under Copyright Act such work shall be deemed to be first published in India provided the other country does not provide a shorter period of copyright for such work.

Deeming under the provision is under two situations that can be better explained by illustrations. Situation 1.

"A literary work is published in India and in an X country simultaneously." The term of copyright for literary work in X country is 60 years.

Deeming— It shall be deemed under the provision, that such literary work is first published in India.

Situation 2.

"A literary work is published in India on a particular day and subsequent to 29 days of publication in India it is published in another X country".

Deeming— It shall be deemed under the provision that, such work is simultaneously published in India and such X country.

The provision is in two parts. In the first part a fiction is created whereby concurrent is presumed prior. In the second part subsequent is the fiction created whereby subsequent is presumed concurrent.

Disputes to be decided by Copyright Board The Copyright Board constituted under Section 11 has statutory jurisdiction to decide following disputes:

(a) Publication of a work or date of publication -whether a work has been published or as to the date on which a work was published for deciding the term of copyright under Chapter V of the Act. or

(b) Whether the term of copyright for any work is shorter in any other country than that provided under Copyright Act.

Nationality of author where the making of unpublished work is extended over a considerable period

Section 7. Where, in case of an unpublished work, the making of which is extended over a considerable period, the author of the work shall, be deemed to be a citizen of, or domiciled in, that country of which he was a citizen or wherein he was domiciled during any substantial part of that period.

Section 7 provides for a situation where, an author while residing abroad creates a work the creation of which is extended over a considerable period and the work is unpublished such author shall be deemed to be citizen of that country of which he was a citizen or domiciled in that country of which he was a citizen or where he was domiciled during any substantial part of the period of creation of such work.

Domicile is the place where a man has his home—Tomlin's Law Dictionary.

Domicile is the place where one has permanent residence to which, if absent, he has intention of returning. Article 5, Constitution of India.

Domicile of corporations

Section 8. A body corporate shall be deemed to be domiciled in India if it is incorporated under any law in force in India.

Chapter II

Copyright Office And Copyright Board Questions

1. What are the copyright authorities under 'The Copyright Act, 1957? Explain their powers.
2. Creation of Copyright Office and Copyright Board is one of the main features of Copyright Act of 1957. Comment
3. Write short note on Copyright Board.

Ans: Creation of Copyright Office and Copyright Board is one of the main features of Copyright Act of 1957. The object of creation of Copyright Office and Copyright Board is to facilitate registration of copyright, regulate the working of provision of Copyright Act, settle certain disputes arising under the Act control and grant of compulsory licensing of Copyright etc.

Copyright Office

The Act provides for the establishment of Copyright Office and constituting of Copyright Board. The Copyright Office works under the immediate control of Registrar of Copyrights and the Registrar of Copyrights is under the control and superintendence of Central Government.

Copyright Board

The Copyright Board, a quasi-judicial body, was constituted in September 1958. The jurisdiction of the Copyright Board extends to the whole of India. The Board is entrusted with the task of adjudication of disputes pertaining to copyright registration, assignment of copyright, grant of Licences in respect of works withheld from public, unpublished Indian works, production and publication of translations and works for certain specified purposes. It also hears cases in other miscellaneous matters instituted before it under the Copyright Act, 1957. The meetings of the Board are held in five different zones of the country. This facilitates administration of justice to authors, creators and owners of intellectual property including IP attorney's near their place of location or occupation.

The Copyright Board was reconstituted under the Chairmanship Justice Ramesh Chandra Chopra (retired) for a period of five years or till further orders, whichever is earlier, with effect from the 15th July, 2011.

Constitution of Copyright Board: (The Central Government is required to constitute a Copyright Board. Copyright Board consists of a Chairman and not less than two or more than fourteen other Members.

Term of Chairman and Members: the Chairman and other Members of Copyright Board are appointed for the term not exceeding five years.

Qualification of Chairman: the Chairman of Copyright Board shall be a person who is or has been a Judge of High Court or is qualified to be a Judge of High Court.

Salaries and allowances: The salaries and allowances payable to and other terms and conditions of service of the Chairman and other members of the Copyright Board shall be such as may be prescribed and it is further provided by proviso to Sub-Section (2) of Section 11 that neither the

salary and allowances nor the other terms and conditions of service of the Chairman or any other member shall be varied to his disadvantage after appointment

This provision is added by amending Act 27 of 2012 the object is to guarantee absolute monetary security to the Chairman and Board members to ensure it functions without any threat of its salary and allowances trimmed down by vested interest.

Secretary to the Copyright Board: Sub-Section (4) of Section 11 empowers the Central Government to appoint a Secretary to the Copyright Board and such other officers and employees after consultation with Chairman of Copyright Board as may be considered necessary for the efficient discharge of the functions of the Copyright Board.

Administration of the office of Copyright Board: the Registrar of Copyrights is the Secretary of Copyright Board and is required to perform functions as prescribed by Copyright Act.

Powers and procedure

(i) Regulation of procedure— the Copyright Board has power to regulate its own procedure including fixing of places and times of its sittings.

(ii) Procedure for hearing of proceedings— the Copyright Board is ordinarily required to hear proceedings in the zone in which the person instituting the proceeding actually and voluntarily resides or carries on business or personally works for gain.

(iii) Power to constitute Benches— the Copyright Board is empowered to exercise and discharge its powers and functions through Benches constituted by Chairman from the members of the Board. Each Bench shall consist of not less than three members.

(iv) Matters to be decided by majority— when any matter coming before Copyright Board cannot be decided unanimously it shall be decided by majority.

(v) Delegation of powers— the Chairman is empowered to confer on any of its members any of the powers of civil Court granted under Section 74 and any order or act done by such member acting in exercise of such powers shall be deemed to be the order of the Copyright Board.

(vi) Bar to participate in proceeding— no member is allowed to take part in any proceedings before the Copyright Board in respect of any matter in which he has personal interest.

(vii) Existence of vacancy no ground for questioning order etc.— no order or proceeding of Copyright Board on the ground merely of existence of any vacancy or any defect in the constitution of the Copyright Board can be called in question.

(viii) Copyright Board to be civil Court— Copyright Board is deemed to be a civil Court for the purposes of Sections 345 and 346 of Code of Criminal Procedure, 1973 and all proceedings before Copyright Board are deemed to be judicial proceedings under Sections 193 and 228 of Indian Penal Code, 1860.

(ix) Power to adjudicate disputes— any dispute as to whether a work has been published or as to the date on which a work was published for determining the term of copyright or whether the term of copyright for any work is shorter in any other country than provided under Copyright Act, shall be referred to Copyright Board for adjudication whose decision shall be final.

(x) Power to revoke assignment— if a person to whom a copyright is assigned by the owner of a work fails to make sufficient use of the rights assigned to him in the absence of any default by

the assigner, the Copyright Board after receiving a complaint from the assigner is empowered to revoke such assignment after necessary inquiry.

(xi) Power to order recovery of royalty— if any dispute arises with respect to the assignment of any copyright, the Copyright Board after receiving a complaint from aggrieved party may pass an order after necessary inquiry for recovery of any royalty payable.

Above powers of the Copyright Board are provided under Section 12 of Chapter IT. Apart from the above powers other powers and functions of the Copyright Board are mentioned at different places in the Act.

(1) Power to grant compulsory licence in published work: where a complaint is made to the Copyright Board that a owner of copyright in a work which is published or performed in public has refused to re-publish or broadcast the work,.the Copyright Board is empowered to direct the Registrar of Copyrights to grant to the complainant a licence to republish the work, perform the work in public or broadcast the work.

(2) Power to grant compulsory licence in un-published Indian work— where in case work created by citizen of India whose -author is dead or unknown or cannot be traced or found, the Copyright Board may direct the Registrar of Copyrights to grant licence to person seeking to publish such work or its translation in any language.

(3) Power to grant licence to produce and publish translations: the Copyright Board has power to grant licence to produce and publish a translation of a literary or dramatic work in any language after a period of seven years from the first publication of the work. A licence to produce and publish a translation in printed or similar forms or reproduction of a literary or dramatic work other than an Indian work in any language in general use in India can be granted by copyright even after three years from first publication if such work is required for the purpose of teaching, scholarship or research.

(4) Power to grant licence to reproduce and publish works for the benefit of general public: where after end of relevant period from the date of the first publication of an edition of literary, scientific or artistic work, the copies of such work are not made available in India, or such copies have not been put on sale in India for period of six months to the general public, or for the purpose of teaching at a reasonable price, the Copyright Board is empowered to grant a licence to publish such work at a reasonable price to any person applying.

(5) Power to carry out rectification of Register of Copyrights: the Copyright Board has power on application of Registrar of Copyrights or any person aggrieved to order the rectification of Register of Copyrights.

(6) Power to fix share in resale of original copies: in case of resale of the original copy of a painting, sculpture or drawing, or of the original manuscript of a literary work for more than ten thousand rupees, the author of such work if he was the first owner has a right to share in the resale of such original copy or manuscript as fixed by the Copyright Board.

(7) Power to hear appeal: the Copyright Board has power and jurisdiction to hear appeal preferred by any person aggrieved by any final decision or order to the Registrar of Copyrights.

Registrar of Copyrights

Under Section 9 of the Act a Copyright Office is established under the immediate control of Registrar of Copyrights who acts under the superintendence and direction of Central Government. The principal function of the Copyright Office is to maintain Register of Copyrights in which the names and addresses of authors and owners of copyrights and other relevant particulars are mentioned.

Powers and functions of Registrar of Copyrights

- 1. Secretary of Copyright Board:** the Registrar of Copyrights shall by virtue of Section 11 sub-Section (4) be the Secretary of Copyright Board and shall perform functions prescribed to him.
- 2. Duty to publish notice of relinquishment:** Registrar of copyrights on receiving a notice from the author of a work intending to relinquish all or any of the rights in the copyright is required to cause such notice to be published in Official Gazette and in such other manner as deemed fit by him.
- 3. Duty to submit application received for registration of copyright society:** the Registrar of Copyrights receiving an application from any association of persons for permission to do business of issuing or granting licences in respect of any work in which copyright subsists is bound to submit the application to Central Government for consideration.
- 4. Power to call for submission of returns and reports:** every copyright society is required to submit to Registrar of Copyrights such returns as may be prescribed.
- 5. Functions in respect of registration of copyright:** on receipt of an application for entering particulars of the work in Register of Copyrights the Registrar of Copyrights after an inquiry enters the particulars of the work in the Register of Copyrights.
- 6. Power to correction of entries in the Register of Copyrights:** the Registrar of Copyrights is entitled to seek from Copyright Board rectification of entries made in Register of Copyrights.
- 7. Power to prohibit importation of infringing copies:** the Registrar of Copyrights on application by the owner of copyright in any work is empowered after making necessary inquiry to order that copies made out of India of the work which if made in India would infringe copyright shall not be imported.
- 8. Power to enter ship, dock or premises:** the Registrar of Copyrights is authorized to enter any ship or dock or premises where copies infringing copyright are made out of India may be found and examine such copies.

Nature, Purpose, Object and Meaning of Copyright **Questions**

1. Explain the nature and purpose of copyright. In which type of works it subsists?
2. What is copyright? Discuss with reference to each 'work'.
3. Discuss the nature and object of copyright law. Explain the classes of works in which copyright subsists.
4. What is the nature and purpose of copyright? In which works copyright subsists?
5. What is meaning of copyright? Explain the works in which copyright subsists and in which it does not subsists?
6. What is copyright? In which type of works does copyright subsists?
7. Discuss the nature and object of copyright law. Explain the classes of works in which copyright subsists.

ADS: Historical background— in ancient days writers, musicians and artists created their works for the fun of creation and fame and not for commercial gains. No one was interested in stealing their work because copying was difficult and in certain cases like composition of musical piece, impossible. Invention of printing press made copying of literary work possible on large scale. The invention of tape recorder and magnetic tape made reproduction of musical compositions simple and illegal use of musical composition lucrative.

Modern history—The Statute of Ann (1710) in Britain was the first enactment to establish the author of a work as the owner of the right to copy that work for a fixed term of fourteen years. The progress of copyright law travels parallel to technological development in printing and

sound recording. "Encouragement of learned men to compose and write useful books" was the primary object of the Act.

In 1847 the first statute relating to copyright was introduced to India during the regime of East India Company by the British Governors. In 1911, law on copyright was codified in England that was called the Copyright Act, 1911. The Act was extended to cover . the right to production of records and prevent reproduction of recordings. The Indian Copyright Act of 1914 was to a large extent based on the pattern of the Act of 1911 of England.

After independence, due to quantum strides in science and technology in the fields of radio broadcasting, lithography and cinematography the Act of 1914 required a thorough revision. The Act of 1914 also lacked teeth and proper administrative mechanism. Accordingly, to overcome the defects in Copyright Act, 1914 Copyright Act of 1957 was enacted. It made provision for establishment of Copyright office and Copyright Board. Definition of copyright was extended to cover radio diffusion; cinematograph film was given separate copyright.

Meaning of Copyright

Origin of term...

The word 'copyright' originated from expression 'copier of words'. The word itself is said to have been used for first time in 1568 to denote a manuscript or other matter prepared for printing. Copyright in its simplest form can be said to have existed in ancient age. Under Roman law if one man wrote something on the paper or parchment of another, writing belonged to the owner of paper or parchment.

Commonsense definition of 'copyright'

1. 'Copyright' is right to copy and reproduce the work acquired by creator of the intellectual work by reason of its very creation.
 2. The right which a person obtains in the work created by his intellectual labour is called his 'copyright'.
 3. Copyright' is the right in literary property as recognized and sanctioned by positive law— Black's Law Dictionary.
 4. Copyright is the exclusive right to multiply copies of book— Chambers Encyclopedia.
- Copyright is a right accrued to its creator by reason of the very creation. The creator of intellectual work is called 'author'. Copyright is combination of two words, 'copy' and 'right'. 'Copy' is the work created by its author; 'right' is the right enjoyed by its author to deal with it in the manner liked by him, to the exclusion of others.

Meaning of copyright as explained in Copyright Act

Literary, dramatic and musical work

Copyright in case of literary, dramatic and musical work means...

- (a) the exclusive right to reproduce or permit the reproduction of the work in any material form;
- (b) the exclusive right to issue or permit the issuing of copies of work to public;
- (c) the exclusive right to perform the work or permit such performance or to communicate the work to the public or authorize such communication of the work to public;
- (d) the exclusive right to make any cinematograph film or sound recording or permit the making of such cinematograph film or sound recording of the work;

(e) the exclusive right To make any adaptation or permit the making of such adaptation of the work;

(f) the exclusive right to do to a translation or to an adaptation of work all the acts specified above or give permission for translation or adaptation of work.

Computer Programme

Copyright in respect of computer programme means...

(a) the exclusive right to do the acts specified above;

(b) the exclusive right to sell on commercial rental or offer for sale or for commercial rental any copy of computer programme or authorize such sale or offering for sale any copy of computer programme.

Artistic work

Copyright in respect of artistic work means... A. the exclusive right to reproduce the work or grant permission to the reproducing of work in any material form including...

a) the exclusive right to the storing to it in any medium by electronic or other means; or

b) the exclusive right of depiction in three dimensions of a two dimensional work; or

b) the exclusive right to sell or give on commercial rental or offer for sale or for such rental, any copy of the sound recording;

c) the exclusive right to communicate or authorize the communication of the sound recording to public.

Case Law: Adai Mehra Production Pvt. Ltd. vs. Mr Sumeet P. Mehra,

<http://www.indiankanoon.org/doc/32274790/>. In this Arbitration Petition the High Court Of Judicature At Bombay, interpreted the expression 'to make a copy of the film'. The expression 'to make a copy of the film' would mean to make a physical copy of the film itself and not an another film which merely resembles the film. The making of another film is not included under Section 14(d)(i) and such other film, even though it resembles completely the copyrighted film, does not fall within the expression 'to make a copy of the film'. Therefore, if the film has been filmed or shot separately by a person and it resembles the earlier film, the subsequent film is not a copy of the first film and, therefore, does not amount to infringement of whole of the copyright of the first film. The position in the case of literary, dramatic or artistic work seems to be different. A narrow copyright protection is accorded to a film/sound recordings than for literary, dramatic or artistic work. The reason perhaps could be that they have to be original to satisfy the test of copyrightability, whereas the requirement of originality is absent for claiming copyright in cinematograph films/sound recordings.

Case Law: In Norowzian vs. Arks Limited and Ors., referred in

(<http://www.indiankanoon.org/doc/32274790/>) the English Copyright Acts of 1956 and 1988 were considered with case. It was the plaintiffs contention that the defendants had made a film purposely resembling the plaintiffs' film and that the defendants' film reproduced the essential features of the plaintiffs' film. On this basis, the plaintiffs alleged that the copyright in their film had been infringed because, according to the plaintiffs, the making of the defendants' film constituted copying of the plaintiffs' film. The defence of the defendants was that they had made their own film and, therefore, there was no copying. The Court after referring to Modern Law of Copyright and Designs by Laddie Presscott and Victoria, and Copinger and Skone James on Copyright held that, for the second film to infringe the copyright in the first film, it had to be an actual copy of the first film, itself, that in respect of a cinematographic film it is the recording that is protected from copying and nothing else, that even if the defendants' film exactly

resembles the plaintiffs' film, but if the defendant's film is a re-shoot of the plaintiffs' film, which reproduces the essential features of the plaintiffs' film but does not copy the plaintiffs' film, that is, it is not reproduced from the recorded medium of the plaintiffs' film, the defendant's film does not and cannot infringe the plaintiffs' copyright in the plaintiffs' film. This decision follows the decisions of the Australian Courts in *Telma Teleproducts (supra)* and *CBS Australia Limited and Ors. v. Telma Teleproducts (Aust.) Pty. Ltd.* It was thus held that unless there has been a copying of the whole or part of the plaintiffs' film itself, in the sense of a copying of the particular recording of the film, there cannot be any infringement of the copyright. The re-shoot of the film cannot be said to be the copy of the film for the purposes of infringement.

Case Law: *Spelling Goldberg Production v. BBC Publishing Limited* referred in (<http://www.indiankanon.org/doc/32274790/>). The defendant had acquired possession of the plaintiffs' film and had made a physical copy of the plaintiffs' film. It was on these facts that the Court had held that it was a copy of the plaintiffs' film.

Subject matter of copyright: For the purpose of conferring copyright, the Act recognizes the following five intellectual creations.

- (a) Literary, dramatic and musical work.
- (b) Computer programme.
- (c) Artistic work.
- (d) Cinematograph film.
- (e) Sound recording.

Provided in case of published work the work is first published in India and where the work is published outside India the author of the work at the time of publication is citizen of India.

In order to be entitled for copyright in a work, the author must have imparted "sufficient judgment, skill and labour or capital". It is immaterial whether the work is wise or foolish, accurate or inaccurate, or whether it has or has not any literary merit.—

Walter v. Lane, 1900 AC.

Works in which copyright shall not subsist

Copyright does not subsist,

- (a) in any cinematograph film if a substantial part of the film is an infringement of copyright in any other work;
- (b) in any sound recording made in respect of a literary, dramatic or musical work, if in the making of the sound recording copyright in such work has been infringed.

Effect of copyright in cinematograph film and sound recording

Sub-Section (4). This sub-Section provides that, copyright in cinematograph film or a sound recording shall not affect the separate copyright in any work in respect of which or a substantial part of which, the film, or the sound recording is made.

Copyright restricted to artistic character and design in work of architecture

Sub-Section (5) provides that, in the case of work of architecture, copyright shall subsist only in the artistic character and design, and shall not extend to processes or methods of construction. The exclusion of copyright protection to processes or methods of construction of architectural works is made in larger public interest. Housing being basic necessity of all any copyright in the processes and methods of construction is likely to be disastrous to construction activity. Not only that, copyright protection is wisely restricted to architectural work having artistic character and designs otherwise every builder of house could have claimed copyright in the designs of his building.

Literary work

There is no copyright in an idea as such. But once it is written down, the writing is the subject of copyright and no one is entitled to copy it on the plea that it was only an idea—**William Hall v.**

Ladbroke

Copyright subsists only in original literary work. The expression "literary work" means not only such work, which deals with any particular aspects of literature in prose and poetry but also includes any work that is reduced to any text. It is not necessary that the work should be the expression of original or inventive thought, for Copyright Act is not concerned with the originality of ideas, but with the expression of thought, and in the case of a literary work with the expression of thought in print or writing.

Copyright protects the expression of idea as such, such protection is essential to safeguard the actual and potential commercial value of literary work for its author for a specified period.

Ideas are not subject of protection under copyright Acts. Only skill and labour required to give any idea a particular form is protected by copyright. The essential requirement is that the work must not be copied from another work but must originate from the author. In fictional literary works there are only seven original plots or themes, viz. revenge, love story, mystery, lost and found, rags to riches etc. Any fiction from times immemorial uses any one or combination of more than one original plots.

Amount of labour or skill: the amount of labour or skill that is required to bestow copyright on a work is question of fact to be decided on case by case basis.

Case Law: *Ladbroke Ltd. v. William Hill*, (1964) WLR 273, Lord Pearce observed. "In each case it is a question of degree whether the labour or skill or ingenuity or expense involved in a compilation is sufficient to warrant a claim [of originality in the compilation]."

Case Law: *University of London Press Ltd. v. University Tutorial Press Ltd.*, (1916) 2 Ch D 601, in this case Peterson J. observed as follows:

"The word 'original' does not in this connection mean that the work must be the expression of original or inventive thought. Copyright Acts are not concerned with the originality of ideas, but with the expression of thought and in the case of 'literary work', with the expression of thought-in print or writing. The originality which is required relates to the expression of the thought. But the Act does not require that the expression must be in an original or novel form, but that the work must not be copied from another work-that it should originate from the author."

"While the mere copyist of a written document does not obtain copyright in his copy, it is clear that, neither original thought nor original research is essential, and that the standard of originality required is a low one. But it is difficult to state any principle upon which the standard is based. Copyright protection is given to literary, dramatic, musical and artistic works and not to ideas and therefore it is original skill or labour in execution, and not originality of thought which is required."

Page 39 of Chapter 4 of the Law of Copyright by Copinger's and Skone James (9th edition)

Case Law: Jarrold v. Houlston, (1857) 3 K & J 708 : 69 E R 1294.

Facts: The plaintiffs were the publishers of a work written by Dr. Brewer, called "the Guide to Science." the purpose of which was to explain upon scientific principles, and by means of questions and answers arranged in the form of a systematic course of instruction, some of the ordinary phenomena of nature, for the benefit of young persons and others who had not received a scientific education. The defendants were the publishers of a book called "The Reason Why." purporting to be written by Mr. Philp, the general scope and design of which was similar to that of the plaintiffs; and in which, as in the plaintiffs', the instruction was given by means of questions and answers, arranged under heads, and in the form of a systematic course. The bill was for an injunction to restrain the defendants from publishing, selling or disposing of any copies or copy of "The Reason Why." The following observation made by Hon'ble Judge is relevant:

"If anyone by pains and labour collects and reduces into the form of a systematic course of instruction those questions which he may find ordinary persons asking in reference to the common phenomena of life, with answers to those questions, and explanations of those phenomena, whether such explanations and answers are furnished by his own recollection of his former general reading, or out of works consulted by him for the express purpose, the reduction of questions so collected, with such answers under certain heads and in a scientific form, is amply sufficient to constitute an original work of which the copyright will be protected. Therefore. I can have no hesitation in coming to the conclusion that the book now in question is in that sense an original work, and entitled to protection."

Fixation: fixation in the context of copyright means reducing a work to some material form in writing or in electronic. Under Copyright Act fixation is not expressly made a precondition for obtaining copyright in any work.

Following are some of illustrations of original literary works:

- (a) News papers, telegrams, rules of games, rules of football and compilation and tallies for a bridge party.
- (b) Dissertations.
- (c) Writings. Sermons and Sayings of religious preachers. (d) Dictionary involving considerable amount of labour, skill and judgment. (e) Question papers of examination.
- (f) Head notes of law reports and cases.
- (g) Analysis and presentation of facts in historical book. (h) Short hand writer's transcript of speech.
- (i) Questionnaire for collecting statistical information.
- (j) Catalogue of items sold by a trader.

Dramatic work

The Copyright Act nowhere defines "dramatic work". The common sense meaning of "dramatic work" is anything pertaining to drama. The term "drama" had its origin in Greek word "drama" having the meaning of "to do". Drama is specific literary work presented through performance.

Meaning—a dramatic work includes any piece of recitation, choreographic work or entertainment in dumb show, the scenic arrangement or acting form which is fixed in writing or otherwise but does not include a cinematograph film.

No particular form is required to be categorized as 'dramatic work' for protection under copyright. Except the work must be expressed in a material form and must be capable of being performed by action. Dramatist is the author of dramatic work.

Musical works

Musical work is subject matter of copyright under Section 13 (1) (a) of the Act.

Definition—"Musical work" means a work consisting of music and includes any graphical notation of such work, but does not include any words or any action, intended to be sung, spoken or performed with music.

Graphical notation is a well developed script used by composers to record their composition in writing on paper. Copyright in musical work under Copyright Act prior to amendment of 1994 was limited to work that was recorded in graphical notations peculiar to European classic music. The amended definition sought to meet the requirement of Indian musical work while at the same time retaining the protection for graphical notation in European form. To acquire copyright in musical work it is not necessary that it must be in any material form i.e. recorded or reduced to notations. But it must be original. Originality of musical work depends on the amount of skill or labour or talent that has been exerted in creation of work.

Artistic Works

Artistic work means...

(a) a painting, a sculpture, a drawing (including a diagram, map, chart or plan), and engraving or a photograph, whether or not any such work possesses artistic quality;

(b) a work of architecture and any other work of artistic craftsmanship. Essential element of artistic work is its visual quality. It is not necessary for artistic work to be of aesthetic quality to acquire protection under Copyright Act.

Following are held to be artistic works:

(a) engravings.

(b) rubber stereo,

(c) plastic moulds,

(d) dies and moulds.

Painting

"Painting" as such is not defined in the Act. Applying the common sense meaning a painting can be said to be an image drawn on any surface capable of retaining it. To gain copyright protection it is not necessary that painting should possess artistic quality or any quality at all but it must be original and not a copy. In this sense the meaning of painting under the Act differs from common sense meaning.

Work of architecture

"Work of architecture" under Section 2 (b) means any building or structure having an artistic character or design, or any model for such building or structure.

Copyright subsists only in work of architecture, i.e., any building or structure, having an artistic character or artistic design as distinguished from commonplace work of architecture.

Drawing

Drawing (diagram, chart, map, chart or plan):

Without defining 'drawing'. Section 2 (c) (i) states that, artistic work means a drawing including a diagram, map, chart or plan. Drawing can be said to be a lineal image drawn on a surface capable of retaining it. Originality is deciding factor for acquisition of protection under Copyright Act rather than quality.

Diagram

"A diagram of something is a spatial representation of it. like blueprint of a building or a machine, a graph showing population or income distribution, or a wiring diagram of electric equipment"- Introduction to Logic. IX Ed. Irving M. Copi. Carl Cohen, pg. 21.

Case Law: Anacon Corp. V. Environmental Research (1994) FSR pg. 659. Circuit diagram is held to be an artistic work as creation of circuit diagram involves sufficient original work.

Photograph

Photograph is a recording of light or other radiation on any medium on which an image is produced or from which an image may by any means can be produced and which is not a part of film.

Where a photograph is taken of a person without asking him to pose, such photograph can be published without any breach of copyright.

Copyright in sound recordings

Sound recording— sound recording means a recording of sounds from which sounds may be produced regardless of the medium on which recording is made or the method by which such sounds are produced.

Important points

1. Copyright subsists in sound recording only if it is lawfully made.
2. No copyright subsists in any sound recording made in respect of literary, dramatic or musical work, if in making the sound recordings, copyright in such work has been infringed.

Copyright in cinematograph films

Dictionary meaning of cinematograph film: A cinematograph film is a film which by rapid projection through an apparatus called cinematograph produces the illusion of motion on a screen of many photographs taken successively on a long film.—**Concise Oxford Dictionary.**

Statutory definition—cinematograph film" as defined under Section 2 (f) is, any work of visual recording on any medium produced from which a moving image may be produced by any means and includes a sound recording accompanying such visual recording and 'Cinematograph' shall be construed as including any work produced by any process similar to cinematograph including video films.

Author of cinematograph film— 'author' in relation of cinematograph means the 'producer' of cinematograph film.

forms of copyright in cinematograph films

1.Live events: copyright is not permitted in recording of live events like political incidents, sporting events, natural calamities and accidents.

Example: There cannot be registration of copyright on recording of event of swearing in ceremony of Chief Minister of a State.

2. Historical events: copyright is not permitted on historical events. Example—No one can claim copyright on life history of Bhagat Singh or Mahatma Gandhi.

3. Literary work: If a cinematograph film is based on a literary work without the consent of owner of copyright holder in that work it amounts to infringement of copyright.

4. Cinematograph film based on other cinematograph film: Where similarity between the cinematograph film in which copyright

exists and copied cinematograph film is substantial it amounts to infringement of copyright.

5. Cinematograph film based on stage play: Where a producer makes cinematograph based on stage play without taking consent of owner of copyright of stage play it amounts to infringement of copyright.

6. Video tape of cinematograph film: Video tape of cinematograph is considered copy of cinematograph film.

7. Single frame of cinematograph film: reproduction of single frame of cinematograph film without permission of copyright holder is infringement of copyright.

8. Artists' performance in cinematograph film: The performance of an artist in a film is not a subject matter of copyright.

Video films: Under Section 13 copyright subsists in cinematograph films and under Section 2 (f) cinematograph film includes 'video films'. Therefore copyright also subsists in video films.

Computer programme

Computer programme—a computer programme is a set of instructions expressed in words, codes, schemes, or any other form including the machine readable medium, capable of causing computer to perform a particular task or achieve particular results.

The Copyright Act includes computer programme within the definition of literary work.

"Copyright subsists in a computer programme provided sufficient effort or skill has been expended to give it a new and original character. However, a computer programme which does no more than produce the multiplication tables, or the alphabet, cannot lay claim to copyright protection. That is because the amount of skill or effort entailed in such an exercise is too insignificant to render the resultant work something which is new and of original character—

Northern Office Micro Computers v. Rosenstein 1982 FSR124 SC. South Africa.

Copyright in design: copyright does not subsist in any design that it registered under Designs Act, 1911.

General Principles/Objects of Copyright

Foundation of 'copyright law' is the principle, "the law does not permit one to appropriate to himself what has been produced by the labour, skill and capital of another". Protection granted under Copyright Act is based on the same principle of protection granted under penal law against theft of movable property, i.e. "Thou Shall Not Steal". Article 27 of Universal Declaration of Human Rights states the following two general principles:

(1) Everyone has a right freely to participate in the cultural life of the community to enjoy the arts and share in scientific advancement and its benefits.

(2) Every one has the right to protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author.

The object of copyright law as stated under Article I Section 8 of United States Constitution is, "To promote the Progress of Science and useful Arts, by securing for a limited period to the authors and inventors the exclusive right to their respective writings and discoveries".

"The normal right which an author or artist desires is the power to restrict reproduction of his work without consent in order that others may not unjustifiably profit from the toil of his brain. The rules of copyright achieve this end". **Text Book of Jurisprudence, IV Ed. G.W. Paton, pg. 534.**

Enrichment of culture—Object of copyright law is twofold; it protects the moral and economic rights and rights to reputation of creators and the rights of the public to access those creations. Secondly, it promotes creativity and helps enrich the culture.

Creativity— The object of granting copyright protection, is to encourage creation of original work by rewarding the creator with the exclusive right for a certain period to reproduce the work and acquire financial benefit. The right of exclusive exploitation of copyright is not forever. After the conclusion of the period for which copyright is granted, the work belongs to public domain, i.e. anyone is entitled to reproduce it without seeking any permission from the original copyright holder.

Not only the intellectual property law enforces rights granted to its owner under it, it also ensures that such rights are properly exploited. This is achieved by forcing the holder of rights in intellectual property to grant license to persons interested and capable of properly exploiting such rights in exceptional circumstances. Compulsory license is exception to copyright law and is resorted to only in public interest.

Nature of Copyright

(a) Copyright, creation of Statute— no copyright exists apart from that granted by the Act. "No person shall be entitled to copyright or any similar right in any work, whether published or unpublished, otherwise than in accordance with the provisions of the Act—Section 16.

(b) Copyright, intellectual property—copyright right exists only in work of intellectual property as distinguished from any other property.

(c) Copyright, negative right—copyright is negative right of the holder. It contemplates denying others the right of reproduction of the intellectual work of the holder of copyright.

(d) Neighbouring rights—copyright prevents not only copying of work in particular field but also reproducing the work in neighbouring fields like right of public performance of a dramatic work, the recording rights and broadcasting rights.

(e) Copyright does not confer monopoly—The owner of copyright has no monopoly in the subject-matter. Others are at liberty to produce the same result provided that they do so independently, and though they are not the first in field, their work is nonetheless "original",

Case LMW: (1997) PTC 303 (Delhi). King Feature Syndicate Inc. v, Sunil Agnihotri—The plaintiff was a copyright holder in comic series 'Phantom'. The defendant launched televised serial 'Beta!' which was original in idea. The plaintiff was not held not entitled to injunction.

(f) Copyright does not stifle creativity—Copy right law does not prevent a person from taking what is useful from an original work and create a new work with additions and improvements.

(g) Absence of registration, no excuse for infringement of copyright—for enforcement of copyright registration is not essential. Registration only provides the prima facie evidence of particulars entered in the register.

(h) Protection of copyright not for immoral work— Copyright protection is not granted where the work is grossly immoral, illegal, defamatory, blasphemous, seditious, irreligious or contrary to public policy or calculated to deceive public—Glyn v. Weston Feature Film 1916Ch 261.

(1) Multiple rights—Copyright is not a single right. It is a bundle consisting of number of rights in same work. Copyright in literary work comprises of the right of reproduction, the right of serial publication in newspapers and magazines, the right of dramatic and cinematographic versions, the right of translation, abridgement, adaptation and the right of public performance.

(j) Quality of work not standard for registration—in order to procure copyright by registration, the quality of work is not looked into. The requirement is of originality of work and the amount of skill and labour that is bestowed on the work.

Case Law: R.G Anand vs M/S. Delux Films & Ors. 1978 AIR 1613, 1979 SCR (1) 218 Supreme Court of India

The following is summary of the decided cases in England, America and India on the question of copyright.

1. There can be no copyright in an idea, subject matter, themes, plots or historical or legendary facts and violation of the copyright in such cases is confined to the form, manner and arrangement and expression of the idea by the author of the copy-righted work.
2. Where the same idea is being developed in a different manner, it is manifest that the source being common, similarities are bound to occur. In such a case the courts should determine whether or not the similarities are on fundamental or substantial aspects of the mode of expression adopted in the copyrighted work. If the defendant's work is nothing but a literal imitation of the copyrighted work with some variations here and there it would amount to violation of the copyright. In other words, in order to be actionable the copy must be a substantial and material one which at once leads to the conclusion that the defendant is guilty of an act of piracy.
3. One of the surest and the safest test to determine whether or not there has been a violation of copyright is to see if the reader, spectator or the viewer after having read or seen both the works is clearly of the opinion and gets an unmistakable impression that the subsequent work appears to be a copy of the original.
4. Where the theme is the same but is presented and treated differently so that the subsequent work becomes a completely new work, no question of violation of copyright arises. [249 D]
5. Where however apart from the similarities appearing in the two works there are also material and broad dissimilarities which negate the intention to copy the original and the coincidences appearing in the two works are clearly incidental no infringement of the copyright comes into existence.
6. As a violation of copyright amounts to an act of piracy it must be proved by clear and cogent evidence after applying the various tests laid down by decided cases.
7. Where however the question is of the violation of the copyright of a stage play by a film producer or a Director the task of the plaintiff becomes more difficult to prove piracy. It is manifest that unlike a stage play a film has a much broader prospective, wider field and a bigger background where the defendants can by introducing a variety of incidents give a colour and complexion different from the manner in which the copyrighted work has expressed the Idea. Even so if the viewer after seeing the film gets a totality of impression that the film is by and large a copy of the original play, violation of the copyright may be said to be proved.

Chapter IV

Ownership of Copyright and the Rights of Owner Questions

1. What are the rights of owner of copyright? What are the rights of an author of copyright?
2. Who is the first owner of copyright in various works? What are the rights of a copyright owner of literary work (including computer programme) and cinematograph film?
3. What are the various rights conferred by copyright? Discuss transmission and relinquishment of copyright"
4. Who is an author of a work? What are the rights of an author as an author independent of copyright? An author is not always the first owner of copyright-Explain.

Ans: Intellectual property does not exist in natural state. It has to be created using high degree of intellectual faculty. The general rule is that the creator of intellectual property acquires ownership of property created.

The author of the work is the first owner of the copyright in the work.

Under Section 2 (d) "author"

- (a) in relation to a literary or dramatic work, means the author of the work
- (b) in relation to musical work means, the composer;
- (c) in relation to an artistic work other than a photograph means, the artist;
- (d) in relation to photograph means, the person taking the photograph;
- (e) in relation to cinematograph film or sound recording the producer; and
- (f) in relation to any literary, dramatic, musical or artistic work which is computer generated, the person who causes the work to be generated.

The author is not in all cases the owner of the work created by him. Following are cases in which persons other than authors of work are owners of the work under sub-Sections of Section 17.

(i) Work created in the course of employment or under contract of service or apprenticeship—Where a literary, dramatic or artistic work is created by an employee during his employment with proprietor of a newspaper, magazine or similar periodical under a contract of service or apprenticeship, the said proprietor shall be the first owner of the copyright in the work.

Acquisition of ownership in the copyright of literary, dramatic or artistic work by proprietor is subject to following conditions:

- (a) the work in question must be made by the author in the course of his employment with the proprietor of a newspaper, magazine or similar periodical under a contract of service or apprenticeship;
- (b) the work must be made for the purpose of publication in a newspaper, magazine or similar periodical,
- (c) there must not be any agreement between the proprietor and author contrary to the intention of acquisition of ownership by the said proprietor.

The Act is silent as to whether the contract of service or apprenticeship between the proprietor and author require any writing or registration.

(a) Photograph, painting, portrait, engraving, or cinematograph film— where the photograph is taken, or a painting or portrait drawn, or an engraving or cinematograph film made for valuable consideration at the instance of any person, such person will be first owner of the copyright.

'A' commissions another person 'B' either to take photograph of certain object or to make a painting or to draw a portrait or to engrave on certain surface or to shoot cinematograph film for valuable consideration and 'B' executes the commission entrusted by 'A'; such 'A' shall be owner of copyright of work executed through the commission.

(b) Work created in the course of an author's employment—in case of work created in the course of author's employment under a contract of service or apprenticeship, the employer, in the absence of agreement to the contrary, is the first owner of copyright.

(c) In case of lecture delivered in public—Where a person has delivered any address or speech in public that person will be the first owner of the copyright therein. If the address or speech is delivered on behalf of any other person, such other will be the first owner of the copyright even if the person who delivers the address or speech, or the person on whose behalf it is delivered is employed by any other person who arranges such address or speech or on whose behalf or premises it is delivered.

(d) In case of Government work—The Government in the absence of any agreement to the contrary, will be the first owner of copyright.

(e) In case of work created on behalf of a public undertaking— Work made or first published by or under the direction or control of any public undertaking, such public undertaking shall in, the absence of any agreement to the contrary, be the first owner of copyright therein.

(f) In case of works of certain international organization—

The international organization will be the first owner of copyright.

"Contract of Service" and "Contract for Service"

The crux of the difference between a 'contract of service' and 'contract for service' is that of an employee and an independent contractor. The distinction is explained in Halsbury's Laws of England thus; "A contract of service is not the same thing as a contract for services, the distinction being the same as that between an employee and an independent contractor; an employee is a person who is subject to the commands of his employer as to the manner in which he shall work. The existence of direct control by the employer, the degree of independence on the part of person who renders services, and the place where the service is rendered are all matters to be considered in determining whether there is a contract of service".

Case Law: Where a man employs another to do work for him under his control, so that he can direct the time when the work shall be done, the means to be adopted to bring about the end, and the method in which the work shall be arrived on, then the contract is a contract of service. If on the other hand, a man employs another to do certain work but leaves it to that other to decide how that work shall be done, what steps shall be taken to produce that desired effect, then it is a contract for service. —**Araya Pratinidhi Sabha v. Arvind Niketaan Charthawal 1979 AH LJ 1220.**

Principles for determination of ownership of copyright

From the provisions of copyright law and decisions of Courts, following principles emerge with regard to determination of ownership of copyright.

(a) Joint ownership of copyright—where there was close and active intellectual collaboration and cooperation between the narrator and the writer which results in the book, both the narrator and writer would be the joint owners of work, entitled to first ownership— **AIR 1989 Delhi 63.**

(b) Copyright in commissioned work—work created at the instruction of another for remuneration belongs to the person paying remuneration. For example, company commissioning its employee to prepare report as part of research project, client commissioning painter to make his portrait, a publishing house commissioning a writer to write book on given subject.

(c) Copyright in matter taken by shorthand writer—work noted down by shorthand writer through dictation belongs to person giving dictation.—**Walter v. Lane (1900) AC 539.**

(d) Copyright during apprenticeship—"an apprentice is student bound to his master for the purpose of learning his trade, the master teaches the trade and the apprentice serves the master for learning. Hence, copyright in work by apprentice belongs to master" —**Dunk v. George Waller (1970) 2 WLR 241.**

(e) Copyright in question papers of University—in the absence of contract to the contrary, copyright vests in paper setter.

Case Law: University of London Press Ltd v. University Tutorial Press Ltd., (1962) 2 Ch D 601. in this case Peterson J. observed as follows:

"In my view the words 'literary work' cover work which is expressed in print or writing, irrespective of the question whether the quality or style is high. The word 'literary' seems to be used in a sense somewhat similar to the use of the word 'literature' in political or electioneering literature and refers to written or printed matter. Papers set by examiners are, in my opinion, 'literary work' within the meaning of the present Act"

(f) Copyright in work by coparcener of Hindu undivided family—copyright in work made by member of Hindu undivided family does not as itself belong to other members of Hindu undivided family in the absence of specific assignment or licence—**Urmila Charant Gupta v. Charushila Sharan Gupta and Sumitra Nandan Gupta, 1983 PTC 84 (C.B.).**

(g) Copyright in collective work—copyright in collective works like encyclopedia, dictionary, year book, law journal, news paper in which are the result of different authors vests in the person who has collected, edited and organised the whole work.

(h) Copyright in advertisement—copyright in advertisement prepared by agent on material supplied by advertiser vests in advertiser—**Beloff v. Pressdram (1973) All ER 241.**

(i) Copyright in work by employed teacher—if an employed professor writes a text book in subject taught by him, the work belongs to him.

(j) Copyright in work of an employee in solicitor's firm—copyright in document drafted by an employee in the course of employment belongs to his employer.

(k) Copyright in plan of an architect—copyright in plan of a building vests in architect.

(l) Copyright in photograph—the person taking photograph is the author of the work and the first owner of copyright in it.

Subject to the provisions of Section 13 and the other provisions of the Act, there shall be a copyright throughout India in original literary work, dramatic, musical and artistic works, cinematograph films and sound recording, subject to the exceptions provided in sub-sections (2) and (3) of Section 13. For copyright protection, all literary works have to be original as per Section 13 of the Act. Broadly speaking, there would be two classes of literary works:

(a) primary or prior works: These are the literary works not based on existing subject-matter and, therefore, would be called primary or prior works; and

(b) secondary or derivative works: These are literary works based on existing subject-matter. Since such works are based on existing subject-matter, they are called derivative work or

secondary work. Work is defined in Section 2(y) which would be a literary, dramatic, musical or artistic work: a cinematograph film: and a sound recording. Under Section 2(o), literary work would include computer programmes, tables and compilations including computer databases. For the purposes of the Act, Section 14(1) enumerates what shall be a copyright which is an exclusive right, subject to the provisions of the Act, to do or authorize the doing of the acts provided in clauses (i) to (vii) in respect of a work or any substantial part thereof in the case of a literary, dramatic or musical work, not being a computer programme.

In many cases, a work is derived from an existing work. Whether in such a derivative work, a new copyright work is created, will depend on various factors, and would one of them be only skill, capital and labour expended upon it to qualify for copyright protection in a derivative literary work created from the pre-existing material in the public domain, and the required exercise of independent skill, labour and capital in its creation by the author would qualify him for the copyright protection in the derivative work. Or would it be the creativity in a derivative work in which the final position will depend upon the amount and value of the corrections and improvements, the independent skill & labour, and the creativity in the end-product is such as to create a new copyright work to make the creator of the derivative work the author of it; and if not there will be no new copyright work and then the original author will remain the author of the original work and the creator of the derivative work will have been the author of the alterations or the inputs put therein, for their nature will not have been such as to attract the protection under the law of copyright. **Requirements to claim joint authorship**

(a) Contribution in authoring—a claimant to joint owner must have contributed to the work as an author. A person supplying required material to the work cannot claim joint ownership.

(b) Originality—the contribution must originate from the claimant and not borrowed.

(c) Substantial contribution—contribution by claimant must be of substantial nature and not only in form.

(d) Original idea not required—it is not required of joint author to contribute original idea so long as he contributes original expressions.

(e) Qualitative and quantitative contribution—to claim joint ownership, the contribution must be of qualitative and quantitative in nature.

Amount of collaboration to claim joint authorship—there should be common design and co-operation in carrying out the work to be entitled to joint authorship. A person who only suggests the idea or subject matter of the work cannot be considered a joint author. The collaboration must be of intellectual nature.

Under Copyright Act, 1957 Indian nationality is not precondition for acquiring ownership in copyright. But to acquire ownership in copyright the Act lays conditions as to the place of publication of work and domiciliation of author.

(a) Published work—in case of published work, (i) the work must be published in India, in case of work published outside India: (ii) the author must be citizen of India at the date of publication (if alive) or if dead at the time of his death.

(b) Unpublished work—the author at the time of making the work must be a citizen of India or domiciled in India where the making of an unpublished work is extended over a considerable period, the author of work will be deemed to be a citizen of, or domiciled in that country of which he was a citizen or wherein he was domiciled for any substantial part of that period.

(c) Architectural work—the architectural work with regard to which copyright is sought must be located in India.

Indian Work: "Indian work" means a literary, dramatic or musical work:

- (a) the author of which is a citizen of India; or
- (b) which is first published in India; or
- (c) the author of which, in case of an unpublished work, at the time of making of the work, a citizen of India.

RIGHTS OF OWNER OF COPYRIGHT Questions

1. What are the various rights conferred by copyright?
2. Write short note on assignment of copyright.

Ans: Copyright is called negative right, because its owner has a right only to prevent other persons from infringing his copyright and all other persons have corresponding duty to refrain from violating such rights. Copyright is a bundle of rights that can be exploited separately of each by other. The rights conferred on copyright owner are not listed at one place in the Copyright Act. The rights are mentioned in the following provisions of the Copyright Act—

Right of Assignment, Transmission and Relinquishment of Copyright

Owners of copyright can exploit their rights in more than one way. A writer of novel may publish it as a volume, serialize it in periodicals like newspapers or magazines, make it into a film, stage play, get it translated in different languages etc. The owner of copyright is entitled to transfer any or all of above rights to any other person or persons like any other personal movable property.

Assignment, meaning—"assignment" noun of verb "assign". The verb "assign" as per The Law Lexicon, by P. Ramnath Aiyer means, "To transfer or make over to another the right one has in any object". The term "assignment" is defined in the same book as, "The transfer between living parties, of all kinds of property, real, personal and mixed, whether in possession or action, and whether by parole..."

For Salmond "assignment" is one of four classes of agreements, meaning "transferring of rights.". The other three being: contracts: creating rights in personam: grants: creating rights of any other kind and releases: extinguishing rights.

Taking cue from Salmond, "assignment" in the context of copyright can be defined as the act of transferring copyright by owner of a work to any other person.

"The lawful transfer of copyright whether partly or fully subject to any limitation of duration and geographical area by the owner to another person is called assignment of copyright."

"Legal or other formal transference of a right or property, a document that effects or authorizes this". Oxford Talking Dictionary.

Though intellectual property of which copyright is one of the forms is treated as movable property, not all incidents of movable property can be attributed to copyright except that of ownership and the attribute of being assignable. Rights in copyright can be transferred only by assignment and by operation of law not by handing over possession, copyright being incorporeal property.

Sections 18 to 22 of Chapter IV of the Act state the power of owner to assign the copyright, the mode of assignment, procedure for adjudication of dispute in respect of assignment of copyright, testamentary disposition (disposition by will) of copyright and right of author to relinquish copyright.

Right of owner to make assignment of copyright—Section 18 (1) of the Act confers on the owner of copyright the right of assignment of copyright.

The owner of copyright may assign the copyright in his work to any person either wholly or partly and either generally or subject to limitations and either for the whole term of the copyright or for any part of the term of copyright.

The provision envisages two categories of owners, (a) present owner—owner of copyright in existing work and (b) prospective owner—owner of copyright in a work which is yet to be created but in contemplation.

The substance of provision can be brought in clear relief by following illustrations...

(a) Assignment of copyright wholly—an owner of copyright in literary work may assign all his rights in the work created by him.

(b) Assignment of copyright partly—an owner of copyright in artistic work may assign copyright to any person only to include the work in any cinematograph film.

(c) Assignment of copyright generally—an owner of copyright in sound recording may assign copyright to any person to communicate the sound recording to public throughout India.

(d) Assignment of copyright partially— an owner of copyright in sound recording may assign copyright to any person to communicate the sound recording to public in a particular part of India.

(e) Assignment of copyright for whole term—an owner of copyright in cinematograph film may assign copyright to any person for sixty years from the beginning of calendar year next following the year in which the film is published.

(f) Assignment of copyright for part of the term—an owner of copyright in cinematograph film may assign copyright to any person for twenty years from the beginning of calendar year next following the year in which the film is published.

In case of the assignment of copy right in any future work, the assignment takes effect only when the work comes into existence and "assignee" in respect of assignment of the copyright in any future work includes the legal representative of the assignee, if the assignee dies before the work comes into existence.

Where the owner of copyright assigns only a part of copyright, the assignee shall be owner of that part and assigner shall remain owner of the part of copyright that is not assigned.

By amending Act 27 of 2012. it is enacted that no such assignment shall be applied to any medium or mode of exploitation of the work which did not exist or was not in commercial use at the time when the assignment was made, unless the assignment specifically referred to such medium or mode of exploitation of the work. Further, the author of the literary or musical work included in a cinematograph film shall not assign or waive the right to receive royalties to be shared on the equal basis with the assignee of the copyright for the utilization of such work in any form other than for the communication to the public of the work along with cinematograph film in a cinema hall, except to legal heirs of the authors or to a copyright society for collection and distribution and any agreement to the contrary shall be void.

The author of the literary or musical work included in the sound recording but not forming part of any cinematograph film shall not assign or waive the right to receive royalties to be shared on an equal basis with the assignee of the copyright for any utilization of such work except to the

legal heirs of the authors or to a collecting society for collection and distribution and any assignment to the contrary shall be void.

Mode of assignment of copyright

Section 19 states the following propositions in respect of assignment of copyright by its owner.

1. Assignment to be in writing—Assignment of the copyright in any work shall be valid only if it is in writing signed by the assignor or his duly authorized agent.

Case Law: Rohan Jig v. Taylor (1979) FSR 130 (CA) — An assignment of copyright whether legal or equitable must be in writing.

Case Law: Venugopaia Setty v. Suryakanta (1992) PTC 55 Karnataka High Court. An oral assignment of copyright was held to be invalid in this case.

2. Description of work—The assignment of copyright in any work shall identify such work, and shall specify the rights assigned and the duration and territorial extent of such assignment.

3. Consideration—The assignment of copyright in any work shall also specify the amount of royalty and any other consideration payable, if any to the author or his legal heirs during the currency of the assignment and the assignment shall be subject to revision, extension or termination on terms mutually agreed upon by the parties.

4. Assignment to lapse after one year—Where the assignee does not exercise the rights assigned to him within a period of one year from the date of assignment, the assignment in respect of such rights shall be deemed to have lapsed after the expiry of said period unless otherwise specified in the assignment.

5. Duration of assignment—If the period of assignment is not stated, it shall be deemed to be five years from the date of assignment.

6. Territorial extent of assignment— If the territorial extent of assignment of the rights is not specified, it shall be presumed to extend to whole of India.

7. The condition as to specification, consideration, lapsing of copyright, duration and territorial extent of assignment are made inapplicable assignments made before coming into force of Copyright (Amendment) Act. 1994.

By amendment made by Act 27 of 2012, w.e.f. 21-6-2012 it is provided that,

8. The assignment of copyright in any work contrary to terms and conditions of the rights already assigned to a copyright society in which the author of the work is member shall be void.

9. No assignment of the copyright in any work to make a sound recording which does not form part of any cinematograph film shall affect the right of the author of the work to claim an equal share of royalties and consideration payable in case of utilization of the work in any form other than for the communication to the public of work, along with the cinematograph film in a cinema hall.

10. No assignment of the copyright in any work to make a sound recording which does not form part of any cinematograph film shall affect the right of the author of the work to claim an equal share of royalties and consideration payable for any utilization of such work in any form.

Disputes with respect of assignment of Copyright

Revocation of assignment due to default of assignee to exercise right assigned—Where an assignee of copyright fails to exercise the right assigned to him by the author and such failure is not attributable to any act or omission of the author, the author is entitled to make a complaint to Copyright Board and seek revocation of such assignment.

Resolution of dispute—Any party to an assignment agreement has right to take any dispute with respect of assignment to Copyright Board and the Copyright Board is authorized to, after holding necessary inquiry, to pass any order deemed fit including an order for recovery of any royalty paid.

An order revoking an assignment cannot be passed unless the terms of assignment are harsh to assignor in case the assignor is also the author of the work. The order of revocation of an assignment can be passed by Copyright Board only if the assignment is more than five years old.

By amending Act 27 of 2012, w.e.f. 21-6-2012 it is provided that, pending the disposal of an application for revocation of assignment the Copyright Board may pass such order, as it deems fit regarding implementation of the terms and conditions of assignment including any consideration to be paid for the enjoyment of the rights assigned. No order of revocation of assignment can be made within the period of five years from the date of assignment.

Sub-Section (3) provides that, every complaint received shall be dealt with by the Copyright Board as far as possible and efforts shall be made to pass the final order in the matter within a period of six months from the date of receipt of complaint and any delay in compliance of the same, the Copyright Board shall record reasons thereof.

Transmission of copyright in manuscript by will—Where any person inherits under a will, any manuscript of an unpublished

literary, dramatic or musical work, or artistic work such bequest shall be deemed to include copyright in the work so bequeathed.

Ownership of copyright in a work and ownership of the material object in which the work is incorporated are two distinct things. You may own the book by Amartva Sen "My Idea of Justice" but the copyright in the work may be owned by someone else, say the publisher or the author. But where any person becomes entitled to manuscript under a 'will' he acquires the ownership of manuscript as well as copyright in the work embodied in the manuscript.

Right of author to relinquish copyright—The author of copyright under sub-Section (1) of Section 21 is entitled to give up all or any of his rights in copyright by giving prescribed notice to Registrar of Copyright.

The Copyright Registrar on receipt of such notice is required under sub-Section (2) to publish the notice in Official Gazette or in such other manner deemed fit by him.

Sub-Section (2. A) inserted by amending Act 27 of 2012 requires the Registrar of Copyrights within fourteen days from the date of publication of the notice in the Official Gazette to post the notice on the official website of the Copyright Office as to remain in public domain for a period of not less than three years.

By sub-Section (3) such relinquishment of copyright in a work shall not, however affect any subsisting rights in favour of any person on the date of notice issued by Registrar of Copyrights.

Relinquishment—to relinquish means to renounce or to give up once for all. A work relinquished enters public domain. It cannot be reclaimed. Relinquishment is voluntary act of giving up copyright in a work by its author without expecting any returns.

There are three modes of transferring copyright in different kinds of works viz. (a) by assignment, (b) by operation of law and (c) by relinquishment. The distinction among three modes of transferring copyright in work explained in table:

Assignment	Relinquishment	By operation of law
1. Assignment is voluntary act prompted by expectation of certain gain.	Relinquishment of copyright is voluntary but not prompted by any	Transfer of copyright is on the direction of Registrar of Copyright.
2. Assignment is always for some consideration, monetary or otherwise.	Owner relinquishing copyright can expect no consideration.	Consideration is determined by Registrar of Copyrights.
3. Assignment can be of future work.	Relinquishment can be only of existing work.	Transfer of copyright is only for works that are withheld from public.
4. Assignment of copyright conditions of duration or geographical boundaries as agreed between assignor and assignee.	No conditions can be imposed by owner in relinquishment	Terms and conditions are imposed by Registrar of Copyright provided by law.
5. Finality of transfer or copyright is matter of agreement.	Relinquishment is final.	Transfer of copyright may not be final.
6. Transfer is in favour of specific person.	Transfer is not made in favour of specific person.	Transfer is by Registrar of Copyrights in favour of specific person.

Right of owner of copyright to grant license—the owner of copyright in any existing work or prospective owner of the copyright in any future work may grant any interest in the copyright by license in writing signed by him. In case of a license relating to copyright in any future work, the license shall have effect only when the work comes into existence. Where a person to whom a license relating to copyright in any future work is granted dies before the work comes into existence, his legal representatives shall be entitled to the benefit of license, subject to any agreement to the contrary.

Right to have control over copyright society—copyright owners have collective right of administration over copyright society.

Right of broadcast reproduction—every broadcasting organization has broadcast reproduction right in respect of broadcasts for twenty five years following the year in which the broadcast is made.

Copyright in performance—any performer appearing or engaging in any performance has copyright in relation to performance.

Right to entries in Register of Copyrights—the owner of copyright by making prescribed application has right to get the particulars of work entered in the Register of Copyrights.

Right to share in resale of original copies—in case of resale for a price exceeding Rs, 10000/- of the original copy of a painting, sculpture or original manuscript of literary, dramatic or musical work the first owner of copyright has a right to claim share in the resale of such original copy.

Author's special rights—the Act confers certain personal and inalienable rights on author of work. These rights exist independently of copyright and even after assignment of copyright.

(a) Right to authorship—the original creator of the work has right to be credited with authorship of the work.

(b) Right to reputation—the original creator of the work has right to restrain or claim damages due to distortion, mutilation, modification or other acts done to the work during the continuity of

the term of copyright. Such right can be exercised only when the honour or reputation of the original creator is adversely affected due to the said acts to his work.

Moral rights of author—the author of work has right to claim authorship of the work even after assignment of copyright in the work. Such author has right to claim damages for any modification carried out to his work before expiry of the term of assignment.

Right to claim infringing copies—all infringing copies of any work and all plates used or intended to be used for production of such infringing copies, **shall** be property of the owner of copyright who is entitled to initiate proceedings for possession thereof.

Right to civil remedies for infringement of copyright— where copyright in any work has been infringed, the owner of copyright is entitled to remedies of injunction, damages and accounts for infringement of his right.

Right to initiate criminal proceedings for infringement of copyright— The owner of copyright apart from his right to civil remedies of claiming damages filing suit for accounts for infringement and obtaining injunction against persistence of violation of his copyright is also entitled to initiate simultaneous criminal prosecution against the person infringing his copyright. Not only the actual infringement of copyright but also abatement to infringement is made punishable by the Copyright Act. Chapter XII of the Act describes the offences of infringement and related offence of lesser gravity and prescribes punishment for the same.

Chapter V Term of Copyright

Question

1. Write short note on term of copyright.

By 'term of copyright' is meant, the duration or continuation of copyright in the work. As protection of copyright of the owner is necessary to encourage creativity, it is equally necessary that protection should not be continued forever in the larger interest of society. The Act attempts to strike a balance between the conflicting interests of individual owner and larger interest of society. Chapter V containing Sections 22 to 29 contains rules dealing with term of right in a work.

Section 22. Term of copyright in published literary, dramatic, musical and artistic works—copyright protection in literary, dramatic, musical and artistic works will subsist for life of the author plus an additional 60 years.

Section 23. Anonymous or pseudonymous works—In case of anonymous or pseudonymous literary, dramatic, musical or artistic works (other than a photograph) the term of copyright is till 60 years from the beginning of the calendar next following the year in which the work is first published.

Anonymous work—sometimes an author may not like to associate his name with the work created by him. Such work not disclosing the name of author is called "anonymous work".

Pseudonymous work—the work that is created by an author who has adopted a different name from that of his natural name is called "pseudonymous work".

Where the identity of the author is disclosed before the expiry of sixty years term, the copyright shall subsist through the life of the said author plus sixty years.

Term of Copyright in anonymous work of joint authorship disclosing the identity of one of the authors —In case of anonymous work of joint authorship where the identity of one of the authors is disclosed the 60 years period is to be calculated as stated above after the death of that author.

Term of Copyright in anonymous work of joint authorship disclosing the identity of more than one of the authors—Where the identity of more than one author is disclosed the 60 years period will start after the death of author who dies first.

Pseudonymous work of joint authorship—where the names of one or more (but not all) of the authors are pseudonymous and his or their identity is not disclosed, the copyright shall subsist through the life of the author whose name is not pseudonymous and sixty years after his death.

Illustration: A, B and C create a literary work. A and B adopt pseudonyms that remain undisclosed. Copyright in the work shall subsist till the life time and sixty years after the death of C who has not adopted any pseudonym.

Where the names of one or more (but not all) of the authors are pseudonymous and identity of one or more of them is disclosed, copyright shall subsist throughout the life of the author who dies last and after sixty years after his death amongst the authors whose names are not pseudonymous.

Where the names of all authors of a work are pseudonymous and the identity of one of them is disclosed, copyright shall subsist throughout the life of such author and after sixty years of his

death, or, if the identity of two or more authors is disclosed the one who dies last shall determine the subsistence of copyright in such work.

Disclosure of identity—The identity of the author is deemed to have been disclosed if it is disclosed publicly by both the author and publisher or is otherwise established to the satisfaction of Copyright Board.

Section 24. Posthumous work in literary, dramatic or musical work or an engraving—In case of literary, dramatic or musical work or an engraving, in which copyright subsists at the date of the death of the author or, in case of any such work of joint authorship at or immediately before the date of the death of the author who dies last, but which or any adaptation of which has not been published before that date copyright shall subsist until sixty years from the beginning of the calendar year next following the year in which the work is first published or where an adaptation of the work is published in any earlier year from the beginning of the calendar year next following that year.

Publication of work—A work or adoption shall be deemed to have been published if it has been performed in public or if any sound recording made in respect of the work has been sold to the public or has been offered for sale to the public.

Section 25. Photograph—copyright in photograph subsists until 60 years from the beginning of the calendar year next following the year in which the photograph is published.

[This Section providing for term of copyright on photograph is deleted by amending Act 27 of 2012, w.e.f. 21-6-2012.1

Section 26. Cinematograph film—Copyright in cinematograph film subsists until 60 years from the beginning of the calendar year next following the year in which the film is published.

Section 27. Sound recording—Copyright subsists until 60 years from the beginning of calendar year next following the year in which the record is published.

Section 28. Government work—Where the Government is first owner of the copyright, copyright subsists until sixty years from the beginning of the calendar year next following the year in which the work is first published.

Section 28 A. Works of public undertaking—Where a public undertaking—(i) Government undertaking, (ii) Government company as defined under Section 617 of Companies Act, 1956, or (iii) a body Corporate established by any Government—is the first owner of the copyright in a work copyright will subsist for 60 years from the year in which it is first published.

Section 29. Work of International Organization—Copyright subsists until 60 years from the calendar year next following the year in which the work is first published.

Section 37 (2). Broadcast reproduction rights—Such rights subsist until 25 years from the beginning of the calendar year next following the year in which the broadcast is made.

Section 38 (2). Performer's rights—The performer's right will subsist until 25 years from the beginning of the calendar year next following the year in which the performance is made.

Chapter VI Licences

Licence, meaning of—A licence is an official document which gives you permission to own, do or use something, usually after you have paid money and/or taken a test - **Cambridge Advanced Learner's Dictionary**.

"A licence is merely leave to do something which could be otherwise unlawful."- George v. Cherian, **AIR 1986, Ker 12**.

The Copyright Act, 1957 did not define licence". Chapter VI of the Act containing Sections 30 to 32 B relate to procedure of granting of licence in copyright by its owner and procedure for directly obtaining such licence from Registrar of Copyright in certain cases. Stated briefly the provisions deal with following subjects—

Section 30—Right of owner to grant licence.

Section 30A—Application of provisions relating to assignment of copyright under Sections 19 and 19 A.

Section 31 —Compulsory licence in works withheld from public.

Section 31 A—Compulsory licence in unpublished Indian works.

Section 32—Licence to produce and publish translations.

Section 32 A—Licence to reproduce and publish works for certain purposes.

Section 32 B—Termination of licence issued under the above provisions.

Licence and Assignment

Licence	Assignment
A licensee obtains the right to make use of work licensed subject to restrictions imposed in licence.	An assignee, on assignment by author of work becomes absolute owner of work and is entitled to make use of the work without any restrictions.
A licence is not partial assignment of copyright, it is merely leave to do something which would otherwise be unlawful. George v. Cherian, AIR 1986, Ker. 12.	An assignment can be said to be outright sale of premises, the act of licensing can be said to be renting out of premises

Kinds of Licences—The Act envisages two kinds of licences that can be granted under Chapter VI.

(a) **Voluntary licence:** Licence granted by owner of copyright out of his free will, and

(b) **Compulsory licence:** Owner of copyright forced by law to grant licence.

Voluntary Licence—Under Section 30, the owner of copyright is at liberty to grant licence to exploit his work without any compulsion whatsoever.

Compulsory Licence—under circumstances stated in Sections 30 to 32 of the Act the Copyright Board intervenes to arrange for granting of licence in copyright work. The object of enforcing compulsory licensing is the promotion of larger public interest. Operation of provisions with regard to compulsory licensing does not deprive the owner of his remuneration, the Act contemplates in cases where such licence is granted, payment to the owner of copyright reasonable compensation. The owner of copyright is forced to grant licence only where (a) any published work is withheld from public (Section 31), (b) in case of Indian work the author is dead or cannot be found, and (c) in case of literary or dramatic work the Copyright Board is empowered to grant licence to any person to produce and publish its translation after a period of seven years from its first publication. Where translation of any literary or dramatic work which is not Indian work is required for purposes of teaching, scholarship or research the Copyright Board is empowered to permit publication of its translation in printed or similar forms in any Indian language in general use in India after a period of three years from its publication.

RIGHT OF OWNER OF COPYRIGHT TO GRANT LICENSE

Section 30. License by owner of copyright—under this provision, the owner of copyright in any existing work or prospective owner of the copyright in any future work may grant any interest in the copyright by license in writing signed by him. In case of a license relating to copyright in any future work, the license shall have effect only when the work comes into existence. Where a person

to whom a license relating to copyright in any future work is granted dies before the work comes into existence, his legal representatives shall be entitled to the benefit of license, subject to any agreement to the contrary.

Analysis of provision

Apart from the requirement of writing signed by owner or his duly authorised agent, the Act does not prescribe any form, for grant of licence. A licence can be granted in advance in respect of future work but such licence becomes operative only when the work comes into existence.

Where the licensee of copyright dies before the work comes into existence his legal representatives shall be entitled to the benefit of licence subject to any agreement to the contrary. Though no form is prescribed by the Act, an agreement of licence is, subject to agreement to contrary, required to contain following particulars:

- (1) **proper identification of work to be licensed;** if the rights licensed are not identified it will be deemed that the licensor has licensed all his rights under the Act;
- (2) **period of operation of licence;** if the licensee does not exercise the rights licensed to him within one year from the date of licence, the licence in respect of such rights will be deemed to have lapsed after the expiry of one year subject to any agreement to contrary; if the period of licence is not stated it will be presumed to have been granted for five years;
- (3) **extent of geographical area in which licence is to operate;** if the extent of geographical area for operation of licence is not specified it shall be presumed to extend to whole of India;
- (4) **quantum of royalty or lump sum to be paid;** the terms of licence should specify the quantum of royalty to be paid, the mode of payment and whether the royalty is to be calculated on percentage of the price of copies or paid at one go.
- (5) **terms of licence;** terms of revision, extension and termination of licence should also be mentioned in the licence.

Section 30 A—under this Section, provisions of Section 19 of the Act are made applicable to Section 30 dealing with right of owner of copyright to grant licence.

Section 19 of the Act states the procedure relating to assignment of copyright, mode of assignment and contents of agreement of assignment.

Section 19A states the right of assignor of copyright to revoke the assignment where the assignee fails to exercise the right assigned to him and the procedure for resolution of dispute in respect of assignment of copyright.

Section 31. Compulsory licence in works withheld from public—The Copyright Board is empowered to grant licence in any Indian work to an applicant bypassing the owner of copyright in following circumstances:

- (a) the work must have been published or performed in public,
- (b) the author must have refused to republish or allow republication of the work, or must have refused to allow the performance of work in public,

- (c) by reason of such refusal the work is withheld from public, or
- (d) the author must have refused to allow communication to the public of such work by broadcast or in the case of a sound recording the work recorded in such sound recording on terms which the complainant considers not reasonable.

Procedure: Section 31 prescribes following procedure for grant of licence in works withheld from public:

- (a) the person who intends to obtain such licence has to make a complaint to Copyright Board;
- (b) on such complaint being made the Copyright Board issues notice to the owner of copyright and hearing is held on such complaint;
- (c) an inquiry is held by Copyright Board and the Copyright Board decides the grounds of refusal by owner are reasonable or not;

(d) if pursuant to such inquiry the Copyright Board is satisfied that [he grounds of refusal by owner are not reasonable, it may direct the Registrar of Copyrights to grant the complainant a licence to republish the work, perform the work in public or communicate the work to the public by broadcast depending on the type of work. Such licence is granted subject to payment to the owner of copyright such compensation and subject to such other terms and conditions as determined by the Copyright Board, on payment of prescribed fee;

(e) where two or more persons have made a complaint for grant of such licence, the licence shall be granted to the complainant who in the opinion of the Copyright Board would best serve the interest of general public.

COMPULSORY LICENCE

The scheme of the Act affirms the freedom to contract as being the primary machinery by which the copyright owner publishes his work through a voluntary license regime in terms of Section 30. Compulsory licenses are an exception to the general freedom of the copyright owner to contract.

Section 31 deals with compulsory license in works withheld from the public and the submissions relating to this provisions are set out in detail in the next section of this outline of submissions. Section 31A empowers the Copyright Board to issue a compulsory license in respect of an unpublished Indian work" or a translation thereof in any language, whose author is dead or unknown or cannot be traced or the owner of copyright in such work cannot be found. Section 31 A(4) empowers the Board to hold an enquiry' and direct the Registrar of Copyrights to grant to the applicant a license to publish the work or translation, subject to the payment of such royalty and subject to such other terms and conditions as the Copyright Board may determine. Section 32 empowers the Copyright Board to issue a compulsory license to produce and publish a translation of literary or a dramatic work in any language after a period of 7 years from the first publication of the work.

Section 32A empowers (he Copyright Board to grant a compulsory license where after the expiry of the reievant period from the date of the first publication of an edition of a literary, scientific or artistic work, copies of such edition are not made available in India. Section 32B provides for the termination of a compulsory license where it is issued under Section 32(1 A) or Section 32A, on the fulfillment of the conditions mentioned in that Section. Rule 9 of the Copyright Rules prescribed the manner in which the Copyright Board shall determine royalties payable to the owner with respect to a compulsory license for a translation under Section 32. Rule 11D provides for the manner in which the Copyright Board shall determine royalties payable to the owner of

the copyright in respect of compulsory licenses issued under Section 31A, Section 32 and Section 32A.

Rule 11 (4) provides that where there are more applicants than one seeking a compulsory license for translation of a work or for reproduction of the work or for publication of an unpublished work, then the Copyright Board make grant the compulsory license to such one of the applicants, as in the opinion of the Board, would best serve the interest of the general public.

Chapter VI relate to grant of licence, which can be divided into two parts; licences by owners of copyright and compulsory licenses. Compulsory licences can be granted by the Copyright Board subject to the limitations contained therein. It cannot be said to be an exception to the general rule in the strict sense of the term as the provisions relating to grant of license by owners of Copyright and compulsory licenses operate in different fields. It may be true that while passing an order for grant of compulsory licenses, the relevant factors as laid down therein must be kept in mind which would include the right of the owner of the copyright as a part of the right of property, but where a statute is to be construed as a balancing statute, the situation may be different.

Section 31A. Compulsory licence in unpublished or published works—(1) Where, in the case of any unpublished work or any work published or communicated to the public and the work is withheld from the public in India, the author is dead or unknown

or cannot be traced, or the owner of the copyright in such work cannot be found, any person may apply to the Copyright Board for a licence to publish or communicate to the public such work or a translation thereof in any language.

The Copyright Board may after holding prescribed inquiry direct the Registrar of Copyrights to grant to the applicant a licence to publish the work or a translation of it in the language mentioned in the application after payment of royalty to the copyright holder and subject to such other terms and conditions as the Copyright Board may fix. After that the Registrar of Copyrights shall issue the licence to the applicant.

So far as royalty fixed by Copyright Board, the Board may direct the applicant to deposit the amount of royalty in public account of India or in any account specified by it so as to enable the owner of the copyright to claim such royalty at any time.

Where the original author of work mentioned above is dead, the Central Government may, in the national interest require the heirs, executors or legal representatives of the author to publish such work within prescribed period. If the work is not published as required by Central Government, the Copyright Board may on an application made by any person for permission publish the work and after hearing the parties concerned, permit such publication on payment of such royalty as the Copyright Board may determine in the prescribed manner.

The physically challenged need access to copyright material in specialized formats, e.g. Braille text, talking text, electronic text, large print etc. for the visually challenged and sign language for the aurally challenged. Currently the cost of production of material in such formats is very high. With additional requirement of royalty payments the price of such material to the target groups

would be even higher. A clause Section 31B is introduced by amending Act 27 of 2012 as a fair deal clause to allow the production of copies of copyright material in formats specially designed for the physically challenged.

31B. Compulsory licence for the disabled— (1) Any person working for the benefit of persons with disability on a profit basis or for business may apply to the Copyright Board, in such form and manner and accompanied by such fee as may be prescribed, for a compulsory license to publish any work in which copyright subsists for the benefit of such persons, in a case to which clause (zb) of sub-section (I.) of section 52 does not apply and the Copyright Board shall dispose of such application as expeditiously as possible and endeavor shall be made to dispose of such application within a period of two months from the date of receipt of the application.

(2) The Copyright Board may, on receipt of an application under sub-section (i), inquire, or direct such inquiry as it considers necessary to establish the credentials of the applicant and satisfy itself that the application has been made in good faith.

(3) If the Copyright Board is satisfied, after giving to the owners of rights in the work a reasonable opportunity of being heard and after holding such inquiry as it may deem necessary, that a compulsory , license needs to be issued to make the work available to the disabled, it may direct the Registrar of Copyrights to grant to the applicant such a license to publish the work.

(4) Every compulsory license issued under this section shall specify the means and format of publication, the period during which the compulsory license may be exercised and, in the case of issue of copies, the number of copies that may be issued including the rate or royalty:

Provided that where the Copyright Board has issued such a compulsory license it may, on a further application and after giving reasonable opportunity to the owners of rights, extend the period of such compulsory license and allow the issue of more copies as it may deem fit.

This amendment benefits ail persons with disabilities who cannot enjoy works in their normal format thus amongst others it would cover totall blind, low vision, learning disabled, the deaf and hard of hearing and orthopedically challenged people who are unable to hold books or turn its pages.

Persons with disabilities who cannot access a work in their normal format and organizations can suitably modify a work so as to make it accessible lo meet the specific needs of the person with disability. This means thai a standard printed book, for example may be converted to an alternate format (not necessarily a special format) including Braille, large font, text readable by screen reader, audio (be it synthetic audio or human voice recording) without seeking the permission of the rights holder.

31C, Statutory licence for cover versions— (1) Any person desirous of making a cover version, being a sound recording in respect of any literary, dramatic or musical work, where sound recordings of that work have been made by or with the licence or consent of the owner of the right in the work, may do so subject to the provisions of this section:

Provided that such sound recordings shall be in the same medium as the last recording, unless the medium of the last recording is no longer in current commercial use.

(2) The person making the sound recordings shall, in the prescribed manner, give prior notice of his intention to make the sound recordings, provide in advance copies of all covers or labels with which the sound recordings are to be sold, and pay in advance, to the owner of rights in each

work royalties in respect of all copies to be made by him. at the rate fixed by the Copyright Board in this behalf.

Provided that such sound recordings shall not be sold or issued in any form of packaging or with any cover or label which is likely to mislead or confuse the public as to their identity, and in particular shall not contain the name or depict in any way any performer of an earlier sound recording of the same work or any cinematograph film in which such sound recording was incorporated, and, further, shall state on the cover that it is a cover version made under this section.

(3) The person making such sound recordings shall not make any alteration in the literary or musical work which has not been made previously by or with the consent of the owner of rights, or which is not technically necessary for the purpose of making the sound recordings:

Provided that such sound recording shall not be made until the expiration of five calendar years after the end of the year in which the first sound recording of the work was made.

(4) One royalty in respect of such sound recordings shall be paid for a minimum of fifty thousand copies of each work during each calendar year in which copies of it are made:

Provided that the Copyright Board may, by general order, fix a lower minimum in respect of works in a particular language or dialect having regard to the potential circulation of such works.

(5) The person making such sound recordings shall maintain such registers and books of account in respect thereof, including full details of existing stock, as may be prescribed and shall allow the owner of rights or his duly authorised agent or representative to inspect all records and books of account relating to such sound recording: Provided that if on a complaint brought before the Copyright Board to the effect that the owner of rights has not been paid in full for any sound recordings purporting to be made in pursuance of this section, the Copyright Board is, prima facie, satisfied that the complaint is genuine, it may pass an order ex parte directing the person making the sound recording to cease from making further copies and after holding such inquiry as it considers necessary, make such further order as it may deem fit, including an order for payment of royalty;

Explanation: For the purposes of this section "cover version" means a sound recording made in accordance of this section.

31D. Statutory Licence for radio broadcasting of literary and musical works and sound recordings—

(1) Any broadcasting organisation desirous of communicating to the public by way of a broadcast or by way of performance of a literary or musical work and sound recording which has already been published may do so subject to the provisions of this section.

(2) The broadcasting organisation shall give prior notice, in such manner as may be prescribed, of its intention to broadcast the work stating the duration and territorial coverage of the broadcast and shall pay to the owner of rights in each work royalties in the manner and at the rate fixed by the Copyright Board.

(3) The rates of royalty for radio broadcasting shall be different from television broadcasting and the Copyright Board shall fix rates for radio broadcasting and television broadcasting.

(4) In fixing the manner and the rate of royalty under sub-section (2) the Copyright Board may require the broadcasting organisation to pay an advance to the owners of rights.

(5) The names of the authors and the principal performers of the work shall be announced with the broadcast.

(6) No fresh alteration to any literary or musical work, which is not Technically necessary for the purpose of broadcasting, other than shortening the work for convenience of broadcast, shall be made without the consent of the owners of rights.

(7) The broadcasting organisation shall (a) maintain such records and books of account, and render to the owner of rights such reports and accounts; and

(b) allow the owner of rights or his duly authorised agent or representative to inspect all records and books of account relating to such broadcast, in such manner as may be prescribed

(8) Nothing in this section shall affect the operation of any licence issued or any agreement entered into before the commencement of the Copyright (Amendment) Act, 2010.

Section 32. Licence to produce and publish translation— After a period of seven years from the first publication of a literary or dramatic work any person may apply to Copyright Board for a licence to produce and publish a translation of such work in any language.

If such translation is required for teaching, scholarship or research, any person may apply to the Copyright Board for a licence to produce and publish a translation, in printed or analogous forms of reproduction, of a literary or dramatic work, other than an Indian work, in any language in general use in India after a period of three years from first publication of work.

If such work is in a language not in general use in any developed country, such application may be made after a period of one year from the first publication of such work.

Procedure for making application (1) Every application shall be made in prescribed form i.e., form V stating the proposed retail price of a copy of the translation of the work by depositing with Registrar of Copyrights prescribed fee. (2) The Copyright Board after making prescribed inquiry may grant to the applicant a licence not being an exclusive licence to produce and publish a translation of the work in the language mentioned in the application subject to condition that:

(a) the applicant shall pay to the owner of the copyright in the work royalties in respect of copies of translation of work sold to the public, calculated at such rate as the Copyright Board may determine in the prescribed manner;

(b) where such licence is required for translation of any literary or dramatic work in any language in general use in India for teaching, scholarship or research, the licence shall not extend to the export of copies to the translation of the work outside India and every copy of such translation shall contain a notice in language of such translation that the copy is available for distribution only in India.

Under sub-Section (4) the Copyright Board may after holding such inquiry grant the applicant a licence, not being an exclusive licence, to produce and publish a translation in the language mentioned in the application subject to the condition that:

(i) the applicant shall pay to the owner of the copyright in the work royalties in respect of copies of the translation of the work sold to public, at such rate as the Copyright Board may determine: and

(ii) where a licence is granted to any person to produce and publish a translation in printed or analogous forms of reproduction of a literary or dramatic work, other than an Indian work, in any language in general use in India after a period of three years from the first publication of such work, if such translation is required for teaching, scholarship or subject also to condition that the licence shall not extend to the export of copies of the translation of the work outside India and every copy of such translation shall contain a notice in the language of such translation that the copy is available for distribution only in India. The above provision shall not apply to export by Government or any authority under the Government of copies of such translation in a language other than English. French or Spanish in any country if:

(1) such copies are sent to citizens of India residing outside India or to any association of such citizens outside India; and

(2) such copies are meant to be used for purposes of teaching, scholarship or research and not for any commercial purpose; and

(3) in either case, the permission for such export has been given by Government of that country;

No licence shall be granted unless

(a) a translation of the work in the language mentioned in the application has not been published by the owner of the copyright or any person authorised by him within seven years or three years as the case may be of the first publication of the work, or if the translation has been so published it has been out of print;

(b) the applicant has proved to the satisfaction of the Copyright Board that he had requested and had been denied authorization by the owner of the copyright to produce and publish such translation, or that he was, after due diligence, on his part, unable to find the owner of copyright;

(c) where the applicant was unable to find the owner of the copyright, he has sent a copy of his request for such authorisation by registered air mail post to the publisher whose name appears from the work, and in case of an application for a licence to produce and publish a translation of a literary or dramatic work in any language after a period of seven years from the first publication of the work not less than two months before such application;

(d) a period of six months in the case of an application under sub-Section (1 A) has elapsed from the date of making the request or nine months in case of an application to produce and publish a translation of a literary or dramatic work not in general use in any developed country has elapsed from the date of denial on making the request under clause (b) or where a copy of the request for authorisation has been sent to publisher due to inability to trace the owner from the date of sending such copy, and translation of the work in the language mentioned in the application has not been published by the owner of the work within the said period of six months or nine months as the case may be;

(e) in case of any application made under sub-Section (1 A): (i) the name of the author and the title of the particular edition of the work proposed to be translated are printed on all the copies of the translation;

(ii) if the work is composed mainly of illustrations, the provisions stated in Section 32 are also complied with:

- (f) unless the Copyright Board is satisfied that the applicant is competent to produce and publish a correct translation of the work and possess the means to pay to the owner of the copyright the royalties payable to him;
- (g) unless the author has not withdrawn from circulation copies of the work; and
- (h) unless an opportunity of being heard is given, whenever practicable, the owner of copyright in the work.

LICENCE TO BROADCAST WORK OF TRANSLATION

Under Section 32 (5) any broadcasting authority may apply to Copyright Board for a licence to produce and publish the translation of:

- (a) a translation in printed or similar form or reproduction of a literary or dramatic work other than an Indian work in any language in general use in India after a period of three years from the first publication of such work if such translation is required for the purposes of teaching, scholarship or research published in printed or similar forms of reproduction; or
- (b) any text incorporated in audio-visual fixations prepared and published solely for the purpose of systematic instructional activities, for broadcasting such translation for the purposes of teaching or for spreading of the results of specialized, technical or scientific research to the experts in any particular field.

Under Section 32 (6), such licence shall not be granted

- (a) unless the translation is made from a work lawfully acquired;
- (b) unless the broadcast is made through the medium of sound and visual recordings;
- (c) unless recording has been lawfully and exclusively made for the purpose of broadcasting in India by the applicant or by any other broadcasting agency, and
- (d) unless the translation and broadcasting of such translation are not used for any commercial purposes.

Section 32 A, Licence to reproduce and publish works for certain purposes.

(1) where, after the expiration of the relevant period i.e. five years from the date of first publication of an edition of a literary, scientific or artistic work:

- (a) the copies of such edition are not made available in India; or
- (b) such copies have not been put on sale in India for a period of six months, to general public, or in connection with systematic instructional activities at a reasonable price by the owner of the right of reproduction any person may apply to the Copyright Board for a licence to reproduce and publish such work in printed or similar forms of reproduction at the price at which such edition is sold or at a lower price for the purposes of systematic instructional activities.

Section 32A (4). Procedure for granting licence—Where an application is made to the Copyright Board it may after holding an inquiry grant to the applicant a licence, not being an exclusive licence, to produce and publish a reproduction of the work mentioned in the application subject to conditions:

- (i) **as to payment of royalty**—that the applicant shall pay to the owner of the copyright in the work royalties in respect of copies of the reproduction of work sold to the public, calculated at such rate as the Copyright Board may determine;
- (ii) **as to restriction on export**—that a licence granted under this provision shall not extend to the export of copies of the reproduction and shall contain a notice that the copy is available for distribution only in India:

No such licence shall be granted:

- (a) **Request denied**— unless the applicant has proved to the satisfaction of the Copyright Board that he had requested and had been denied authorisation by the owner of copyright to reproduce and publish such work or that he was, after due diligence on his part, unable to find such owner;
- (b) **Notice to publisher**— unless the applicant who was unable to find the owner of the copyright, had sent a copy of his request for such authorisation by registered airmail post to the publisher whose name appears from the work not less than three months before the application for the licence;
- (c) **Competence of applicant**— unless the Copyright Board is satisfied that the applicant is competent to reproduce and publish an accurate reproduction of the work and possesses the means to pay to the owner of copyright the royalties payable to him under this Section;
- (d) **Reasonable price**— unless the applicant undertakes to reproduce and publish work at such price as may be fixed by the Copyright Board, being a price reasonably related to the price normally charged for works of the same standard on the same or similar subjects;
- (e) **Lapsing of prescribed period**— unless a period of six months in the case of an application for the reproduction and publication of any work of natural science, physical science, mathematics or technology, or a period of three months in the case of an application for the reproduction and publication of any other work, has elapsed from the date of making the request under clause (a), or where a copy of the request has been sent under clause (b), from the date of sending of a copy, and a reproduction of the work has not been published by the owner of the copyright in the work within the prescribed period.
- (f) **Particulars of authorship**— unless the name of the author and the title of the particular edition of the work proposed to be reproduced are printed on all the copies of the reproduction;
- (g) **Withdrawal from circulation**— unless the author has not withdrawn from circulation copies of the work; and
- (h) **Hearing to owner of copyright**— unless an opportunity of being heard is given, wherever practicable, to the owner of copyright.

Termination of licences

A compulsory license granted to applicant will not continue forever. Following are the circumstances under which compulsory license is revoked by the authority from the licensee.

- (1) **Publication of translation by owner of copyright**— If at any time after the granting of a licence to produce and publish the translation of a work in any language the owner of the copyright in the work publishes a translation of such work in the same language and which is substantially the same in content at a price reasonably related to the price normally charged in India for the translation of works of the same standard on the same or similar subject, licence so granted shall be terminated.
- (2) **Publication of translation by owner of right of reproduction**— If at any time after granting a licence to produce and publish the reproduction or translation of any work the owner of the right of reproduction sells or distributes copies of such work or translation thereof, in the same language and which is substantially the same in content at a price reasonably related to the price normally charged in India, for works of the same standard on the same or similar subject, the licence so granted shall be terminated.

COPYRIGHT SOCIETIES

Question

1. Write short note on Copyright Societies.

Authors of intellectual creations are seldom endowed with business shrewdness to commercially exploit their creations. Munshi Premchand and Franz Kafka died in destitution unable to cash on their literary masterpieces.

The object of the formation of copyright society is to administer copyright of owners to their maximum benefit. It is not possible for an individual copyright owner to keep tab on infringement of his work in the context of developed technology and globalized economy. By obtaining membership of copyright society a owner of copyright ensures better protection and optimum exploitation of his work. Authors of literary works and holders of related rights find it difficult to enforce copyright in foreign countries. Copyright societies being members of international conventions and through mutual arrangement with similar societies in other countries are "better placed to prevent infringement of copyright of their members in foreign countries.

The provisions with respect to Copyright Societies are contained in Chapter VII of the Act which in its present form was introduced by the Copyright (Amendment) Act, 1994. Section 33 of the Act provides for the registration of a Copyright Society. Section 34 of the Act empowers a Copyright Society to accept from the owner exclusive authorization to administer any rights in any work by issue of licenses or collection of license fee or both. A Copyright Society may issue voluntary licenses under Section 30, collect fees in pursuance of such licenses, distribute such fees amongst owners of rights, and perform any other functions consistent with the collective control of the owners whose rights it administers.

The Copyright Society is required to frame a scheme to determine the quantum of remuneration payable to individual copyright owners having regard to the number of copies of the work in circulation. [Section 34A(2)]

Chapter XI of the Copyright Rules, 2013 comprising Rules 44 to 67 makes detailed provisions with respect to the conduct of business by Copyright Societies. Rule 56 requires that a Copyright Society shall frame a scheme of tariff to be called a "Tariff Scheme" setting out the nature and quantum of fees or royalties which it proposes to collect in respect of such copyright or other rights administered by it. Rule 57 requires a Copyright Society to frame a "Distribution Scheme" setting out the procedure for collection and distribution of royalty specified in the Tariff Scheme among the owners of copyright. Any distribution under the Distribution Scheme is required to be in the proportion to the income of the Copyright Society from actual use of the work or works of each owner of rights."

Prohibition on issuing or Granting Licenses Section 33. Registration of Copyright Societies

—This provision prohibits any person or association of persons from commencing or carrying on business of issuing or granting licenses in works in which copyright subsists or in any right granted under Copyright Act, except granted under the Act.

Exception—an owner of Copyright is entitled in his individual capacity to continue to have the right to grant licenses in respect of his own works consistent with his obligations as a member of the registered copyright society.

Right of Association of persons to apply for Registration— Sub-Section (2) provides that any association of persons that fulfils the prescribed conditions may apply for permission to do the business of issuing or granting licenses in respect of any work in which copyright subsists or in respect of any other rights conferred by the Copyright Act to the Registrar of Copyrights who shall forward the application to the Central Government.

Business of Copyright Societies.

Proviso substituted by amending Act 27 of 2012, w.e.f. 21 -6- 2012 provides that, the business of issuing or granting license in respect of literary, dramatic, musical and artistic works incorporated in a cinematograph or sound recording shall be carried out only through a copyright society duly registered under Copyright Act.

Prescribed conditions:

1. The association of persons whether natural or incorporated seeking registration must comprise of seven or more owners of copyright.
2. The association must be formed for the purpose of carrying on business of issuing or granting licenses in respect of any class of works in which copyright subsists or in respect of any other right conferred by the Act.
3. The application seeking registration must be signed by all members of the Governing Body and the Chief Executive of the applicant association.
4. The application for registration shall be in Form II C.

Enclosures to application:

Every application shall be enclosed with.

- (a) a true copy of the memorandum and articles of association as proof of incorporation of association;
- (b) the consent in writing of the individuals named in the application to act as members of Governing Body;
- (c) a declaration containing the objectives of the association, the bodies through which it will function and the arrangement for accounting and auditing;
- (d) an undertaking to the effect that the memorandum and articles of association by which the association is established or incorporated provides for conforming the same to the provisions of the Act and rules therein.

Power of Central Government to register Copyright Societies

Section 33 (3). The Central Government is empowered to register such association of persons as a copyright society subject to prescribed conditions.

The Central Government shall not ordinarily register more than one copyright society to do business of the same class of work.

Duration of Registration: Sub-Section (3A) substituted by amending Act 27 of 2012, w.e.f. 21-6-2012 provides that, the registration granted to copyright society shall be for period of five

years and may be renewed from time to time before the end of every five years on request in prescribed form.

Collective Control: The renewal of the registration of a copyright society shall be subject to the continued collective control of the copyright society being shared with the authors of the works in their capacity as owners of the copyright or of the right to receive royalty.

Registration subsequent to 2012: Every copyright society registered before coming into force of amending Act 27 of 2012 is required to get itself registered under Chapter VII within the period of one year from the commencement of amending Act, 27 of 2012, i.e. 21.06.2012.

Cancellation of registration: The Central Government may, if it is satisfied that a copyright society is being managed in a manner detrimental to the interests of the authors and other owner of rights concerned, cancel the registration of such society after such inquiry as may be prescribed.

Power to Central Government to suspend registration: If the Central Government is of the opinion that in the interest of the authors and other owner of rights concerned, or for non compliance of Sections 33A, Sub-Section (3) of Section 35 and Section 36 or any change carried out in the instrument by which the copyright society is established for incorporated and registered by the Central Government without prior notice to it, it is necessary so to do. it may, by order, suspend the registration of such society pending inquiry for such period not exceeding one year as may be specified in such order under sub-section (4) and that Government shall appoint an administrator to discharge the functions of the copyright society.

33A. Tariff Scheme by Copyright Societies— Publication of Tariff. Every copyright society shall publish its Tariff Scheme in such manner as may be prescribed.

Appeal against scheme of tariff. Any person who is aggrieved by the tariff scheme may appeal to the Copyright Board and the Board may, if satisfied after holding such enquiry as it may consider necessary, make such orders as may be required to remove any unreasonable element, anomaly or inconsistency.

Payment of fee by appellant: the aggrieved person shall pay to the copyright society any fee as may be prescribed that has fallen due before making such appeal to the Copyright Board and shall continue to pay such fee until the appeal is decided, and the Board shall not stay the collection of such fee pending disposal of the appeal.

Interim Tariff: The Copyright Board may after hearing the parties fix an interim tariff and direct the aggrieved parties to make the payment accordingly pending disposal of the appeal.

Prerequisites for grant of registration

While granting such registration the Central Government shall have regard to (a) the interests of the authors and other owners of rights, (b) the interests and convenience of public and in particular of the groups of persons who are most likely to seek license in respect of the relevant rights and the ability and professional competence of the applicants.

Period in which registration is to be granted When an application for registration is submitted to the Central Government through the Registrar of Copyrights, the Central Government may within sixty days for the receipt by the Registrar of Copyrights either accept the application or reject it.

Grounds on which application may be rejected Under the Act only the Central Government is empowered to reject the application by an association for registration as copyright society, function of Registrar of Copyrights is limited to submission of the application received by him to Central Government. The Copyright Rules, 1958 list the following four grounds on which the Central Government is authorized to reject an application after giving the applicant an opportunity of being heard:

- (a) the applicant has no professional competence to carry on its business or has not sufficient funds to manage its affairs; or
- (b) there exists another copyright society registered under the Act for administering the same class of works and it is functioning well; or
- (c) the Central Government has reason to believe that the members of the applicant are not bona fide copyright owners or they have not voluntarily signed the instrument/memorandum and articles of association setting up the applicant and the application for registration; or
- (d) the application is found to be incomplete in any respect.

Functions of copyright society

A copyright society is empowered to...

- (1) accept from an owner of rights exclusive authorisation to administer any right in any work by issue of licences or collection of fees or both, and an owner of rights has a right to withdraw such authorisation without prejudice to the right of the copyright society under any contract;
- (2) enter into agreement with any foreign society or organisation administering rights corresponding to rights under Copyright Act to entrust such foreign society or organisation the administration in any foreign country of rights administered by the said copyright society in India, or for administering in India the rights administered in a foreign country by such foreign society or organisation.

Provided that such foreign society or organisation shall not permit any discrimination in regard to the terms of licence or the distribution of fees collected between rights in Indian and other works.

Power of copyright society under Section 34 A copyright society may... (i) issue licence under or in respect of any right under Copyright Act;

- (ii) collect fees in pursuance of such licences; (iii) distribute such fees among owners of rights after making deductions for its own expenses;
- (iv) perform any other functions consistent with the provisions of Section 35.

Control over the copyright society by the owner of rights

Every copyright society shall be subject to collective control of the authors and owners of rights under Copyright Act whose rights it administers and shall be required to:

- (a) obtain the approval of such owners of rights for its procedures of collection and distribution of fees;

(b) obtain their approval for the utilization of any amounts collected as fees for any purpose other than distribution to the owner of rights; and

(c) provide to such owners regular, full and detailed information concerning all its activities in relation to the administration of their rights.

Governing Body of Copyright Society. Sub-Section (3) to Section 35 substituted by amending Act 27 of 2012, w.e.f. 21-6-2012 provides that, every copyright society shall have a governing body with such number of persons elected from among the members of the society consisting of equal number of authors and owners of work for the purpose of administration of the society as prescribed.

Equal Membership Rights. Sub-Section (4) of Section 35 substituted by amending Act 27 of 2012, w.e.f. 21-6-2012 provides that, all members of copyright society shall enjoy equal membership rights and there shall be no discrimination between authors and owners of rights in distribution of royalties.

Submission of returns and reports

(1) Every copyright society shall submit to the Registrar of Copyrights such returns as may be prescribed.

(2) Any officer duly authorized by the Central Government in this behalf may call for any report and also call for any record of any copyright society for purpose of satisfying himself that the fees collected by the society in respect of rights administered by it are being utilized or distributed in accordance with the provisions of Copyright Act.

Registers to be maintained by copyright society

Every copyright society is required to maintain the following registers at its Registered or Administrative office...

A. Register of Owners— a register of owners of copyright and other rights in respect of which the copyright society has been authorized by the owners to grant licence containing the...

(1) the names of owners, their addresses.

(2) the nature of rights authorized to be administered by the copyright society,

(3) date of publication of work.

(4) date on which the copyright society becomes entitled to and the duration of such right.

B. Register of Agreements— a register containing a copy of every agreement entered into by the copyright society with the owners.

C. Register of Fees— a register containing particulars of fees and mentioning the name of persons or organizations from whom the fees have been collected, the amount collected and the date on which it is collected.

D. Disbursement Register— a register containing details of payments made to each owner of copyright, category-wise, mentioning the name of the owner, nature of his copyright and the date and amount of payment made to him.

Rights and liabilities accrued to performing rights societies prior to Copyright

(Amendment) Act, 1994 unaffected— Rights accrued or liabilities incurred in any work in connection with a performing rights society prior to Copyright (Amendment) Act, 1994 are declared to be not affected by this provision.

Chapter VIII

Right of Broadcasting Organisations and Performers Questions

1. Write short note on Broadcast Reproduction Right under Copyright Act. 2. What are the rights of Broadcasting Organization and Performers under Copyright Act. 1957?

Meaning of broadcast— 'Broadcast.' means communication to the public by any means of wireless diffusion, whether in any one or more of the forms of signs, sounds or visual images or by wire, including re broadcast.

In general parlance, broadcasting means dissemination of audio and/or video signals for transmitting audio or video contents. The definition under the Act also includes such transmission by wire in the purview of 'broadcast'.

Though the term is understood in the above sense, it had its origin in agricultural activity, to mean to scatter seeds for sowing in contrast to placing them in drill or rows.

Broadcast organizations such as a television and radio are granted certain rights called "Rights of Broadcasting Organizations" by Act 38 of 1994.

The term of copyright in broadcasting shall be twenty five years from the date of broadcasts. Section 37. Broadcasting reproduction right—Under sub-Section (1) every broadcasting organization shall have a special right to be known as "broadcasting reproduction right" in respect of its broadcasts.

During the subsistence of such broadcasting right any of the following acts done without a license or consent of the owner of broadcasting right shall amount to infringement of broadcasting rights in other words following acts amount to infringement of copyright of broadcasting reproduction rights...

- (a) reproducing the broadcasts: or
- (b) causing the broadcast to be heard or seen by the public on payment of any charges; or
- (c) making any sound recording or visual recording of the broadcast; or
- (d) making any reproduction of such sound recording or visual recording where such recording was done without licence or where it was licensed for any purpose not envisaged by such licence; or
- (e) selling or giving on commercial rental or offering for sale for such rental, any sound such recording or visual recording referred to in clause (c) or (d).

Performer's Rights Question 1. Write short note on Performer's Rights.

Oxford Talking Dictionary defines 'performer'¹ as, "a person who performs a part in a play, a piece of music, etc., as a public exhibition of art or skill; a person who takes part in a public entertainment". The "performance" itself is defined as, "the action of performing a play, a part in a play, a piece of music, etc.; an instance of this, a public exhibition or production of a play, piece of music, etc".

"Performance" in common parlance means nothing more than presenting i.e. doing an act of entertainment for an audience and 'performer' is the person who does that act of entertaining.

Performance, meaning—"performance" in relation to performers' right under Copyright Act means any visual or audio presentation made by one or more performers.

Performer's right—The Copyright (Amendment) Act, 1994 for the first time introduced certain special rights for the benefit of different kinds of performers like acrobat, musician, singer,

dancer, actor, juggler, snake charmer, conjurer, a person delivering lecture or any other person who makes a performance.

Under the Copyright Act the meaning of 'performer' is denoted by giving examples of persons who can be properly called performers. Thus under Section 2 (qq) an actor, singer, musician, dancer, acrobat, juggler, conjurer, snake charmer, a person delivering a lecture or any other person who makes a performance are eligible to be called as performer. Even persons making a performance, though not expressly denoted can be legitimately called performers.

Essential elements of "performance".

Following are indispensable elements of "performance"

- (a) person who is performing or executing performance,
- (b) the act of carrying out performance, and
- (c) audience.

Section 38 of the Act lists the rights of performer and states the duration of copyright in performance and enumerates acts that amount to infringement of copyright of performer.

Term of copyright—the duration of copyright in performance is fifty years calculated from the start of year following the year in which the performance is presented. **Exclusive right of performers**

Sections 38A and 38 B substituted by amending Act 27 of 2012, w.e.f. 21-6-2012 confers the following rights on performers:

(1) Without prejudice to the rights conferred on authors, the performer's right which is an exclusive right subject to the provisions of this Act to do or authorise for doing of any of the following acts in respect of the performance or any substantial part thereof, namely:

(a) to make a sound recording or a visual recording of the performance or to do any of the following acts in respect of such recording, namely:

- (i) reproduction of it in any material form, including the storing of it in any medium by electronic or any other means;
- (ii) issuance of copies of it to the public not being copies already in circulation;
- (iii) communication of it to the public;
- (iv) selling or giving it on commercial rental or offer for sale or for commercial rental any copy of the recording.

(b) to broadcast or communicate the performance to the public except where the performance is already broadcast. (2) Once a performer has, by written agreement, consented to the incorporation of his performance in a cinematograph film he shall not, in the absence of a contract to the contrary, object to the enjoyment by the producer of the film of the performer's right in the same film.

Provided that notwithstanding anything contained in this clause performer shall be entitled for royalties in case of making of the performances for commercial use.

38B. Moral rights of the performer— The performer of a performance shall, independently of his right after assignment, either wholly or partially of his rights, have the right.

(a) to claim to be identified as the performer of his performance except where omission is dictated by the manner of the use of the performance, and

(b) to restrain or claim damages in respect of any distortion, mutilation or other modification of his performance that would be prejudicial to his reputation.

Explanation: For the purposes of this clause it is hereby clarified that mere removal of any portion of a performance for the purpose of editing, or to fit the recording within a limited duration, or any other modification required for purely technical reasons shall not be deemed to be prejudicial to the performer's reputation.

Section 39A. Certain provisions to apply in case of broadcast reproduction rights and performer's rights.

Sections 18, 19, 30, 30A, 33, 33A, 53, 55, 58, 63, 64, 65, 65 A, 65B and 66 shall, with any necessary adaptations and modifications, apply in relation to the broadcast reproduction right in any broadcast and the performer's right in any performance as they apply in relation to copyright in a work:

Provided that where copyright or performer's right subsists in respect of any work or performance that has been broadcast, no licence to reproduce such broadcast shall take effect without the consent of the owner of rights or performer, as the case maybe, or both of them.

Provided further that the broadcast reproduction right or performer's right shall not subsist in any broadcast or performance if that broadcast or performance is an infringement of the copyright in any work.

(2) The broadcast reproduction right or the performer's right shall not affect the separate copyright in any work in respect of which, the broadcast or the performance, as the case may be, is made.

Surrender of copyright

Once a performer has consented to the inclusion of his performance in a cinematograph film, the above acts in relation to his performance shall not be considered infringement of his copyright.

EXCEPTIONS

Following acts shall not be construed as infringing broadcast reproduction or performer's right:

- (a) the making of any sound recording or visual recording for the private use of person making such recording, or solely for purposes of bona fide teaching or research; or
- (b) the use, consistent with fair dealing, of parts of a performance or of a broadcast in the reporting of current events or for bona fide review, teaching or research; or
- (c) such other acts, with any necessary adaptations and modifications, which do not constitute infringement of copyright under Section 52.

Chapter IX

International Copyright Questions

1. Explain the legal provisions incorporated under "Copyright Act, 1957" to safeguard the international copyright.
2. Write short note on international copyright.

Benefits of any enactment are meant for the citizens of the country which enacts it. In the sphere of intellectual property the above restriction is applicable only to a limited extent. As, due to fast globalization of economy, rights in intellectual property are susceptible to infringement outside boundaries of a country imposing geographical limitations on enforcement of intellectual property law. The problem is attempted to be solved by legislating provisions for protection of intellectual property rights of nationals of other countries under local laws. Under Section 40 of Copyright Act, 1957 Government of India is empowered to extend any of the benefits of provisions of the Act:

- (a) to works first published in any territory outside India treating such works as if it is first published in India,
- (b) to unpublished work whose authors were at the time of making of work subjects or citizens of a foreign country,
- (c) in respect of domicile in any territory outside India to which the order relates in like manner as if such domicile in India;
- (d) to any work of which the author was at the date of first publication or where the author was dead at the time of his death, was a citizen of foreign country.

Such extension of provisions of Copyright Act shall be subject to following conditions:

- (i) **As to reciprocity**—the country to which such provisions are extended has also reciprocated in similar manner;
- (ii) **As to application**—the order may provide that the provisions shall apply generally or in relation to such classes of works or classes of cases as may be specified in the order;

(iii) **As to term of copyright**—the order may provide that the term of copyright in India shall not exceed to that conferred by the law of the country to which the order relates. Such term copyright shall not exceed the term of copyright provided under Copyright Right Act, 1957. A work to which benefit of Copyright Act is extended enjoys copyright for f.venty years in the country to which its author belongs, copyright to that work shall not be more than twenty years.

(iv) **As to conditions for enjoyment**—the order may provide that the enjoyment of rights conferred by Copyright Act shall be subject to fulfillment of such conditions and formalities as may be prescribed in the order;

(v) **As to right of making exceptions**—in applying the provisions of Copyright Act as to ownership of copyright, the order may make such exceptions and modifications as appear necessary, having regard to the Jaw in foreign country;

(vi) **As prospective application of order**—the order may provide that Copyright Act or any part of it shall not apply to works made before the commencement of the order or that the Copyright Act or any part of it shall not apply to works first published before the commencement of the order.

Rights conferred on broadcasting organizations and performers under Sections 37 to 39-A may by an order of Central Government be granted to:

- (a) broadcasting organizations whose headquarters is located in any other country, or the broadcast that was transmitted from a transmitter located in other country;
- (b) performances that take place outside India.
- (c) performances that are incorporated in a sound recording published outside India;
- (d) performances not fixed in sound recording broadcast by broadcasting organization the headquarter of which is located in other country or where the broadcast is transmitted from a transmitter from such other country. Provided such other country has also extended the protection of its copyright laws to Indian works.

Power of Central Government to restrict benefits

If it appears to the Central Government that a foreign country to which benefits under Copyright Act are extended does not reciprocate or undertakes to reciprocate the Central Government is entitled to withdraw the cover of benefit that is granted to works of such countries.

Power to restrict rights of foreign broadcasting organizations and performers

Where a foreign country does not give or has not undertaken to extend adequate protection to rights of broadcast organizations or performance on reciprocal basis, the Central Government may withdraw the protection granted to broadcasting organizations and performers based in that country.

Works of international organizations

Works made or published by International organizations are eligible for full copyright protection subject to fulfillment of certain conditions.

Section 41. Works made or published by International Organizations are granted full copyright protection in India in following circumstances as decided by Government and published in official gazette:

- (a) The work must be made or first published by or under the direction or control of the international organization.
- (b) There should be no copyright in the work in India at the time of the making or on the first publication of the work.
- (c) If the work is published in pursuance of an agreement with the author, such agreement should not reserve any copyright in the work or copyright in the work should belong to the organization under Section 17.

Under Copyright Order, 1958 passed in pursuance of Section 40. Section 41 is made applicable to:

- (1) United Nations Organisation.
- (2) Specialised Agencies of United Nations Organisation.
- (3) Organisation of American States.

The Government of India has passed International Copyright Order, 1958 in pursuance of above provision. By this Order, any work first published in any country which is a member of the Berne Convention or the Universal Copyright Convention will be accorded the same treatment as if it was published in India.

Section 40 A. Central Government is empowered to extend the application of the provisions of Copyright Act to works of broadcasting organizations and performers as mentioned in Chapter VIII.

Chapter X

Registration of Copyright Questions

1. Write short on requirement for registration of copyright.
2. Define the term copyright and explain the procedure for registration of copyright. State the advantages of registering copyright.

Ans: In order to secure copyright protection to a work registration of the work is not necessary. What is required is that the author must have bestowed upon the work "sufficient judgment, skill and labour or capital" irrespective of whether the work is wise or foolish, accurate or inaccurate, or whether it has or has not any literary merit. This is laid down in **Walter v. Lane**, a case decided by House of Lords.

The same principle is reiterated by Allahabad High Court in **Kaviraj Laxman Misra v. Sadhu Charan Mathani** stating that registration of copyright is optional and failure to register a work does not deprive the right of its author to file suit for infringement.

Case Law: Jaytinlal M. Munoth And Ors. vs Mr, M. Durairajan on 25 April. 2006 www.indiankanoon.org/doc/154069. In this case the High Court of Madras referring to *M/s. Manoj Cine Productions v. A. Sundaresun and Anr.* AIR 1976 Madras 22 has held that the registration is not a condition precedent for acquiring copyright and that non-registration of the copyright does not bar a suit.

Advantages of Registration:

- (a) For the purpose of establishing jurisdiction.
- (b) Registration raises presumption of a valid copyright.
- (c) Registration eliminates defense of innocent infringement. For the purpose of carrying objects of Copyright Act Section 9 provides for establishment of Copyright Office having seal of its own. Copyright office will be under the control of Registrar of Copyright acting under supervision and control of Central Government. Chapter X containing Sections, 44 to 50A laying down machinery for registration of copyright provides:

(I) for a "Register of Copyrights" for entering. (a) the names or titles of works;
 (b) the names and addresses of authors, publishers and owners of copyright: and
 (c) Other particulars as may be prescribed. The Register of Copyrights under Rule 15 of Copyright Rules will be in Form III containing following six parts...

I. Literary works other than computer programmes, tables and compilations including computer databases and dramatic works.

II. Musical works. III. Artistic works.

IV. Cinematograph films.

V. Sound recordings.

VI. Computer programmes, tables and compilations including computer databases.

(II) for the right of the author or publisher, or the owner of or of any other person interested to make the prescribed application with prescribed fee for entering particulars of work in Register of Copyrights.

(III) for that the prescribed indexes of Register of Copyrights shall be maintained in the Copyright Office.

(IV) for register containing of indexes of the Register of Copyright arranged alphabetically in form of cards indicating...

- (i) a general author index;
- (ii) a general title index;
- (iii) an author index of works in each language; and
- (iv) a title index of works in each language.

(V) for the Register of Copyrights and indexes of it to be open to inspection and confers right on any person to take copies of or make extracts from such register or indexes.

(VI) that the Register of Copyright shall be prima facie evidence of existence of copyright and certified copies of any entries or extracts from Register of Copyrights certified by Registrar of Copyrights with office seal shall be admissible in evidence in all courts without further proof of or production of the original.

Case Law: Nitin Sethi And Anr. vs Frontier Biscuit Factory Pvt. Ltd. 2007 (34) PTC 78 Delhi.

Facts: 1. The respondent, registered owner of mark/label 'FRONTIER', tiled a suit for permanent injunction against the petitioners for restraining infringement of copyright, passing off, rendition of accounts, delivery up, etc. in respect of a mark/ label FRONTIER¹.

2. Respondent had filed along with the suit a certified copy of an extract from the register of copyrights dated 03.05.2005 in which the name of the respondent was shown as owner while the name of the author was stated to be of Shri Kamal Sachdeva.

3. The petitioners filed an application under Section 61 of the Copyright Act, 1 957 (hereinafter to be referred to as, 'the said Act') praying for impleadment of the author of the copyright. This application had been rejected by the Trial Court. Upholding the order of Trial Court, Sanjay Kishan Kaul, J. obserbved:

Judgment: "In ray considered view,areadingoftheaforesaid provisions shows that the mandate of Section 61 of the said Act is that an owner of the copyright must be made a party to the proceedings and as to who is the owner of the copyright is provided under Section 17 of the said Act. The author is the first owner of copyright. Section 17 falls under Chapter IV dealing with ownership of copyright and the rights of the owner. There is a distinction between the author and the owner. Thus, though the author may be the first owner of copyright, the proviso explains the position in respect of different situations and assignment of copyright is permissible under Section 18 of the said Act. The mode of assignment is as per Section 19. In case of any dispute about the assignment of copyright. Section 19A comes into play and that is a matter to be considered by the Copyright Board. Section 21 provides for the right of the author to relinquish the copyright. The most material aspect is that under Section 48 of the said Act, the register of copyright is prima facie evidence of the particulars entered Therein. That extracts has been filed and, thus, the prima facie evidence of the respondent being the owner of the copyright is available. The question of Section 61 of the said Act coming into play would not arise as the proposed defendant is not the owner of the copyright as per this prima facie evidence in terms of Section 48 of the said Act".

(VII) the Registrar of Copyrights with power to amend or alter the Register of Copyrights by.

- (i) Collecting any error in any name, address or particulars; or
- (ii) Correcting any other error which may have arisen by accidental slip or omission.

(VIII) the Copyright Board shall have power to order the rectification of the Register of Copyrights by...

- (a) making any entry wrongly omitted to be made in the register, or
- (b) expunging of any entry wrongly made in, or remaining on, the register, or
- (c) correcting of any error or defect in the register.

(IX) that entries in Register of Copyrights shall be published by Registrar of Copyrights in Official Gazette.

Procedure as to registration of copyright is stated in Chapter VI of The Copyright Rules, 1958. Rule 16 details the formalities of applying for copyright in chronological manner under sub-Rules (1) to (6).

- (a) An application shall be made in form IV in triplicate with prescribed fee.
- (b) Every application shall be in respect of one work only.
- (c) The applicant is required to give notice of his application to every person who claims or has any interest in the subject matter of work or disputes the right of applicant to copyright.
- (d) If no objection to such registration is received by Registrar within thirty days, he shall if satisfied about correctness of the particulars given in the application, grant registration to the applicant.
- (e) If the Registrar of Copyrights receives any objections for registration or if he is not satisfied about the correctness of the particulars given in the application he may after holding such inquiry as he deems fit, register the application.

Chapter XI

Infringement of Copyright Questions

1. Discuss what amounts to infringement of copyright.
2. What constitutes infringement of copyright? Discuss remedies for its infringement.
3. Explain the infringement of copyright and discuss remedies available against it.
4. What is infringement of copyright? Which acts do not amount to infringement?
5. Define infringement of copyright. How does Copyright Act 1957 protect the copyright owner from infringement?
6. Explain the provision regarding infringement of copyright and remedies against it.

Copyright owners enjoy different kinds of rights in their work. Though these rights are like any other rights granted by law they differ in certain aspects, like the duration of existence of right in property. Owner of any other material property, movable or immovable may enjoy rights in such property throughout his life and after his life his legal heirs inherit his rights in such property so long as the line of descendants runs down. This is not true of copyright, as copyright is granted for definite period. Thus reproduction of literary work titled, "True-born Englishman" created by Daniel Defoe in 1703 is by no means infringement of his copyright, copyright in the work having been extinguished. The law of infringement of copyright therefore is applicable only for the limited duration in which copyright subsists.

"Infringement of copyright" is not as such defined by the Copyright Act. Applying common sense, copyright infringement may be defined as, "the unauthorized use of copyrighted work resulting in violation of any of the exclusive rights of owner of copyright".

The Copyright Act elaborately states the below mentioned circumstances in which copyright in a work is deemed to have been infringed...

Where any person without the licence from the owner of copyright or the Registrar of Copyrights or in violation of the condition of licence granted to him or in violation of any condition imposed by competent authority:

- (a) does any act which only the owner of copyright is entitled to do or permits for profit any place to be used for the communication of the work to public where such communication amounts to violation of copyright in the work.
- (b) Where any person makes for sale or hire, or sells or lets for hire any infringing copies of copyrighted work or by way of trade displays or offers for sale or hire such copies, or distributes either for the purpose of trade or to such an extent as to adversely affect the owner of copyright, or by way of trade exhibits in public, or imports into India the said copies it shall be deemed that copyright in the work is infringed by such person.

Examples

- (i) A person obtains licence from owner of literary work to print and sell 1000 copies of his literary work, such person prints 1200 copies.
- (ii) A person is permitted to re-publish a literary work by Registrar of Copyrights after paying to its owner compensation of Rs. 10,000/-. Such person republishes the permitted literary work without paying anything to owner of copyright.
- (iii) A person permits premises owned by him for screening of a pirated cinematograph film.

- (iv) Videographing a cinematograph film.
- (v) downloading copyrighted material and sharing of recorded music over the internet in the form of MP3 files.

Procedure for establishing infringement Jurisdiction:

A suit seeking action for infringement of copyright lies to the Court District Judge.

Burden of proof:

Burden of proof of proving infringement lies on the party complaining infringement. Suit for infringement is to be filed producing "infringing copy". Section 2(m) of the Act defines "infringing copy" to mean...

- (i) a reproduction of a literary, dramatic, musical or artistic work;
- (ii) a copy of cinematograph film made on any medium by any means;
- (iii) a sound recording of original work made by any means;
- (iv) a sound recording or cinematograph film of a programme or performance in which a broadcast reproduction right or performance right subsists;
- (v) reproduction, copy or sound recording that is made or imported in contravention of the Copyright Act.

An infringing copy is akin to "corpus delicti" the body of crime in criminal law. In the absence of infringement copy plaintiff cannot succeed in obtaining any relief against infringement of his copyright. Right in intellectual property is treated as right in any movable property. Infringement of copyright is violation of the owner's right without proof of any or likelihood of any damage. Therefore, once infringement is established, no further adjudication is required to establish loss, damage or any injury to the plaintiff.

Infringement can be established by producing direct evidence or indirect evidence. Indirect evidence is technically called circumstantial evidence. Production of direct evidence can be by means of testimony of witnesses or by admission of the defendant. Producing an infringing copy bearing striking similarity with the copyrighted work is establishing infringement by indirect means. In case where a plaintiff relies on striking similarity of infringement copy will the copyrighted work the plaintiff has to establish existence of three more circumstances viz. (a) availability of access, (b) use of accessed material and (c) prior existence of copyrighted work.

(a) Access— Availability of access can be established through wide distribution of copyrighted work or by proving earlier broadcasting.

(b) Use of accessed material—the plaintiff has to establish the use of copyright work in infringement copy. This can be done by showing substantial similarities between the infringing copy and copyrighted work. Similarities must be substantial and not trivial. Thus similarity of facts, ideas, themes, or material in public domain is not sufficient to prove the charge of infringement.

(c) Prior existence of copyright work—it also must be established by the plaintiff that the infringement copy is created subsequent to creation of copyrighted work.

(a) Copyright is a statutory right—copyright is created and granted by law. The rights of owner of copyright are defined under Section 14 of the Act. Such rights are exclusive rights subject to other provisions of the Act. Copyright subsists only with regard to classes of work mentioned under Section) 3 of the Act.

(b) Negative right—copyright is negative. A positive right compels doing of certain act. The owner of copyright is entitled by law to restrain the doing of certain acts by others. Factors to be

considered in determining infringement W.R. Cornish in his celebrated work, "Intellectual Property" highlights the following factors in determining infringement of copyright...

(a) Causal connection between two works— 'causal connection' means direct connection as between cause and effect. Thus, the infringing copy of copyrighted work must be directly linked to the original work. In other words the original work must be the cause and the infringing copy must be the effect of original work. Depending on the intention of the person infringing copyright, copying of original work is divided into (a) conscious copying, (b) unconscious copying and (c) sub-conscious copying.

(b) Conscious copy— conscious copying is copying the original deliberately. Such copying is for all purposes infringement in every sense of the term.

(c) Unconscious copy—Unconscious copying is where the author of subsequent work creates the work spontaneously though the work so created bears resemblance to a copyrighted work. In such cases the plaintiff is required to prove a direct connection between the original and copied work.

(d) Subconscious copy— Subconscious copying having come across the original work creates the subsequent work which bears striking similarity with the original work. Subconscious copying amounts to infringement.

Reproduction—following are the ingredients of reproduction as stated by Allahabad High Court in *Dutt v. Law Book Co.*, AIR 1954, page 570:

- (1) Sufficient degree of objective similarity between the two works and some causal connection between the plaintiff's work and the defendant's work.
- (2) Knowledge of causal connection by defendant is not deciding factor.
- (3) Where there is a substantial degree of objective similarity, this of itself will afford prima facie evidence to show that there is a causal connection between the plaintiff's work and defendant's work; at least it is a circumstance from which inference may be drawn.
- (4) The fact that the defendant denies that he consciously copied affords some evidence to rebut the inference of causal connection arising from the objective similarity but in no way conclusive.

Principle for deciding infringement of copyright—Supreme Court in *Anand v. Deluxe Films*, AIR 1978 Supreme Court 1613 laid following broad principles that are to be taken note by Courts while deciding dispute of infringement of copyright:

(a) There can be no copyright in idea, subject-matter, themes, plots or historical or legendary facts and violation of the copyright in such cases is confined to the form, manner and arrangement and expression of the idea by the author of the copyrighted work.

EXCEPTIONS TO INFRINGEMENT OF COPYRIGHT /FAIR DEALING

Question

1. Discuss the acts which do not amount to infringement of Copyright.

Certain acts of using copyrighted work do not constitute infringement of copyright. In the larger interest of society some fair use of copyright work is permitted under the Act. Section 52 lists following exceptions to the general rule against infringement of copyright.

(a) Fair dealing with a literary, dramatic, musical or artistic work, not being a computer programme, for the purpose of private use including research, criticism or review, making copies of computer programme for certain purposes, reporting current events in newspapers and magazines or by broadcasting or in a cinematograph film or by means of photograph.

(b) Reproduction for judicial proceedings and reports thereof, reproduction exclusively for use of legislature, reproduction excluding artistic work in certified copy supplied in accordance with law.

Section 52(1) expressly provides that certain acts enumerated therein shall not constitute an infringement of copyright and sub-clause (iv) of clause (q) excludes the reproduction or publication of any judgment or order of a Court. Tribunal or other judicial authority, unless the reproduction or publication of such judgment or order is prohibited by the Court, the Tribunal or other judicial authority from copyright. The judicial pronouncements of the Apex Court would be in the public domain and its reproduction or publication would not infringe the copyright. The reproduction or publication of the judgments delivered by the Supreme Court by any number of persons would not be infringement of a copyright of the first owner thereof, namely, the Government, unless it is prohibited.

(c) Reading or recitation in public of the extracts of literary or dramatic work.

(d) Publication in a connection for use of educational institutions in certain circumstances.

(e) Reproduction by teacher or pupil in the course of instructions or in question paper.

(f) Performance in the course of activities of educational institutions in certain circumstances.

(g) The making of sound recording under certain circumstances subject to certain conditions.

(h) The causing of a sound recording to be heard in public by utilizing it in an enclosed room or in clubs in certain circumstances.

(i) Performance in an amateur club given to a non-paying audience or for religious institutions.

(j) Reproduction in newspapers or magazines of an article on current economic, political, social or religious topics in certain circumstances.

(k) Publication in newspapers or magazines a report of a lecture delivered in public.

(l) Making a maximum of three copies for the use of a public library.

(m) Reproduction of unpublished work kept in a museum or library for the purpose of study or research,

(n) Reproduction or publication of any matter published in official Gazette or reports of Government company or other bodies appointed by Government,

(o) Reproduction of any judgment or order of court, tribunal or other judicial authority not prohibited from publication,

(p) Production or publication of a translation of Acts of Legislature or rules.

(q) Making or publishing of a painting, drawings or photographs of a work of architecture.

(r) Making or publishing of a painting, drawings or photographs or engraving of sculpture or other artistic works permanently situate in a public place.

(s) Inclusion in a cinematograph film of any artistic work permanently situate in a public place and other artistic work by way of background or incidental to the principal matter represented in the film.

(t) the transient and incidental storage of a work or performance purely in the technical process of electronic transmission or communication to the public;

(u) transient and incidental storage for the purpose of providing electronic links, access or integration, where such links, access or integration has not been expressly prohibited by the right holder, unless the person responsible is aware or has reasonable grounds for believing that such storage is of an infringing copy;

Provided that if the person responsible has prevented the storage of a copy on a complaint from any person, he may require such person to produce an order within 14 days from the competent court for the continued prevention of such storage.

(u) the reproduction of any work for the purpose of a judicial proceeding or for the purpose of a report of a judicial proceeding;

(v) the reproduction or publication of any work prepared by the Secretariat of a Legislature or, where the Legislature consists of two Houses, by the Secretariat of either House of the Legislature, exclusively for the use of the members of that Legislature;

(w) the reproduction of any work in a certified copy made or supplied in accordance with any law for the time being in force;

(x) the reading or recitation in public of any reasonable extract from a published literary or dramatic work;

(y) the publication in a collection, mainly composed of non-copyright matter, bona fide intended for instructional use and so described in the title and in any advertisement issued by or on behalf of the publisher, of short passages from published literary or dramatic works, not themselves published for such use in which copyright subsists: Provided that not more than two such passages from works by the same author are published by the same publisher during any period of five years.

Explanation: In the case of a work of joint authorship, references in this clause to passages from works shall include references to passages from works by any one or more of the authors of those passages or by any one or more of those authors in collaboration with any other person; (i) the reproduction of any work -

(i) by a teacher or a pupil in the course of instruction; (ii) as part of the questions to be answered in an examination;

(iii) in answers to such questions;

(z) the performance, in the course of the activities of an educational institution, of a literary, dramatic or musical work by the staff and students of the institution, or of a cinematograph film or a sound recording if the audience is limited to such staff and students, the parents and guardians of the students and persons connected with the activities of the institution or the communication to such an audience of a cinematograph film or sound recording, (aa) the adaptation, reproduction, issue of copies or communication to the public of any work in accessible format, by:

(i) any person to facilitate persons with disability to access to works including sharing with any person with disability of such accessible format for private or personal use, educational purpose or research, or

(ii) any organization working for the benefit of the provisions with disability in case the normal format prevents the enjoyment of such work by such persons; on the condition that the copies of the works in such accessible format are made available to the persons with disability on a non-profit basis but to recover only the cost of production (iii) the organization is required to ensure that the copies of works in such accessible format are used only by persons with disabilities and takes reasonable steps to prevent its entry into ordinary channels of business.

Importation of infringing copies

Section 52B providing for detaining of infringing copies is substituted by amending Act 27 of 2012, w.e.f.21-6-2012.

(1) The owner of any right conferred by this Act in respect of any work or of any performance embodied in such work, or his duly authorised agent, may give notice in writing to the Commissioner of Customs, or to any other officer authorised in this behalf by the Central Board of Excise and Customs:

(a) that he is the owner of the said right, with proof thereof; and

(b) that he requests the Commissioner for a period specified in the notice, which shall not exceed one year, to treat infringing copies of the work as prohibited goods, and that infringing copies of the work are expected to arrive in India at a time and a place specified in the notice.

(2) The Commissioner after scrutiny of the evidence furnished by the owner of the right and on being satisfied may, subject to the provisions of sub-section (3), treat infringing copies of the work as prohibited goods that have been imported into India, excluding goods in transit:

Provided that the owner of the work deposits such amount as the Commissioner may require as security having regard to the likely expenses on demurrage, cost of storage and compensation to the importer in case it is found that the works are not infringing copies.

(3) When any goods treated as prohibited under sub-section (2) have been detained, the Customs Officer detaining them shall inform the importer as well as the person who gave notice under sub-section (1) of the detention of such goods within forty-eight hours of their detention.

(4) The Customs Officer shall release the goods, and they shall no longer be treated as prohibited goods, if the person who gave notice under sub-section (1) does not produce any order from a court having jurisdiction as to the temporary or permanent disposal of such goods within fourteen days from the date of their detention.

DEFENCES AGAINST INFRINGEMENT

Questions

1. What are the defenses available to the defendant in an infringement action of Copyright?

2. Not all infringement are violation of Copyright Comment Ans: 1. Coincidental similarity—a similarity which can be due to sheer coincidence does not amount to infringement.

2. Common source of work—where the plaintiff and defendant use common source for their work, some similarities are unavoidable. Such similarities do not give cause for action in infringement. Example, cinematograph film on the life history of Shaheed Bhagat Singh.

3. Copying the idea—copyright is not permitted in idea. Revenge as theme is common idea of literary works since time immemorial.

4. Names, addresses and telephone numbers—as no copyright exists in names, addresses and telephone numbers, the compiler of telephone directory is not owner of copyright in telephone directory.

5. De minimis copying—insignificant similarity between the original and infringing copy does not amount to violation of copyright. This doctrine is based on legal maxim, "de minimis non curat lex", i.e. "the law does not take note of trivial matters".

6. First sale doctrine—where a legitimate possessor of copyrighted work disposes it by way of sale or otherwise no infringement can be alleged.

7. Ignorance of subsistence of copyright—if the defendant proves that at the date of infringement he was not aware of the existence of copyright in the work infringed, the owner of

copyright is entitled only to restrain the defendant from infringing his copyright and decree for profits made by sale of infringing copies.

Important points

1. Mens rea (intention to infringe)—absence of intention to infringe is not a defence in action against infringement.

2. Innocence—innocence is not a valid defence against infringement—**Mohini Mohan Singh v. Sitanath Basak, AIR 1931 Cal.233.**

3. Plagiarism—copying of ideas, themes or concepts does not amount to infringement of copyright.

4. Copying from copy—copying of copy of original work amounts to infringement. "An English literary work was translated into German and the defendant translated the work in English without being aware of work in English. It was held to be an infringement of work in English—**Murray v. Bogue, (1853) 1 Drew 353.**

5. Subconscious copying—subconscious copying generally occurs in musical work. A composer hears a **tune** and forgets it. After lapse of time, subconsciously he composes the tune as his own.

6. Quantum of copying—factor determining infringement is not the amount of copying, it is the quality of copying. In a cinematograph film running into three hours, a copied speech running for two and half minutes was held to be infringement of copyright—

D. Narayan Rao v. V Prasad, (1979) APLJ 231.

Computer Programme

'Computer' programme' is included in literary work under Section 2(o). "Computer" includes any electronic or similar device having information processing capabilities.

"Computer programme" under Section 2(ffc) is defined as a set of instructions expressed in works, codes, schemes or in any other form, including a machine readable medium, capable of causing a computer to perform a particular task or achieve a particular result. Copyright exists in computer programme provided a substantial part of the programmer's skill labour and judgment is expended on it. It is therefore, vulnerable to infringement.

Sound Recording

Making of sound recording of s work by a licensee is not infringement of copyright under Section 52(1)(i), if:

(a) sound recording of that work has been made by or with the licence or consent of the owner of the copyright in the work;

(b) the person making the sound recordings has given notice of his intention to make the sound recordings, has provided copies of all covers or labels with which the sound recordings are to be sold, and has paid in the prescribed manner to the owner of rights in the work royalties in respect of all such sound recordings to be made by him at the rate fixed by the Copyright Board in this behalf, subject to the conditions:

(1) as to alterations—no alterations are made which have not been made previously by or with the consent of owner of copyright, or which are not reasonably necessary for the adaptation of the work for the purpose of making of the sound recordings:

(2) as to identity—the sound recordings shall not be issued in any form of packaging or with any label which is likely to mislead or confuse as to their identity;

(3) as to expiration of time—no such sound recording shall be made until the expiration of two calendar years after the end of the year in which the first sound recording of the work was made; and

(4) as to access of records and books of account—the person making such sound recordings shall allow the owner of rights or his duly authorized agent or representative to inspect all records and books of account relating to such sound recording.

Causing of a recording by strangers to be heard in public is not infringement if it is made:

(i) in an enclosed room or hall meant for the common use of residents in any residential premises not being a hotel or

similar commercial establishment as part of the amenities provided exclusively or mainly for the residents therein; or

(ii) as part of the activities of a club or similar organisation not established for profit;

(iii) by an amateur club or society, if the performance is given to a non-paying audience, or for the benefit of a religious institution.

Preventive measures for infringement of copyright in sound recording and video films

To prevent infringement of copyright in sound recording the Act requires every person publishing a sound recording of any work to display on the sound recording and on any container of sound recording:

(a) the name and address of the person who has made the sound recording i.e. the mechanical producer viz. music companies:

(b) the name and address of the owner of the copyright in the sound recording; and

(c) the year of its publication.

Further to prevent infringement of copyright in video films law requires every person publishing a video film to display in the video at the time of exhibiting and on the video cassette and its container the following:

(a) Cinematograph film—in case of cinematograph film requiring a certificate under Cinematograph Act a copy of certificate granted by Board of Film Certification under Section 5 A of Cinematograph Act, 1952.

(b) Video film—in case of video film the name and address of the person who made the video film and declaration by him to the effect that he has obtained the necessary licence or consent from the owner of copyright in such work for making such film.

(c) The name and address of the owner of copyright in such work.

Prohibition on importation of infringing copies

A copyright owner of any work is entitled to prevent importation of infringing copies of his work made outside India by making an application with payment of prescribed fee to the Registrar of Copyrights.

Musical Work

Copyright exists in original musical work. "Musical work", as defined under Section 2 (p), means a work consisting of music and includes any graphical notation of such work, but does not include any words or any action, intended to be sung, spoken or performed with the music.

No restriction on construction of architectural work— where the construction of a building or other structure which infringes or which, if completed, would infringe the copyright in some

other work has been commenced, the owner of the copyright is not entitled to obtain injunction to restrain the construction of such building or structure or secure order for its demolition.

Unfounded threats of legal proceedings—Where any person claiming to be the owner of copyright threatens any other person with legal proceedings in respect of an alleged infringement of copyright, any person aggrieved by such threat may institute a suit and obtain a declaration that the alleged infringement to which the threats related was not in fact an infringement of any legal rights of the person making such threats, obtain injunction and recover damages sustained by reason of such threats.

Chapter XII Remedies for Infringement of Copyright

Civil Remedies—a person whose copyright is infringed is entitled to seek remedies by way of injunction, damages, accounts and other remedies available to him by law for infringement of his copyright.

Jurisdiction of Courts and place of suing in case of **infringement**

Section 62—District Court is court of primary jurisdiction for adjudication of alleged infringement of any right in copyright.

Place of suing—proper place of suing is the district court in which the person instituting the suit or other proceedings, or where there are more than one of such persons, any of them actually and voluntarily resides or carries on business or personally works for gain.

Defences—Apart from the statutory exceptions listed under Section 52 following are the defences against infringement of copyright.

- (1) Absence of copyright in the work alleged to be infringed.
- (2) Plaintiff is not entitled to sue.
- (3) Work alleged to be infringed is not original.
- (4) Work alleged to be infringed is immoral, seditious or against public policy.
- (5) Limitation.
- (6) Acquiescence and laches.
- (7) Consent.

Anton Piller Order

Questions

1. Write short note on Anton Piller.

No order is to be passed against a party without giving him an opportunity of hearing; this is the paramount rule of natural justice. In certain cases depending on urgency, court may pass an order against a defendant before hearing him. This rule is crystallized by Lord Denning, MR in *Anton Filler K. G v. Manufacturing Processes Ltd.*, (1976) RPC pp. 724-725.

Case: The plaintiff was German manufacturer of sophisticated electrical components. The defendant as the agent of plaintiff in England was in possession of confidential and copyrighted information relating to such electrical components with drawings. The defendant was trying to sell the drawings and confidential information to the German competitors of plaintiff. The plaintiff sought and obtained an ex parte order from Court of Appeal to enter forthwith the premises of the defendant, inspect and remove all documents and material relating to infringement of copyright of plaintiff.

Following principles emerge from the order passed in *Anton Filler*

- (a) The plaintiff must act with due circumspection.

- (b) On the service of order, the plaintiff should be attended by his solicitor, who is an officer of court.
- (c) The defendant should be given an opportunity to consider the order and to receive legal advice.
- (d) If the defendant intends to apply for getting the order set aside he must be allowed to do so.
- (e) If the defendant resists the order, instead of carrying out the order forcefully the matter may be forthwith brought to the notice of the court for necessary action.
- (f) Such order should only be granted in an extreme case where there is grave danger of the property being smuggled away or important evidence destroyed.
- (g) There must be clear evidence that there is real danger that the defendant may destroy offending evidence before he is heard.
- (h) Anton Piller order is not a search order.
- (i) It is an order on the defendant in personam, the defendant is at liberty to refuse to comply the order at his own peril. (j) Great responsibility rests on the solicitors for the applicant to ensure that the carrying of order is meticulously, carefully done with the fullest respect for the defendant's rights, for applying to the court, should he feel necessary to do so, before permitting the inspection.
- (k) It is the duty of the counsel for the plaintiff to ensure that the order he is asking for contains all proper safeguards for the absent defendants.
- (l) The plaintiff is under an obligation to the court to make the fullest possible disclosure of all material facts within his knowledge, and if he does not make that fullest possible disclosure, he cannot obtain any advantage from the proceedings and he will be deprived of any advantage he may have already obtained by means of the order which has thus wrongly been obtained by him.
- Prerequisites for obtaining Anton Piller Order:

- (1) Strong prima facie case.
- (2) Damage likely to be caused by refusing Anton Piller order must be very serious for the applicant.
- (3) Clear evidence that the defendant has in his possession incriminating documents or things, and there is real possibility that they may be destroyed before the defendant is heard.

Object of Anton Piller Order—the purposes for which such order is granted are twofold, viz.

- (1) to enable the plaintiff to enter the premises to seize the offending material; and
- (2) to obtain information as to the persons from whom the defendant received the supplies of the offending material and the persons to whom the defendant has supplied the offending material.

INJUNCTION

Cambridge Advanced Learner's Dictionary defines injunction as, "an official order given by court of law. usually to stop someone from doing something".

"Injunction is a judicial process by which one who is threatening to invade or has invaded the legal or equitable rights of another, is restrained from commencing or continuing such act. or is commanded to restore matters to the position in which they stood previous to the action".—

Know Your Copyright. CD. Khosla, page 52.

Ingredients:

- (1) Injunction is an order meant to prevent violation of right.
- (2) There can be no injunction unless there exists right in plaintiff.
- (3) Injunction is preventive as well as remedial legal device. **Types of injunction:**

Interlocutory Injunction—The injunction granted during the trial for infringement of copyright is called "interlocutory injunction". Infringement in most cases is continuous violation of right of the plaintiff as in the case of importation of infringing copies. In such case if injunction is refused to the plaintiff, injury to plaintiff may keep compounding.

Permanent injunction—The injunction that is granted by the court to plaintiff after trial is "permanent injunction".

Prerequisites for grant of injunction—The prerequisites to be fulfilled by plaintiff seeking injunction as stated by **Ralph Gibren** in *Brinks Mat v. Elcombe*, (1988) 3 All ER 188-

(1) **Disclosure of material facts**—the applicant is under duty to make full and fair disclosure of all the material facts.

(2) **Court to decide materiality of facts**—the material facts are those which are material for the judge to know in dealing with the application. The decision on materiality is one for the court and not for the applicant or his legal advisors.

(3) **Duty of applicant to make proper enquires**—the applicant must make proper enquires before the application.

(4) **Extent of enquires**—the extent of enquires, which are and necessary depends on all the circumstances of the case.

The factors that are relevant are:

(a) the nature of case,

(b) the nature of order for which the application is made, and

(c) the probable effect of the order on the defendant, and (d) the degree of legitimate urgency and time available for making enquires.

(5) **Forfeiture of advantage in case of non disclosure**— if non-disclosure is established the court will ensure that the plaintiff who obtains an order without full disclosure is deprived of any advantage he may have obtained by breach of his duty.

(6) **Innocent non-disclosure not decisive**—the innocence of non-disclosure is important but not decisive consideration.

(7) **No discharge of injunction for insignificant omission**— injunction will not be discharged for every omission.

The plaintiff seeking an injunction has to establish:

(a) prima facie case,

(b) balance of convenience in his favour, and

(c) irreparable loss and damage to plaintiff in the absence of order of interlocutory injunction.

Object of interlocutory injunction—the object of interlocutory injunction is to protect the plaintiff against injury by infringement of copyright which cannot be compensated by damages.

Case law: EDONINER SYSTEMS P. Ltd. V VIKASH VERMA;

indiankanoon.org/doc/1589732/—Petitioner was engaged in development of software and licensing developed a unique software "EDOMINER EXTENDED ERF" and registered the same under copyright Act. Respondent, once employee of petitioner started making commercial use of registered software. Respondent restrained from using the software by ad interim injunction.

Chapter XIII

Criminal Remedies for Infringement of Copyright

The owner of copyright apart from his right to civil remedies of claiming damages, filing suit for accounts for infringement and obtaining injunction against persistence of violation of his copyright is also entitled to initiate simultaneous criminal prosecution against the person infringing his copyright. Not only the actual infringement of copyright but also abatement to infringement is made punishable by the Copyright Act. Chapter XII of the Act describes the offences of infringement and related offence of lesser gravity and prescribes punishment for the same.

Advantages of criminal proceedings

- (a) Disposal of criminal proceedings is faster.
- (b) Criminal proceedings if successful end in imprisonment of the accused, therefore there are more chances of the accused coming for settlement.
- (c) Court fee required to be paid is not higher. **Disadvantages**

- (a) Compensation cannot be claimed for damages.
- (b) Complainant cannot compel accused to furnish accounts.
- (c) Infringement of copyright cannot be restrained by injunction.

1. Punishment for abatement and infringement of copyright under—any person who knowingly infringes or abates the infringement of the copyright in work or any right granted under the Copyright Act, except the right to receive resale share in original copies under Section 53 A, is liable to be punished with imprisonment for a term that shall not be less than six months but which may extend to three years and with fine not less than fifty thousand rupees but may extend to two lakh rupees.

2. Infringement made not for pecuniary gains—where infringement has not been made for gain in the course of a trade or business the Court may by recording adequate and special reason in the judgment impose a sentence of imprisonment for a term less than six months or a fine less than fifty thousand rupees.

3. Enhanced penalty on second and subsequent convention—a person once convicted under Section 63 if again convicted for any such offence shall be punishable for the second and for every subsequent offence with imprisonment for a term that shall not be less than one year but which may extend to three years.

4. Infringement made subsequent to first conviction not for gains—where infringement has not been made for gain in the course of trade or business the Court may by recording adequate and special reasons impose a sentence of imprisonment for a term less than one year or a fine less than one lakh rupees.

5. Punishment for knowingly making use of copy of computer programme—any person who knowingly makes use on a computer of an infringing copy of a computer programme shall be punishable with imprisonment for a term that shall not be less than seven days but which may extend to three years and fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees.

6. Punishment for use of computer programme not for pecuniary gain—where the computer programme has not been used for gain in the course of trade or business, the court may, for adequate and special reasons to be mentioned in the judgment, not impose any sentence of imprisonment and may impose a fine that may extend to fifty thousand rupees.

7. Punishment for possessing plates for purpose of making infringing copies—any person who knowingly makes or has in his possession any plates for the purpose of making infringing

copies of any work in which copyright subsists shall be punishable with imprisonment which may extend to two years and shall also be liable to fine.

8. Punishment for making false entries in register for producing or tendering false entries—making or causing to be made a false entry in the Register of Copyrights, or making or causing to be made a writing falsely purporting to be a copy of any entry in such Register or producing or tendering or causing to be produced or tendered as evidence any such entry or writing knowing the same to be false, shall be punishable with imprisonment which may extend to one year, or with fine, or with both.

9. Punishment for making false statements for purpose of deceiving or influencing any authority or officer—making a false statement or representation knowing the same to be false with a view to deceiving any authority or officer in the execution of the provisions of Copyright Act, or with a view to procuring or influencing the doing or omission of anything in relation to Copyright Act or any matter under the Act is punishable with imprisonment that may extend to one year, or with fine, or with both.

Sections 65A and 65B are substituted by amending Act 27 of 2012, w.e.f. 21-6-2012

65A. Protection of Technological Measures— (1) Any person who circumvents an effective technological measure applied for the purpose of protecting any of the rights conferred by this Act. with the intention of infringing such rights, shall be punishable with imprisonment which may extend to two years and shall also be liable to fine.

(2) Nothing in sub-section (1) shall prevent any person from:

- (a) doing anything referred to therein for a purpose not expressly prohibited by this Act: Provided that any person facilitating circumvention by another person of a technological measure for such a purpose shall maintain a complete record of such other person including his name, address and all relevant particulars necessary to identify him and the purpose for which he has been facilitated;
- (b) doing anything necessary to conduct encryption research using a lawfully obtained encrypted copy; or
- (c) conducting any lawful investigation; or
- (d) doing anything necessary for the purpose of testing the security of a computer system or a computer network with the authorisation of its owner; or
- (e) operator; or
- (f) doing anything necessary to circumvent technological measures intended for identification or surveillance of a user; or
- (g) taking measures necessary in the interest of national security.

65B. Protection of Rights Management Information— Any person, who knowingly

- (i) removes or alters any rights management information without authority,
 - (ii) distributes, imports for distribution, broadcasts or communicates to the public, without authority, copies of any work, or performance knowing that electronic rights management information has been removed or altered without authority,
- shall be punishable with imprisonment which may extend to two years and shall also be liable to fine:

Provided that if the rights management information has been tampered with in any work, the owner of copyright in such work may also avail of civil remedies provided under Chapter XII of this Act against the persons indulging in such acts.

Section 66. Disposal of infringing copies or plates for purpose of making infringing copies— The court trying any offence under this Act may, whether the alleged offender is convicted or not, order that all copies of the work or all plates in the possession of the alleged offender, which appear to it to be infringing copies, or plates for the purpose of making infringing copies, be delivered up to the owner of the copyright or may make such order as it may deem fit regarding the disposal of such copies or plates.

Jurisdiction—Section 70 bars any Court inferior to the court of Metropolitan Magistrate and a Judicial Magistrate of the First Class from accepting a complaint for infringement of copyright.

Procedure—procedure governing criminal proceedings is that as provided in Criminal Procedure Code of 1973.

Case Law: Jayanthilal M. Munoth And Ors. vs Mr. M. Durairajan on 25 April, 2006 www.indiankanoon.org/doc/154069. In this case the High Court of Madras referring to M/s. Manoj Cine Productions v. A. Sundaresan and Ann AIR 1976 Madras 22 has held that the registration is not a condition precedent for acquiring copyright and that non-registration of the copyright does not bar a suit.

COPYRIGHT RULES 2013

The Copyright Rules, 2013 was notified by the Ministry of Human Resources and Development on 14th March 2013. These new rules are pursuant to the amendments and new provisions introduced to the Copyright Act, 1958 through The Copyright Act (Amendment) Bill, 2012. The Draft Copyright Rules were released in August by the Copyright Office inviting comments of stakeholders and experts. In October, the Ministry of HRD also conducted a meeting with stakeholders and experts regarding the Rules. We have reason to believe that while the Rules was finalised by the HRD ministry months ago, the Ministry of Law and Justice delayed in approving the Rules.

The press release states that the minimum and maximum fee for licences and registration of copyright has been enhanced. For licences, minimum fee has been raised to Rs 2000 from Rs 200, and maximum has been raised to Rs 40,000 from Rs. 400. For registration of copyright, the minimum fee has been raised to Rs 500 from Rs 50 and, the maximum fee has been raised to Rs. 5000 from Rs. 600. The new fee structure provided under the Second Schedule to the Rules is applicable from 14th March 2013.

The Copyright Rules, 2013 provide new rules for:

1. Statutory licence for cover versions and broadcasting of literary and musical works and sound recording;
2. Compulsory licences for works withheld from public, unpublished and published works, for benefit of disabled;
3. Registration of Copyright Societies and Performer's Right Societies;
4. Storage of transient or incidental copies of works;
5. Making or adapting the work by organisations working for the benefit of persons with disabilities;
6. Importation of infringing copies and technological protection measures.

PART III

Patent

Questions

1. What is patent? Can patent be granted for every invention?
2. Define invention. Which inventions are patentable and which are not.
3. What is invention? Distinguish between patentable and not patentable invention.
4. What are not inventions under Patents Act? What characteristics must an invention possess to qualify for patent? Which inventions are not patentable?

Ans: The Patents (Amendment) Act, 2005 defines patent under Section 2(m) as, "patent means a patent for any invention granted under this Act".

A patent monopoly is a privilege granted by the Patent Officer to the inventor of any new contrivance in manufacture so that the inventor alone shall be entitled to it during a limited period to make articles according to his own invention. To be the subject-matter of a patent right, an article must be material and capable of being manufactured. An idea by itself cannot, however, be patented. The person applying for the patent must be the true and first inventor of it and the Patents Act has been engrafted in the Statute Book to encourage inventions and also to protect inventions. The grant of patent entitles the patentee to all the rights and privileges in the invention and in the event of there being any infringement, the patentee can seek the assistance of Courts to protect his rights by an order of injunction together with a claim for damages. Be it noted that the patent documents carries with it a contemporary new technology and by reason of the protection as available under the Patent Act, there has been thus a steady statutory encouragement and development of modern technology be it in the field of software or other areas so as to meet the needs of a developing society and thereby giving rise to further scientific research and development for the benefit of the community.

5. Subject matter of Patent, original form of property—

Under patent laws, to be eligible for patent, the invention must involve any innovation or technology the knowledge of which is not previously acquired i.e. not anticipated by publication in any document or used in the country or elsewhere in the world before the date of filing of patent application with complete specification.

6. Rights in Patent akin to rights in movable property— rights in patent are akin to rights in movable property in the sense that the owner of a patent can assign and transfer his rights like rights in conventional movable property.

7. Patent is exclusive Right— A patent is an exclusive right granted to a person who has invented a new and useful article or an improvement to an existing article or a new process of making an article. The exclusive right given is to manufacture the new article invented or to manufacture an article according to the invented process for a limited period. During the term of the patent the owner of the patent, that is, the patentee can prevent any other person from using the patented invention. After the expiry of the patent anybody can make use of the invention since the invention then becomes part of the public domain.

8. Object of granting Patent— The object of granting the patent is for the encouragement and development of a new technology and industry in the State. It is desirable in public interest that industrial techniques should be improved. In order to encourage improvement and also to encourage the disclosure of improvements in preference to their use in secret, any person devising an improvement in a manufactured article or in machinery or methods of making it, may upon disclosure of his improvement at the Patent Office demand to be given monopoly in the use of it for a period of 20 years (formerly it was 14 years). After that period, it passes into the public domain.

the public domain. The temporary monopoly given to the inventor is not objectionable because if it had not been for the inventor who designed and disclosed the improvement nobody would have been able to use the invention since no body would have known about it. Giving the monopoly to the inventor encourages the putting into practice of the invention. The only way the inventor can make a profit from it is by either himself using it and deriving an advantage over his competitors by its use or by allowing others to use it in return for royalties. The object of patent law is to encourage scientific research, new technology and industrial progress. The price of the grant of the monopoly is the disclosure of the invention at the Patent Office, which, after the expiry of the fixed period of the monopoly, passes into the public domain.

9. Patent only for inventions— It is a fundamental principle of patent law that a patent monopoly is granted only for inventions which are new and useful and which have industrial application.

10. Consideration for grant of Patent— The consideration for the grant of a patent is the disclosure of the invention in the specification which is open to public inspection so that on the expiry of the term of monopoly any member of the public can use the invention. The specification should, therefore, contain a full and sufficient description of the invention and the method by which it can be performed to enable a person skilled in the art to work the invention. Patent systems are not created in the interest of the inventor but in the interest of the national economy.

Case law: Biswanath Prasad Radhey Shyam vs Hindustan Metal Industries,

<http://www.indiankanoon.org/doc/1905157/decided> on 13 December, 1978 the Supreme Court referring English cases highlighted the following as fundamental for grant of patent.

1. The fundamental principle of Patent law. is that a patent is granted only for an invention which must have novelty and utility. It is essential for the validity of a patent that it must be the inventor's own discovery as opposed to mere verification of what was, already known before the date of the patent.

2. The Act of 1911. does not specify the requirement of being, useful, in the definition of 'invention', but courts have always taken the view that a patentable invention, apart from being a new manufacture, must also be useful. The foundation for this judicial interpretation, is to be found in the fact that s. 26(1)(f) of the Act recognises lack of utility as one of the grounds on which a patent can be revoked.

4. In order to be patentable, an improvement on something known before or a combination of different matters already known, should be something more than a mere workshop improvement, and must independently satisfy the test of invention or an inventive step. It must produce a new result, or a new article or a better or cheaper article than before. The new subject matter must involve "invention" over what is old. Mere collection of more than one, integers or things., not involving the exercise of any inventive faculty does not qualify for the grant of a patent.

Rickman v. Thierry. [1896] 14 Pat. Ca. 105; Blackey v. Latham. [1888] 6 Pat. Ca. 184; and Encyclopaedia Britannica, Vol. 17page453; applied.

5. To decide whether an alleged invention involves novelty and an inventive step, certain broad criteria can be indicated. Firstly if the "manner of manufacture" patented, was publicly known, used or practised in the country before or at the date of the patent, it will negative novelty or 'subject matter'. Prior public knowledge of the alleged invention can be by word of mouth or by publication through books or other media. Secondly, the alleged discovery must not be the obvious or natural suggestion of what was previously known.

Humpherson v. Sver. 4RPC 407; and Ratio v. John Tye & Sons Ltd., 1967 RPC 297: applied. Halsbury 3rd Edn. Vol. 29. p. 42 and Farbwerke Hocchst Judgment referred to.

6. The grant and sealing of the patent, or the decision rendered by the Controller in the case of opposition, does not guarantee the validity of the patent, which can be challenged before the High Court on various grounds in revocation or infringement proceedings. This is now expressly provided in S.13 (4) of the Patents Act, 1970.

7. The proper way to construe a specification is. to first read the description of the invention, and then see the claims. For, a patentee cannot claim more than he desires to patent.

11. Grant and sealing of the patent or the decision rendered by the Controller docs not guarantee the validity of the patent.

Case Law: Dhanpat Seth And Ors. vs Nil Kamal Plastic Crates Ltd. 2006 (33) PTC 339 NULL Himachal Pradesh High Court: it is noteworthy that the grant and sealing of the patent or the decision tendered by the Controller in the case of opposition, does not guarantee the validity of the patent, which can be challenged before the High Court on various grounds in revocation or infringement proceedings. It is pertinent to note that this position, viz., the validity of a patent is not guaranteed by the grant, is now expressly provided in Section 13(4) of the Patents Act, 1970.

INVENTIONS NOT PATENTABLE

An inventor subsequent to registration of his invention by Controller and grant of patent acquires substantial rights in respect of working of his invention to the exclusion of general public. Under the Act "invention", "inventive step" and "new invention" subject matters of patent are described in very wide terms. The Act also lists following type of creations as not inventions and therefore, not patentable—

(a) Frivolous invention— a frivolous invention or an invention that claims anything obviously contrary to well established natural laws. Any creation having no value as invention to others is not patentable. Further any invention that claims to work contrary to well established natural laws, like law of gravitation, is not patentable,

(b) Invention against moral values— an invention that could work contrary to law and morality or harmful to human or plant life or environment. Patent in cloning of human beings cannot be registered.

(c) Discovery of mere scientific principle— the mere discovery of a) scientific principle or the formulation of an abstract theory or b) discovery of any living thing or non-living substance occurring in nature. Mere discovery of scientific principle or the formulations of abstract principles are of no use unless they are capable of being used for specific product or process.

(d) Mere discovery of new form of known substance—

The mere discovery of a new form of a known substance not resulting in the enhancement of the known usefulness of that substance.

(e) Mere discovery of new property— The mere discovery of any new property or new use for a known substance.

(f) Mere use of a known process— The mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant. Use of motorcycle for pumping water by transmission of power LO water pump is not patentable.

Case Law: Biswanath PrasadRadhey Shyam vs Hindustan Metal **Industries.**

<http://www.indiankanoon.org/doc/1905157/decided> an 13 December, 1978 the Supreme Court referring English cases referred to two tests to the obviousness of patent.

Whether an alleged invention involves novelty and an 'inventive step', is a mixed question of law and Fact, depending largely on the circumstances of the case. Although no absolute test uniformly applicable in all circumstances; can be devised, certain broad criteria can be indicated. Whether the "manner of manufacture" patented, was publicly known, used and practiced in the country before or at [the date of the patent? If the answer to this question is 'yes', it will negative novelty or 'subject matter'. Prior public knowledge of the alleged invention which would disqualify the grant of a patent can be by word of mouth or by publication through books or other media. "If the public once becomes possessed of an invention", says Hindmarch on Patents (quoted with approval by Fry L. J. in *Humpherson v. Syer*. "by any means whatsoever, no subsequent patent for it can be granted either to the true or first inventor himself or any other person: for the public cannot be deprived

of the right to use the invention..... the public already possessing everything that he could give." The expression "does not involve any inventive step" used in Section 26(I) (a) of the Act and its equivalent word "obvious", have acquired special significance in the terminology of Patent Law. The 'obviousness' has to be strictly and objectively judged. For this determination several forms of the question have been suggested. The one suggested by Salmond L. J. in *Rado v. John Tye & Son Ltd.* is apposite, it is: "Whether the alleged discovery lies so much out of the Track of what was known before as not naturally to suggest itself to a person thinking on the subject, it must not be the obvious or natural suggestion of what was previously known."

Another test of whether a document is a publication which would negative existence of novelty or an "inventive step" is suggested, as under:

"Had the document been placed in the hands of a competent craftsman (or engineer as distinguished from a mere artisan), endowed with (the common general knowledge at the 'priority date', who was faced with the problem solved by the patentee but without knowledge of the patented invention, would he have said, "this gives me what I want?" (*Encyclopaedia Britannica*: *ibid*). To put it in another form: "Was it for practical purposes obvious to a skilled worker in the field concerned, in the state of knowledge existing at the date of the patent to be found in the literature then available to him. that he would or should make the invention the subject of the claim concerned ?" *Halsbury*. 3rd Edn. Vol. 29. p. 42 referred to by *Vimadala J. of Bombay High Court in Farbwirke Hoechst & B. Corporation v. Untchan laboratories.*

Section 3(d) and the explanation appended to it as amended by the Patents (Amendment) Act. 2005 with effect from 01.01.2005 more clearly states as to what inventions are not patentable.

Section 3(d). The mere discovery of a new Form of a known substance which does not result in the enhancement of the known efficacy of that substance or the mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant.

Explanation: For the purposes of this clause, salts, esters, ethers, polymorphs, metabolites, pure form, particle size isomers, mixtures of isomers, complexes, combinations and other derivatives of known substance shall be considered to be the same substance, unless they differ significantly in properties with regard to efficacy.

Case Law: Novartis Ag Represented By Its GP.A. ... vs Union Of India (UOI) on 6 August, 2007 (2007) 4 MLJ 1153, Madras High Court.

In this case the challenge was to amended provision and its explanation on the ground that, it is arbitrary, illogical and vague.

Rejecting the challenge the High Court held:

It is argued by the learned senior counsels for the petitioners that since the amended section uses only general expressions, leaving it to the Statutory Authority to understand what it means, the Statutory Authority is likely to act arbitrarily in exercising its discretion, since it has no guidelines. We have already held that the amended section cannot be said to be vague or ambiguous. We reiterate here at this stage that the amended section with its Explanation is capable of being understood and worked out in a normal manner not only by the Patent applicant but also by the Patent controller. In other words, the patent controller would be guided by various relevant details which every patent applicant is expected to produce before him showing that the new discovery had resulted in the enhancement of the known efficacy; the derivatives differ significantly in properties with regard to efficacy and therefore it cannot be said that the patent controller had an uncanalised power to exercise, leading to arbitrariness. The argument that the amended section must be held to be bad in Law since for want of guidelines it gives scope to the Statutory Authority to exercise its power arbitrarily, has to be necessarily rejected since, we find that there are in-built materials in the amended section and the Explanation itself, which would control/guide the discretion to be exercised by the Statutory Authority. In other words, the Statutory Authority would be definitely guided by the materials to be placed before it for arriving at a decision. India is having a requirement of higher standard of inventive step by introducing the amended section 3(d) of the Act, what is patentable in other countries will not be patentable in India. The object of amended section 3(d) of the Act is nothing but a requirement of higher standard of inventive step in the law particularly for the drug/pharmaceutical substances.

(g) Substance obtained by mere admixture— A substance obtained by mere admixture resulting only in the aggregation of the properties of the components mixed or a process for producing such substance.

(h) The mere arrangement or re-arrangement or duplication of known devices each functioning independently of one another in a known way.

Case Law: British Westinghouse Electric & Manufacturing Co. Ltd. v. Braulik (1919) 2? RPC 209. In this case it was observed as under:

I confess that I view with suspicion arguments to the effect that a new combination, bringing with it new and important consequences in the shape of practical machines, is not an invention, because, when it has once been established, it is easy to show how it might be arrived at starting from something known, and taking a series of apparently easy steps. This ex post facto analysis of invention is unfair to inventors and, in my opinion, is not countenanced by English patent law.

(i) A method of agriculture or horticulture.

(j) Any process for the medicinal, surgical, curative, prophylactic, diagnostic therapeutic, or other treatment of human beings or any process for a similar treatment of animals to render them free of disease or to increase their economic value to that of their products.

(k) Plants and animals, seeds varieties and species and biological process for production of plants and animals.

(l) A mathematical or business method or a computer programme as such or algorithms.

- (m) A literary, dramatic, musical or artistic work or any other aesthetic creation including cinematographic works and television productions.
- (n) A mere scheme or rule or method of performing mental act or method or playing game.
- (o) Presentation of information.
- (p) Topography of integrated circuits.
- (q) An invention which is in effect traditional knowledge or which is an aggregation of " known properties of traditionally known components.
- (r) A contraption that is simple to expert in the field. Conversion of mechanical break system into hydraulic system may seek a radical advance to a layman but simple improvement to an automobile engineer.
- (s) **Prior user**— The design has been use prior to the application for patent.

Case Law: In *Infields Ltd. v. Rosen*, (1939) 56 R.P.C. 163, where the statement of novelty directed attention of the shape and configuration of the end of the spring clip in which the predominating material in celluloid or other solid substances not included in other clauses for use on furs, capes, caps, coats and the like and stationery and had a groove into which the thumb could fit, the court of appeal held that the registered design was invalid by reason of prior user and that the thumb groove was a mere mechanical device placed in the obvious way and was a mere trade variant. The court of Appeal therefore dismissed the action and ordered the design to be expunged from the register.

Case Law: In *Stafford Auto Components Ltd., v. Britax London Ltd*, 1964 R.P.C. 183, the plaintiffs had obtained design registrations in respect of two different embodiments of a novel windscreen for motor cycles and scooters. The defendants produces a screen which was similar to the plaintiffs second design and in an action for infringement, the defendant did not press their contention of non-infringement but relied on Section 1(3) of the Registered Design Act. arguing that the channel was a feature of the windscreen dictated solely of novelty, and that the registration were consequently invalid. Justice Lloyd Jacob held in this case that the provisions of a channel in the centre of the screen was the most convenient way of strengthening a windscreen made of thin materials, that the channel was the only novel feature of the designs, and that if the registrations were to shut out other manufacturers from adopting the channel feature this mechanical construction would be monopolised and accordingly, when looking at the design registrations the channel feature had to be disregarded. He also pointed out without the channel feature the registrations possessed no novelty over the prior art and were therefore invalid. The learned Judge observed at page 189: "The exclusion from consideration of feature of shape and configuration which are dictated solely by the function which the article to be made in that shape or configuration has to perform was so expressed in the Design Act 1949, but the language used appears to have been derived from the judgment of Lurnmoore J (as he then was) in (1939) 53 R.P.C, 139 at p. 151, when he used substantially same expression to define "a mere mechanical device" that being the form in which the exclusion had been expressed since the Patents and Designs Act of 1919. It is obvious that the functional use of a designed article may well limit the type of suitable shape and configuration features for inclusion within the design. For example, a containing bowl of some character must be present in a design for a teapot or some lens holder present in a pair of spectacles. If this functional use not only restricts the type of feature suitable but additionally prescribes a particular shape and configuration to which that feature must conform, such feature is dictated solely by function and must in consequence be excluded from consideration. There would appear to be two types of cases possible, one where the design feature being considered is

shown to be the only shape etc, which when applied will secure performance of the function, and the oilier where the design features ascertainable from the representation attached to the certificate are susceptible of so general an interpretation that they monopolise as a matter of substance all

performances of the function.....The test to be applied is an objective one, namely whether or not the function to be subserved by the article

to which the design is applied imposes such control upon the freedom a feature or features appearing in the reprusenation of the registered design, and I do not read the cited passage in Lord Evershed's judgment as inconsisient wiih this interpretation".

Patent is granted by Controller to the applicant. The term of patent is under the Act 20 years. The procedure for applying for patent is laid down under Patents Rules, 2003.

After the expiry of the term of patent the invention patented falls under public domain. The inventor after expiry of term of patent can no more restrain the use of invention by public.

Patentable Inventions

An invention is a new product, composition or process. It may be developed from existing model or conceived independently. When it is conceived independently. it is called breakthrough.

To be patentable. an invention must be new product or process that involves an inventive step and be capable of industrial application. It must be some advancement on what is known and should add to economic growth. It must not be simple to expert in the filed. Thus, conversion of mechanical break system of a car to hydraulic break system may seem radical advance to layman but for a automobile engineer it is simple apparatus.

A patent can be granted for an invention which may be related to any process or product. The word "Invention" has been defined under the Patents Act 1970 as amended from time to time. Invention under the Act is defined as new product or process involving an inventive step and capable of industrial application.

"New invention" is defined as any invention or technology which has not been anticipated by publication in any document or used in the country or elsewhere in the world before the date of filing of patent application with complete specification. In other words, the subject matter of the invention is not public knowledge or it does not form part of the stale of the art. Capable of industrial application, in relation to an invention, means that the invention is capable of being made or used in an industry.

To be eligible for patent:

- (1) An invention must be novel,
- (2) has an inventive step and
- (3) capable of industrialapplication

No patent is granted for product of medicine or drug and certain classes of chemicals except for the process patent. Subsequent to 2005 under obligation consequent to signing of TRIPS agreement by India product pateni is now available for drugs and food material. If any substance falls outside the scope of patentable subject matter, it cannot be palentable.

Utility

Patent is granted only to inventions that are in some way useful. The utility or usefulness need to be on a large scale. An invention that is useful only to a small portion of society or even to a single person is eligible for patent.

Case Law: *Farbwerke Hoechst... vs Unichem Laboratories And Ors.* on 11 July, 1968 AIR 1969 Bom 255, (1974) 76 BOMLR 130. Referring to Halsbury and Terrell the High Court explained 'utility':

"Not useful" in patent law means that the invention will not work, either in the sense that it will not operate at all or more broadly, that it will not do what the specification promises that it will do. If the invention will give the result promised at all, the objection on the ground of want of utility must fail. It is further stated in the said passage that the practical usefulness or commercial utility of the invention does not matter, nor does it matter whether the invention is of any real benefit to the public, or particularly suitable for the purposes suggested, and that it is only failure to produce the results promised that will invalidate the patent, not misstatements as to the purposes to which such results might be applied. 20. Halsbury (3rd Edn.) Vol. 29 p. 59 Para. 123. In Terrell on the Law of Patents, (11th Edn.) p. 98 para 248, quoting from an English case, it is stated that if the patentee claims protection for a process for producing a result and that result cannot be produced by the process, the consideration fails. It is further stated there that objections to patents on such grounds are sometimes treated as objections for want of utility, and when so treated, the well known rule is that the utility of an invention depends upon whether, by following the directions of the patentee, the result which the patentee professed to produce can in fact be produced. Quoting from another English case, the same proposition is stated in another way in Terrell at p. 99, viz. that the protection is purchased by the promise of results, and that it does not, and ought not, to survive "the proved failure" of the promise to produce the results.

Novelty

Novelty in respect of eligibility to patent is relative to existing knowledge. Existing knowledge means the awareness of technology at the time the invention was made. It includes prior specifications, patents, printed and published literature and other materials related to the invention. An invention is not novel if it was anticipated in the light of prior art.

Obviousness

An invention should also not be obvious to a person having ordinary skill in the art to which it relates. If the invention is obvious and does not have any inventive step, it is not patentable. If the invention is published in any specification in India prior to application or anywhere in world or it is in public use that will make the invention obvious. Thus conversion of mechanical break system of a car to hydraulic break system seem radical advance to layman but for a automobile engineer it is simple apparatus.

Case Law: *Bilcare Limited vs Amartara Private Limited* on 20 March, 2007, MIPR 2007 (2) 42. It is important to bear in mind that in order to be patentable an improvement on something known before or a combination of different matters already known, should be something more than a mere workshop improvement; and must independently satisfy the test of invention or an 'inventive step'. To be patentable the improvement or the combination must produce a new result, or a new article or a better or cheaper article than before. The combination of old, known integers may be so combined that by their working inter-relation they produce a new process or

improved result. Mere collection of more than one integers or things, not involving the exercise of any inventive faculty, does not qualify for the grant of a patent. 'It is not enough', said Lord Davey in *Rickmann v. Thierry* (1896) 14 Pat Ca 105 'that the purpose is new or that there is novelty in the application, so that the article produced is in that sense new, but there must be novelty in the mode of application. By that, I understand that in adopting the old contrivance to the new purpose, there must be difficulties to be overcome, requiring what is Page 0902 called invention, or there must be some ingenuity in the mode of making adoption'. As Cotton, L.J. put it in *Blackey v. Lathem* (1888) 6 Pat Ca 184. "to be new in the patent sense, the novelty must show invention". In other words, in order to be patentable. the new subject-matter must involve 'invention' over what is old. Determination of this question, which in reality is a crucial test, has been one of the most difficult aspects of Patent Law, and has led to considerable conflict of judicial opinion.

PATENTS ACT, 1970

The first legislation 'Indian Patents and Designs Act, on patent law was enacted in 1911. The Act was found wanting in view of the of rapid development in science and industries. In 1948 Patents Enquiry Committee was appointed to review the working of patent law and revise the Indian Patents and Designs Act, 1911. The Committee submitted its report in 1950. The Patents Bill based on the recommendations of Committee was introduced in Lok Sabha but lapsed due to dissolution of Lok Sabha.

In 1957, another committee came to be appointed under the chairmanship of Justice N. Rajagopaia Ayyangar to take a fresh look at the law of patent and to completely revamp and recast it to best subserve the contemporary needs of the country.

1. Justice Ayyangar painstakingly collected valuable data (taking the figures for the years 1930 to 3939 from the Bakshi Tek Chand report) and, compiling them into a number of tables, showed the share of Indians in the field of patents. He analyzed the figures in the tables and pointed out that during the period 1930-37, the grant of patents to Indians and foreigners was roughly in the ratio of 1:9. Even after Independence, though a number of institutions for post-graduate training were set up and several national laboratories were established to encourage a rapid growth of scientific education, the proportion of Indian and the foreign patents remained substantially the same, at roughly 1:9. Justice Ayyangar further pointed out that this ratio does not take into account the economic or industrial or scientific importance of the inventions, If these factors are taken into account, Indians would appear to be lagging even further behind. Further, taking into reckoning the number of inventions for which renewal fees were paid beyond the 6th year, which would give a rough idea of the value attached to the invention by the patentee, the patents taken by Indians would appear to be of little worth as compared with patents held by foreign nationals.

2. Justice Ayyangar examined the nature of the patent right and considered the arguments advanced as justifications/rationalizations for grant of patents. He described the patent law, in his report, as an instrument for managing the political economy of the country. He observed: "It would not be an exaggeration to say that the industrial progress of a country is considerably stimulated or retarded by its patent system according as to whether the system is suited to it or not"

3. He also quoted from Michel with approval as under: Patent systems are not created in the interest of the inventor but in the interest of national economy. The rules and regulations of the patent systems are not governed by civil or common law but by political economy."

4. Observing that industrial countries and under-developed countries had different demands and requirements. Justice Ayyangar pointed out that the same patent law would operate differently in two countries at two different levels of technological and economic development, and hence the need to regulate the patent law in accordance with the need of the country. Commenting upon the Patents and Designs Act, 1911, (even after its post - Independence amendments) Justice Ayyangar said:

5. "It is further obvious however that the system would not yield the same results when applied to under-developed countries. I entirely agree with the views of the Patents Enquiry Committee that "the Indian Patent system has failed in its main purpose, namely, to stimulate invention among Indians and to encourage the development and exploitation of new inventions for industrial purposes in the country so as to secure the benefits thereof to the largest section of the public." (Interim Report, p. 165).

6. Justice Ayyangar observed that the provisions of the Patent law have to be designed, with special reference to the economic conditions of the country, the state of its scientific and

technological advancement, its future needs and other relevant factors, and so as to minimize, if not to eliminate, the abuses to which a system of patent monopoly is capable of being put. Bearing in view the matters set above, he recommended retaining the patent system, but with a number of improvements.

7. One of the improvements suggested was to define, with precision, those inventions which should be patentable and equally clearly identify certain inventions, the grant of patents to which would retard research, or industrial progress, or be detrimental to the national health or well-being, and to make those inventions non-patentable.

8. Justice Ayyangar's report specially discussed (a) patents for chemical inventions; and (b) patents for inventions relating to food and medicine.

9. In regard to patents for chemical substances, he examined the history of the law in other countries and pointed out that Germany was the first to adopt the system of confining the patentability of inventions relating to chemical products or substances to process claims. The law was then followed in many other countries in the world, for instance Austria, Brazil, Czechoslovakia, Holland, Hungary, Japan, Mexico, Norway, Poland and the U.S.S.R. Products produced by chemical process were not patentable though processes for making such products were patentable, if, of course, they satisfied the other tests of patentability, e.g. novelty, subject matter, etc. In light of the experience of the other countries. Justice Ayyangar recommended:

"I have considered the matter with the utmost care and have reached the conclusion that the chemical and pharmaceutical industry of this country would be advanced and the tempo of research in that field would be promoted if the German system of permitting only process claims were adopted."

10. Coming next to the patents for inventions relating to food and medicine, Justice Ayyangar pointed out that barring the US, there was hardly any country that allowed unrestricted grant of patents in respect of articles of food and medicines, or as to the licensing and working of patents in this class. In none of the countries of Europe were patents granted for product claims for articles of food or medicine, and in a few (Denmark for articles of food; and Italy, under the law of 1957, for medicinal products) even claims for processes for producing them were non-patentable. He explained that the reason for this state of law is stated to be that the denial of product claims is necessary in order that important articles of daily use such as medicine or food, which are vital to the health of the community, should be made available to everyone at reasonable prices and that no monopoly should be granted in respect of such articles. It is considered that the refusal of product patents would enlarge the area of competition and thus result in the production of these articles in sufficient quantity and at the lowest possible cost to the public.

11. Justice Ayyangar submitted a comprehensive Report on Patent Law Revision in September 1959 and the new law of patent, namely, the Patents Act, 1970, came to be enacted mainly based on the recommendations of the report, and came into force on April 20, 1972, replacing the Patents and Designs Act, 1911.

The Act underwent further changes by—

1. The Repealing and Amending Act, 1974.
2. The Delegated Legislation Provisions (Amendment) Act, 1985.
3. The Patents (Amendment) Act, 1999.
4. The Patents (Amendment) Act, 2002.
5. The Patents (Amendment) Act, 2005.

PROCEDURE FOR OBTAINING PATENT

Questions

1. Discuss in detail procedure for grant of patent.
2. Explain the procedure for grant of patent.
3. Discuss the procedure for grant of patent.
4. Explain the procedure for applying and granting patents under the Patents Act.
5. What is a patent? Who can apply for its grant? What is the procedure for obtaining patent?
6. Who are entitled to apply for patent and explain the procedure for granting patents under Patents Act, 1970?
7. Who are persons entitled to apply for patents and what is the procedure for applying?
8. Who can apply for patent in India? Discuss the provisions relating to the application for patents under Patents Act 1970.

Ans: Sections 6 to 11 of the Act prescribe procedure and state conditions to be fulfilled for obtaining a patent.

Persons entitled to apply for patents— following persons are entitled to make an application either alone or jointly for grant of patent:

- (a) any person claiming to be true and first inventor of an invention;
- (b) any person who is the assignee of the person claiming to be the true and first inventor in respect of the right to make such application; and
- (c) legal representative of any deceased person, who immediately before his death was entitled to make an application for patent.

First Inventor—the person who first puts the idea and scientific principles to working form is the first inventor. The rule, that the person whose application is made first in terras of time to get patent, is based on practical utility and principle that law helps only the diligent. The most effective way to prevent stealing of invention by originator is to forthwith apply for patent.

Patent obtained by fraud—Section 52 provides for grant of patent to the first inventor where some other person obtains it by fraud.

Invention made by employee—An employee making an invention during the course of his employment is entitled to patent subject to any agreement to the contrary. But a person employed in research and development if makes any invention, patent in that invention belongs to employer.

Form of application

Section 7(1) provides that for each invention one application should be made in prescribed form to Patent Office.

Application prescribed for patent is in Form No. 2 of Patent Rules, 2003.

Section 7(1A) provides for application for international patent under Patent Cooperation Treaty.

Section 7(1B) provides for filing date of an application referred to in sub-Section 7 (1A).

Section 7(2) provides that where an application is made by an assignee, the applicant shall furnish with the application or within such period as may be prescribed proof of the right to make the application. Section 7(3) provides that the applicant shall state that he is in possession of invention and shall name the person claiming to be true and first inventor. Where person so claiming to be true and first inventor is not the applicant the application shall contain a declaration that the applicant believes the person so named to be the true and first inventor.

Section 7(4) provides that every application shall be accompanied by provisional or a complete specification. An application made by foreign national of a convention country is to be accompanied with the complete specification.

Information and undertaking regarding foreign applications— where an applicant jointly or alone makes an application for patent in other country in respect of same or substantially same invention he is required to file within the time granted:

- (1) a statement setting out detailed particulars of such application,
- (2) an undertaking that he shall inform the Controller the detailed particulars of other application relating to same or substantially same invention.

Filing of specification—the applicant shall file a description of invention with his application. The document containing the description of invention is known as specification.

In *Clay v. Allcock and Co. Ltd.*, 1906 (23) Rpc 745 it was observed that, it is, a Part of the duty of a Patentee to tell the public of his claim taken with the specifications and drawings, what he claims as his own and what, therefore, they (the opposite Party) must not do without infringing the Patent; in other words he "must mark out with adequate distinctiveness. The boundary of the territory that he claims to be exclusively of his own,"

Case Law: *Ram Narain Kher vs Ambassador Industries New Delhi*, AIR 1976 Delhi 87.

Fact: The Plaintiff claiming to be the registered proprietor and grantee of Indian Patent No. 3133W dated 29th November,

] 967 pertaining to air cooler. By this application under Order 39, Rules 1 and 2 and Section 151, Civil Procedure Code seeks an ad interim injunction restraining the defendants, their servants, agents and representatives from adapting the method and Process for manufacturing, selling or offering for sale air coolers in infringement of the plaintiff's aforesaid patent with further relief for rendition of accounts.

From a Perusal of the claim made by the plaintiff before the Patent authority it is not claimed that the design proposed by the Plaintiff was an improvement on any Previously existing coolers in that there would be 25 per cent, additional advantage of added cooled air by fixing the fan on the top of the cooler than in the customary way hitherto known in the front of the cooler as was sought to be urged during the course of arguments.

It is incumbent under Section 10(4) of the Act to fully and particularly describe the invention and its operation or use and the method by which it is to be Performed and disclose the best method of performing the invention which is known to the applicant and for which he is entitled to claim protection ending with a claim or claims defining the scope of the invention for which protection is claimed.

Injunction granted in favour of plaintiff against defendant Trial Court vacated.

Examination of application—an application for patent shall be sent to examiner on the request made by the applicant. The examiner ascertains the novelty of the invention. If validity of invention is doubtful or the examiner finds the application to be defective, the Controller shall communicate the same to the applicant for clarification. Where the clarifications by the applicant are not satisfactory, the Controller is empowered to refuse the application for patent.

Opposition to patent—where an application for patent is published at the request of applicant prior to grant of patent, any person may oppose the patent by writing to the Controller on the following grounds:

- (1) that the applicant has wrongfully obtained the invention;

(2) that the invention claimed is previously published;

Case Law: Biswanath Prasad Radhey Shyam vs Hindustan Metal Industries, <http://www.indiankanoon.org/doc/1905157/decided> on 13 December, 1978 the Supreme Court referring English cases referred to two tests to the obviousness of patent.

Whether an alleged invention involves novelty and an 'inventive step', is a mixed question of law and fact, depending largely on the circumstances of the case. Although no absolute test uniformly applicable in all circumstances can be devised, certain broad criteria can be indicated. Whether the "manner of manufacture" patented, was publicly known, used and practiced in the country before or at the date of the patent? If the answer to this question is 'yes', it will negative novelty or 'subject matter'. Prior public knowledge of the alleged invention which would disqualify the grant of a patent can be by word of mouth or by publication through books or other media. "If the public once becomes possessed of an invention", says Hindmarch on Patents (quoted with approval by Fry L. J. in *Humpherson v. Syer*. "by any means whatsoever, no subsequent patent for it can be granted either to the true or first inventor himself or any other person; for the public cannot be deprived of the right to use the invention..... the public already possessing everything that he could give." The expression "does not involve any inventive step" used in Section 26(I) (a) of the Act and its equivalent word "obvious", have acquired special significance in the terminology of Patent Law. The 'obviousness' has to be strictly and objectively judged. For this determination several forms of the question have been suggested. The one suggested by Salmond L. J. in *Radii v. John Tye & Son Ltd.* is apposite. It is: "Whether the alleged discovery lies so much out of the Track of what was known before as not naturally to suggest itself to a person thinking on the subject, it must not be the obvious or natural suggestion of what was previously known."

Case Law: *Martin and Biro Swan Ltd. v. H Hilwood Ltd.* 1956 RPC 125. In this case it was observed that to establish anticipation it must be shown that in some prior publication there is to be found information about the alleged invention, equal for the purposes of practical utility to that given by the patent in the suit. It is not enough, to use that familiar metaphor which has perhaps been run to death, to make a mosaic of prior publications and to say that thus, the whole invention has been already disclosed. This is particularly the case where the invention is said to consist of a novel combination, or as is sometimes said a new functional inter relation of integers.

Case Law: *Technograph Printed Circuits Limited v. Mills and Rockley (Electronics) Ltd.* [1972] RPC 346. In this case it was found that the question of novelty or anticipation was raised but (here is no single prior document which can be regarded as an anticipation of the invention (in question). In this case, the decision in *British Westinghouse Electric & Manufacturing Co. Ltd. v. Braulic* (1919) 27 RPC 209 was referred to. In the said judgment it was observed as under:

"I confess that I view with suspicion arguments to the effect that a new combination, bringing with it new and important consequences in the shape of practical machines, is not an invention, because, when it has once been established, it is easy to show how it might be arrived at starting from something known, and taking a series of apparently easy steps. This ex post facto analysis of invention is unfair to inventors and, in my opinion, is not countenanced by English patent law".

(3) that the invention claimed is publicly known and used in India; *Monsanto Company v. Coramandal Indag Products (P) Ltd.* (1986) 1 SCC 642. In paragraph 6 of the judgment, Justice Chinnappa Reddy, speaking for the Court, held and observed as under: "... To satisfy the requirement of being publicly known as used in clauses (e) and (f) of Section 64(1) (Patents and Designs Act, 1911), it is not necessary that it should be widely used to the knowledge of the consumer public. It is sufficient if it is known to the persons who are engaged in the pursuit of knowledge of the patented product or process either as men of science or men of commerce or consumers. The section of the public, who, as men of science or men of commerce, were interested in knowing about Herbicides which would destroy weeds but not rice, must have been aware of the discovery of Butachlor. There was no secret about the active agent Butachlor as claimed by the plaintiffs since there was no patent for Butachlor, as admitted by the plaintiffs.

Emulsification was the well-known and common process by which any herbicide could be used. Neither Butachlor nor the process of emulsification was capable of being claimed by the plaintiff as their exclusive property. The solvent and the emulsifier were not secret and they were admittedly not secrets and they were ordinary market products. From the beginning to the end, there was no secret and there was no invention by the plaintiffs. The ingredients, the active ingredients the solvent and the emulsifier, were known; the process was known, the product was known and the use was known. The plaintiffs were merely camouflaging a substance whose discovery was known through out the world and trying to enfold it in their specification relating to Patent Number 125381. The patent is, therefore, liable to be revoked...."

(4) that the invention claimed is obvious and does not involve any inventive step being previously published;

(5) that the invention claimed does not qualify to be an invention as per the provision of the Act;

(6) the description or the method of performance of invention is not sufficiently and clearly described in the complete specification;

(7) the applicant has failed to disclose to the Controller the information regarding foreign application or has furnished information that is false in material particular to the knowledge of applicant;

(8) the convention application was not made within twelve months from the date of first application for protection for the invention made in a convention country;

(9) that the complete specification does not disclose or wrongfully mention the source and geographical origin of biological material used in the invention;

(10) the invention claim is traditional knowledge.

Grant of patent to the applicant—if the application for patent is in order the Controller is required to grant the patent to the applicant as expeditiously as possible.

Grant of patent to the opponent—where in any opposition proceeding the Controller finds that the patentee has wrongfully obtained the invention from opponent, he may direct that patent shall be amended in the name of such opponent.

SPECIFICATION Questions

1. What is Specification? Discuss its importance.

2. Provisional and complete Specification Provisional Specification:

When an inventor has achieved a rudimentary success, he may file a specification giving broad details of his invention. Such specification is called "provisional specification. Provisional specification need not contain claims.

Object of provisional Specification:

A patent is granted to an applicant who makes the application for registration of patent first in point of time. The object of filing provisional specification is to reserve a claim for patent at the earliest. To secure the first slot provisional specification is to be filed with application claiming registration of patent.

Significance/advantages of Provisional Specification:

i) Reserving claim for patent— patent is granted to the inventor who makes his application first in time. By filing provisional specification with application for patent, the inventor reserves his right to obtain registration of patent as on the date of making such application.

ii) Research and Development openly— once an inventor makes application for patent with provisional specification, Registrar cannot grant patent for the same invention to other applicant. Hence, the applicant can openly carry further research and development of his invention with the assistance of other experts.

iii) Financial aspect— the inventor can openly make efforts to sell his invention to interested parties as subsequent to filing of provisional specification no other person can seek patent for same or similar invention.

iv) Importance of provisional Specification: though provisional specification is an interim specification, it is very crucial document. The invention described in complete specification must relate back to the provisional specification and must project the particulars given in the provision specification. Any contradiction between provisional and complete specification may disentitle the registration of patent in the name of applicant.

As pointed out in *Arnold v. Bradbury*. (1871) 6 Ch A 706 the proper way to construe a specification is not to read the claims first and then see what the full description of the invention is. but first to read the description of the invention, in order that the mind may be prepared for what it is, that the invention is to be claimed, for the patentee cannot claim more than he desires to patent. In *Parkinson v. Simon Lord Esher M. R.* enunciated that as far as possible the claims must be so construed as to give an effective meaning to each of them, but the specification and the claim must be looked at and construed together.

PROVISIONAL AND COMPLETE SPECIFICATION Section 9 of the Act provides rules for filing of provisional and complete specification.

1. Time for filing complete specification—an applicant filing an application for a patent only with provisional specification is required to file the complete specification within twelve months from the date of filing application failing which the application shall be deemed to be abandoned.

2. Power of Controller to permit one complete specification for two or more provisional specifications—where an applicant files two or more applications with provisional specifications in respect of inventions which are similar or of which one is modification of another and the Controller is of the opinion that the whole of such inventions are such as to constitute a single invention and can be included in one patent, he may allow one complete specification to be filed in respect of all such applications.

3. Power of Controller to treat complete specification as provisional specification—where an application for patent is filed with a complete specification the Controller may if the applicant so requests at time within twelve months from the date of filing the application, direct that such specification shall be treated as a provisional specification.

4. Power of Controller to post date an application—where an application is filed for patent with provisional as well as complete specification or with complete specification treated as provisional specification, the Controller may if the applicant so requests before the grant of patent, cancel the provisional specification and post date to the date of filing of the complete specification.

Complete Specification:

Complete specification comprehensively explains the invention to the Controller or explains how the invention produces a new product or introduces a new process involving an inventive step. It is only after going through "complete specification" the Controller decides the application for patent.

Patent Specification:

A patent specification is a technical document filed by the applicant describing the invention. The purpose of requiring such specification of invention is to make the invention available to public for use on the expiry of the term of patent.

Provisional Specification—the specification which is filed with the application not containing full description of invention is provisional specification. It is a son of interim specification.

Contents of Provisional and Complete Specification

- (1) **Preamble of specification**—every specification must begin with a title sufficiently indicating the subject matter to which the invention relates and shall describe the invention.
- (2) **Drawings to accompany specification**—an applicant shall be at liberty to supply drawings and if the Controller so requires drawings must be supplied for the purpose of specification.
- (3) **Model or sample illustrating invention**—if in any particular case the Controller requires that an invention should be explained by model or sample of anything illustrating invention or purported invention such model or sample shall be furnished before the application is found in order for grant of a patent but such model shall not form part of the specification.

Contents of complete specification A complete specification must be filed with the following particulars and manner-

(1) **Description of invention**—every complete specification shall fully and particularly describe the invention and its operation or use or method by which it is performed;

(2) **Disclosers**—every complete specification shall disclose the best method of performing the invention known to the applicant and for which he is entitled for patent;

IN *Clay v. Allcock and Co. Ltd.*, 1906 (23) Rpc 745 it was observed that, it is, a Pan of the duty of a Patentee to tell the public of his claim taken with the specifications and drawings, what he claims as his own and what, therefore, they (the opposite Party) must not do without infringing the Patent; in other words he "must mark out with adequate distinctiveness. The boundary of the territory that he claims to be exclusively of his own."

Case Law: *Ram Narain Kher vs Ambassador Industries New Delhi*, AIR 1976 Delhi 87.

Fact: The Plaintiff claiming to be the registered proprietor and grantee of Indian Patent No. 1133 W dated 29th November, 1967 pertaining to air cooler. By this application under Order 39, Rules 1 and 2 and Section 151, Civil Procedure Code seeks an ad interim injunction restraining the defendants, their servants, agents and representatives from adapting the method and Process for manufacturing, selling or offering for sale, air coolers in infringement of the plaintiff's aforesaid patent with further relief for rendition of accounts.

From a Perusal of the claim made by the plaintiff before the Patent authority it is not claimed that the design proposed by the Plaintiff was an improvement on any Previously existing coolers in that there would be 25 per cent, additional advantage of added cooled air by fixing the fan on the top of the cooler than in the customary way hitherto known in the front of the cooler as was sought to be urged during the course of arguments.

It is incumbent under Section 10(4) of the Act to fully and particularly describe the invention and its operation or use and the method by which it is to be Performed and disclose the best method of performing the invention which is known to the applicant and for which he is entitled to claim protection ending with a claim or claims defining the scope of the invention for which protection is claimed.

Injunction granted in favour of plaintiff against defendant Trial Court vacated.

Case Law: Raj Parkash vs Mangat Ram Chowdhry And On. AIR 1978 Delhi 1, ILR 1977 Delhi 412, 1977 RLR 440. The Hon'ble High Court observed, "We have, therefore, to read the specifications and the claims from the point of view of the persons in the trade manufacturing film strip viewers. It is the pith and marrow of the invention claimed that has to be looked into and not get bogged down or involved in the detailed specifications and claims made by the parties who claim to be patentee or alleged violators. (See Birmingham Sound Reproducers Ltd. v. Collaro Ltd, and Collaro Ltd. v. Birmingham Sound Reproducers Ltd.. 1956 R.P.C. 232)(2). It is not necessary that the invention should be anything complicated. The essential thing is that the inventor was the first one to adopt it. The principle, therefore, is that every simple invention that is claimed, so long as it is something which is novel or new, it would be an invention and the claims and specification have to be read in that light, as, was observed in the famous hair-pin case, reported as Hindi v. Osberne, 1885 R.P.C 65(3). To quote from another well-known decision of the Court of Appeal in R.C.A. Photo- phone Ltd. v. Gaumont-British Picture Corporation Ltd. and British Acoustic Films Ltd., 1936 R.P.C. 167(4). 'The specification must be construed in the first instance as a written instrument and without regard to the alleged infringement:'".

Sometimes people fall into error in construing specifications by relying too much on the title given to the specifications of the invention. It is settled law that the title of the specifications of an invention claimed does not control the actual claim. A misleading title similarly is of little consequence. It is on a proper construction of the specifications and the claims that the true nature of the invention claimed is to be determined and the patent granted has to be construed. Rule 33 of the Indian Patents and Designs Rules. 1933, inter alia, lays down that the title should give a fair indication of the art or industry to which the invention relates. It should be brief, free from fancy expression, free from ambiguity and as precise and definite as possible but it need not go into the details of the invention itself. Thus, the rule itself indicates that the title of the specifications does not govern the specifications or the claims. In *Breraton and Another v. Richardson*. 1884 R.P.C 165(5). Field, J. put the proposition rather succinctly and if we may be allowed the liberty to quote.

"Therefore, as I said just now. let us see what the Plaintiffs' invention is. The title is certainly somewhat misleading. Mr. Macrory did not put it as anything serious, nor is it serious, because after all you must read the title by the means of the specification. The title is that it is for 'A new or improved tricycle, that is per se, as a machine. The complete specification and the provisional specification do not

altogether agree with each other.At first that seemed to threaten a technical ground that they had claimed by their complete specification more than was covered by their provisional specification; but, very fairly and very prudently. I think, the defendant did not proceed upon that, because, after all, the great object to both parties must be to have their rights settled for the future, without reference to any question of that sort, that being a comparatively immaterial question....."

(3) Last part of specification—every complete specification shall conclude with claim or claims defining the scope of the invention for which protection is claimed: and

(4) Enclosures—every complete specification shall be accompanied by an abstract to provide technical information on the invention.

Deposit of biological material

Where the applicant mentions biological material in the specification the Act provides that he shall deposit the biological material to an international depository authority under Budapest Treaty if:

(i) the specification does not fully and particularly describe the invention and its operation or use and the method by which it is performed; (ii) the specification does not disclose the best method of performing the invention.

Conditions to be fulfilled for deposit of biological material

(a) The deposit of material shall be made before the date of filing the patent application in India and a reference of such deposit shall be made in the specification within prescribed period.

(b) All the available characteristics of the material shall be included in the specification including the name, address of the depository institution and the date and number of the deposit of the material at the institution.

(c) Access to the material shall be available in the depository institution only after the date of the application for patent in India or if a priority is claimed after the date of the priority.

(d) Specification shall disclose the geographical origin of the biological material when used in invention.

Questions

1. Write short on 'priority date'.

Priority date— "Priority date" is date on which the patentee claims his invention. The significance of priority date is in determination of novelty of invention in the background of existing state of knowledge in the concerned field. Priority date is deemed to be date of filing of provisional specification provided the claims in the specification are based on the description of the invention.

Priority dates of claims of complete specification—each claim of a complete specification is given a priority date.

Priority date for single application—where a complete specification is filed for of a single application accompanied by.

(a) provisional specification; or

(b) a specification which is treated as provisional specification under Section 9(3), and the claim is fairly based on the matter disclosed in the specification, the priority of that application of that claim shall be the date of filing of the relevant specification.

Sub-Section (3). Priority dates of claims for two or more applications— Where the complete specification is filed for two or more applications with specifications and the claim is based on the matter disclosed:

- (a) in one of these specifications, the priority date of that claim shall be the date of filing of the application accompanied by that specification;
- (b) partly in one and partly in another, the priority date of that claim shall be the date of the filing of the application accompanied by the specification of the later date.

Priority date based on previously filed application—Where a complete specification based on previously filed application in India has been filed within twelve months from the date of that application and the claim is fairly based on the matter disclosed in the previously filed application, the priority date of that claim shall be the date of previously filed application in which the matter was first disclosed.

Illustration: 'A' an inventor files an application for patent for certain invention on 1st January, 1999. On 31st December, 1999 'A' files a complete specification based on application filed on 1st January, 1999, the claim made in specification dated 31st December, 1999 is fairly based on the matter disclosed in application filed on 1st January, 1999. The priority date of the claim of 'A' shall be 1st January, 1999.

Priority date in respect of division of application—Where the complete specification has been filed in pursuance of a further application to remedy the objection raised by the Controller on the ground that the claims of the complete specification relates to more than one invention or the applicant so desires and the claim is fairly based on the matter disclosed in any of the earlier specifications, provisional or complete, the priority of that claim shall be the date of filing of that specification in which the matter was first disclosed.

Priority dates in case of claim having more than one priority date—Where any claim of a complete specification, apart from under the circumstances mentioned above, would have two or more priority dates, the priority date of that claim shall be the earlier or earliest of those dates.

Illustration: 'A' files an application to register a patent on 1st January, 1999. On 12th June, 1999 'A' files further application claim of which is fairly based on the matter disclosed in earlier specification filed on 1st January, 1999 to remedy the objection raised by the Controller on the ground that the claims of the complete specification made in application dated 1st January, 1999 relates to more than two inventions.

PUBLICATION AND EXAMINATION OF APPLICATIONS

Chapter IV containing Sections 11 A to 21 states the procedure as the publication and examination of application for patent.

Publication of applications—an application for patent can be seen by public after 18 months from the date of filing of application.

Right of applicant to seek publication before expiry of eighteen months—The applicant may in Form 9 request the Controller to publish his application at any time before the expiry of eighteen months and the Controller is obliged to publish the same as soon as possible.

Restriction on publication—every application for patent, shall on the expiry of the period of eighteen months .shall be automatically published in the Journal, except in cases—

- (a) where the application in which secrecy direction is imposed under Section 35; or
- (b) where the application has been abandoned under sub-Section 9; or
- (c) where the application has been withdrawn three months prior to expiry of eighteen months period.

Publication of application covered by Section 35—In case of an application in which secrecy directions relating to inventions relevant for defense purposes have been given under Section 35.it shall be published only after the expiry of eighteen months.

Contents of publication— An application published under this Section shall contain;

- (a) the date particulars of application.
- (b) number of application;
- (c) name and address of applicant identifying the application; and
- (d) an abstract of specification.

Request for examination—an application for patent shall be examined only on request by the applicant within forty-eight months from the date of priority of the application or from the date of filing of the application, whichever is earlier.

Deemed withdrawal of application—where no such request is made for examination of application, the application shall be treated as withdrawn by the applicant.

Examination of application—On a request for examination made in Form 18 within forty-eight months from the date of the priority of the application or from the date of the filing of the application, the Controller shall refer the application and specification and other documents to an examiner for making a report to him in respect of following matters:

- (a) whether the application and the specification and other documents are in order;
- (b) whether there is any lawful ground of objection to the grant of the patent;
- (c) the result of investigations made for search of anticipation by publication.
- (d) and any other matter prescribed. **Anticipation of invention**

Search for anticipation by previous publication by prior claim—Section 13 requires the examiner to make investigation for the ascertaining whether:

- (a) the invention described in complete specification has been anticipated by publication before the date of filing of the applicant's complete specification in India on or after 1 st of January 1912. or
- (b) the invention described in complete specification is claimed in any claim of any other complete specification published on or after the date of filing the applicant's complete specification, dated before or claiming the priority date earlier than that date.

Illustration: X applies for patent on 5th of June 2005 and files complete specification of invention on 30th June 2005 in pursuance of application dated 5th June 2005. the specification is published on 30 July 2006. Y on 6th June 2005 applies for patent of his invention with complete specification. The application filed by Y is covered by clause (b).

Supreme Court of India

Case Law: Midas Hygiene Industries P Ltd. vs Sudhir Bhatia And. 2004 (73) DRJ 647, 2004 (28) PTC 121 SC

The law on the subject is well settled. In cases of infringement either of Trade Mark or of Copyright normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the Mark was itself dishonest.

In this case relying on Midas Hygiene Industries P Ltd. vs Sudhir Bhatia. 2004 (73) DRJ 647, 2004 (28) PTC 121 SC. in cases of infringement either of Trade Mark or of Copyright normally an injunction must follow hence, once a patent is registered, the patentee, complaining of infringement by filing a suit for permanent prohibitory injunction, should normally be granted a temporary injunction.

Held: "The argument has been noticed only to be rejected. What the Hon'ble Supreme Court has said in this case is that in cases of infringement, either of trade mark or of copy right, normally an injunction must follow. It is a matter of common knowledge that registered trade marks and copy rights stand on different footings than a patent. Patent is granted in respect of an 'invention' or a 'new invention' and even after the grant of patent, there is no warranty about the validity of the patent, per Section 13(4) of the Patents Act. Again, claim to an invention can be challenged, even after it is patented, on a number of grounds enumerated in Section 64 of the Act. Not only this, all these grounds are available as defences to a defendant, in a suit filed by the patentee alleging infringement of patent, per Section 107(2) of the Act".

Hindusthan Lever Limited vs Godrej Soaps Limited, AIR 1996 Cal 367, (1997) I CALLT 123 HC, 100 CWN 562.

"The principles upon which an interlocutory injunction may be granted in a patent case are the same as in a case under the provisions of Order 39. Rules 1 and 2 of the Civil Procedure Code, though interim injunction restraining the defendant from infringing a patent does not come strictly within this scope of Order 39. The plaintiff in a patent case must show a prima facie case of an infringement and further that the balance of convenience and inconvenience is in his favour. In patent cases the onus of showing a prima facie case justifying the grant of an injunction is a heavy one and it is comparatively easy for the respondent to establish a defence sufficient to prevent the grant of such an injunction.

In *Hubbard v. Vosper*, (1972) 1 All ER 1023 : (1972) 2 QB 84 at 1029. Lord Denning observed: "In considering whether to grant an interlocutory injunction, the right course for a Judge is to look at the whole case. He must have regard not only to the strength of the claimant but also to the strength, of the defence, and then decide what is best to be done. Sometimes, it is best to grant an injunction so as to maintain the status quo until the trial. At other times, it is best not to impose a restraint on the defendant, but leave him free to go ahead. For instance, in *Frazer v. Evans*, (1969) 1 All F.R 8. although the plaintiff owned the copyright, we did not grant an injunction, because the defendant might have a defence of fair dealing. The remedy by interlocutory injunction is so useful that it should be kept flexible and discretionary. It must not be made the subject of strict rules."

American Cyanamid Company v. Elhicon Ltd., (1975) RPC 513 : 1975 AC 396 : 1975 (1) All FR

In this celebrated judgment. Lord Diplock at p. 539 made the following observations:

"The instant appeal arises in a patent case. Historically there was undoubtedly a time when in an action for infringement of a patent that was not already "well established", whatever that may have meant, an interlocutory injunction to restrain infringement would not be granted if counsel for the defendant stated that it was intended to attack the validity of the patent.

"Reliance of this reluctance to enforce a monopoly that was challenged, even though the alleged grounds of invalidity were weak are to be found in the judgment of Scutcheon L.J. as late as 1924 in *Smith v. Grigg Ltd.*, (1924) KB 655; but the elaborate procedure for the examination of patent specifications by expert examiners before a patent is granted, the opportunity for opposition at that stage and the provisions for appeal to the Patent Appeal Tribunal in the person of a Patent Judge of the High Court, make the grant of a patent now-a-days a good prima facie reason, in the true sense of the term, for supporting the patent to be valid and have rendered absolute the

former rule of practice as respects interlocutory injunctions in action for infringement actions. In my view the grant of interlocutory injunctions in actions for infringement of patents is governed by the same principles as in other actions,

American Cyanamid Company case, (1975) RFC 513: 1975 (1) All ER 504

- (i) That there was no rule of law that precluded the grant of an interim injunction unless upon the: evidence adduced by both parties, the applicant had satisfied the court that on the balance of probabilities the acts of the other party sought to be enjoined, if committed, would violate the applicant's legal rights;
- (ii) Unless the material available to the court at the hearing of the application for an interlocutory injunction failed to disclose that the plaintiff had any real prospect of succeeding in a claim for a permanent injunction at the trial, the Court should go on to consider whether the balance of convenience lay in favour of granting to refusing the relief that was sought;
- (iii) That the grant of interlocutory injunctions in patent infringement actions was governed by the same considerations as in other actions;
- (iv) In contrast with former practice in relation to interlocutory relief in patent infringement cases, the grant of a patent was in present times a good prima facie reason for supposing a patent to be valid in this context.

Treatise of Kerr on "Law and Practice of Injunction" (6th Edn. 1981) where at p. 320 under the heading "Interlocutory Relief it has been pointed out as follows:—

"If one clear instance of infringement or a strong prima facie case of infringement is made out and the plaintiff has not been guilty of laches, the court will generally grant an interlocutory injunction in the following cases :

- (1) when the validity of the patent has already been established in a previous action;
 - (2) when the patent is of old standing and the enjoyment under it has been uninterrupted;
- In *Gillette Safety Razor Co. v. Anglo-American Trading Co. Ltd.*, (30 RPC 465) Lord Moulton observed : "I am of the opinion that in this case the defendant's right to succeed can be established without an examination of the terms of the specification of the plaintiff's letters patent, I am aware that such a mode of deciding a patent case is unusual, but from the point of view of the public it is important that this method of viewing their rights should not be overlooked. In practical life, it is often the only safeguard to the manufacturer. It is impossible for an ordinary member of the public to keep watch on all the numerous patents which were taken out and to ascertain the validity and scope of their claims. But he is entitled to feel secure if he knows that which he is doing differs from that which has been done of old only in non-patentable variations. Such as, the substitution of mechanical equipments or changes of material shape or size. The defence that the alleged infringement was not novel at the date of the plaintiff's letters patent was a good defence in law and it would sometimes obviate the great length and expenses of patent cases if the defendant could and would put forth his case in this form, and spare himself the trouble of demonstrating on which horn of the well-known dilemma the plaintiff had impaled himself, invalidity or non-infringement". (3) when the validity of the patent is not in issue; and notwithstanding that the defendant offers to keep an account.

Consideration of report of examiner by Controller—If the report of the examiner points defects in the application for patent or in specification or any other documents, the Controller may require the applicant to rectify the defects before granting patent.

Power of Controller to refuse or require amendment of application—if the Controller finds that the application is contrary to the requirements of the Act, the Controller is empowered to:

- (a) refuse to proceed with the application, or
- (b) require the application, specification or drawings to be amended to his satisfaction before he proceeds with the application.

The above power of Controller are stated in Section 15.

"15. Power of Controller to refuse or require amended applications, etc., in certain cases:

Where the Controller is satisfied that the application or any specification or any other document filed in pursuance thereof does not comply with the requirements of this Act or of any rules made thereunder, the Controller may refuse the application or may require the application, specification or the other documents, as the case may be. to be amended to his satisfaction before he proceeds with the application and refuse the application on failure to do so."

A reading of the above said section would show that the Controller will have to be satisfied to the extent that the application filed by an applicant does not comply with the requirements of the Act and Rules. The section further states that the Controller may also require the application to be amended to his satisfaction. Therefore Section 15 is substantially procedural in nature.

However Section 15 mandates that the Controller will have to be satisfied that the requirements of the Act and Rules are complied with. In other words, if the Controller is of the opinion that an application does not satisfy the requirements of the Act and Rules, then he has to refuse the application. That is the reason why an appeal has been provided under Section 117-A of the Act against such an order of refusal by the Controller.

Power of Controller to make orders respecting division of application—where the patent claimed relates to more than one invention, the Controller may order division of patent.

Purpose of division—Purpose of division is to avoid duplication of complete specification.

Power of Controller to make orders respecting dating of application—the Controller at the request of applicant, direct the post dating of his application not later than 6 months.

Powers of Controller in case of anticipation— where an invention is found to be already published, the Controller has power to refuse the application, unless the applicant:

- (a) shows to the Controller the priority date of the claim of his complete specification is not later than the date on which the document containing invention was published; or
- (b) amends his complete specification as directed by the Controller

Consequences of prior claim— if the invention for which patent is sought is claimed in any other complete specification the Controller is empowered to direct that a reference to it shall be made in complete specification of applicant unless:

- (a) the applicant shows to the satisfaction of the Controller that the priority date of his claim is not later than the priority date of the other claim; or
- (b) the complete specification is amended to the satisfaction of the Controller.

Making of investigation, meaning—the examiner searches records of applications made, specifications filed and other related documents to determine whether the specification filed by applicant and invention claimed has already been published or is subject matter of patent in consideration, granted or rejected patent. The object is to ascertain novelty of invention claimed in the application.

Powers of Controller in case of potential infringement— if it appears to the Controller that an invention for which patent is sought cannot be performed without substantial risk of infringement of a claim of any other patent, he may direct that a reference to that patent shall be inserted in the applicant's complete specification by way of notice to the public unless:

- (a) the applicant shows to the Controller that there are reasonable grounds for contesting the validity of the said claim of the other patent; or

(b) the complete specification is amended to the satisfaction of the Controller.

Where a reference to other patent has been inserted in complete specification, such reference may on the application of applicant be deleted:

(a) if the other patent is revoked or otherwise ceases to be in force; or

(b) the specification of that patent is amended by the deletion of relevant claim; or

(c) it is found that the relevant claim of that other patent is invalid or is not infringed by any working of the applicant's invention.

VALIDITY OF PATENT

Questions

1. Grant of patent is not guarantee of its validity. Explain.

2. Grant of patent is not guarantee of its validity. Explain.

3. When a patent is can be revoked?

Ans: Effect of examination on validity of patent—the examination by examiner and consequent granting of patent is not a guarantee of originality or authenticity of the invention patented. Section 13 (4) provides that the examination of application and investigation of invention for previous publication done under Sections 12 and 13 shall not be deemed in any way to warrant the validity of any patent. The Central Government or any officer of it cannot be held liable for any examination, investigation or for any report where the validity of granted patent is questioned.

Case Law: Biswanath Prasad Rudhey Shyam vs Hindustan Metal Industries, <http://www.indiankanoon.org/doc/1905157/decided> on 13 December, 1978 the Supreme Court. It was contended that there was a presumption in favor of the validity of the patent but this argument was spumed by their Lordships with the observations that: "IT is noteworthy that the grant and sealing of the patent, or the decision rendered by the Controller in the case. of opposition, does not guarantee the validity of the patent, which can be challenged before the High Court on various grounds in revocation or infringement proceedings. It is pertinent to note lhat this position, viz. the validity of a patent is not guaranteed by the grant, is now expressly provided in Section 13(4) of the Patents Act. 1970.

Dhanpat Serh And Ors. vs Nil Kama! Plastic Crates Ltd., 2006 (33) PTC 339 NULL Himachal Pradesh High Court: Seeking injunction against the defendant it was urged that, under Section 48 there is presumption in favour of validity patented invention. The submission was rejected outright with following observation.

"The argument advanced by the learned Counsel for the plaintiff/petitioners cannot be accepted, because as per Section 107(1) of the Patents Act. in any suit for infringement of patent, every ground, on which it may be revoked, under Section 64, is available as a ground t'or defence. It is one of the grounds for revocation of a patent, under Section 64 of the Act. that the patented product is not an invention. which in the present case meas a new product. Now, if in a suit for infringement of a patent it is denied by the defendant that the patented item is an invention and prima facie it appears from the material placed on record that the patented product is not a new product, but just an imitation of some traditional product, cast in a different material (synthetic polymeric material in this case), in that event the patentee will not be entitled to the relief of injunction, neither permanent for temporary. If the argument of the learned Counsel for the

plaintiffs/petitioner is accepted, that would mean that every patentee will get injunction from the Court just on filing a suit claiming therein that his product is patented and the patent has not been revoked. In other words, the Court would be acting just like a rubber stamp and granting relief without application of mind".

Where a reference is inserted under Section 19 in complete specification of an application seeking patent on the ground that the invention cannot be performed without risk of infringement of referred claim of any other patent such reference is liable to be deleted if the other patent is found to be invalid.

Under Section 64, a patent can be revoked on petition of any interested person or Central Government by Appellate Board or on a counter claim in a suit for infringement of the patent by High Court on the following grounds—

- (i) prior existence of patent for claimed patent,
- (ii) the person to whom patent is granted is not entitled for patent,
- (iii) patent is obtained by fraud,
- (iv) subject matter of patent is not invention,
- (v) the invention for which patent is granted is in public knowledge,
- (vi) the invention is obvious,
- (vii) the invention is not useful,
- (viii) the complete specification does not disclose the best method of performance of invention,
- (ix) the scope of any claim of the complete specification is not sufficiently and clearly defined.
- (x) patent was obtained on false suggestion or representation, (xi) the subject matter of claim of complete specification is not patentable, (xii) the invention claimed in complete specification is secretly used in India,
- (xiii) the applicant for patent has not disclosed to the Controller information and undertaking regarding foreign application or has knowingly furnished false information, (xiv) the applicant violated direction for secrecy relating to invention for defense purposes or a person residing in India has applied for patent outside India without prior permission from Controller, (xv) the leave to amend the complete specification before the Controller or Appellate Board is obtained by fraud, (xvi) the complete specification does not disclose or wrongly mentions the sources or geographical origin of biological material used for the invention,
- (xvii) the invention claimed is traditional knowledge in India.

Under sub-Section 2 of Section 25, any person interested may give notice of opposition to the Controller after the grant of patent but before the expiry of one year from the date of publication of grant of patent on the following grounds:

Opposition to Patent—where an application for patent is published at the request of applicant prior to grant of patent, any person may oppose the patent by writing to the Controller on the following grounds:

- (1) that the patentee has wrongfully obtained the invention;
- (2) that the invention claimed is previously published;
- (3) that the invention claimed is publicly known and used in India;
- (4) that the invention claimed is obvious and does not involve any inventive step being previously published;

- (5) that the invention claimed does not qualify to be an invention as per the provision of the Act;
- (6) the description or the method of performance of invention is not sufficiently and clearly described in the complete specification;
- (7) the applicant has failed to disclose to the Controller the information regarding foreign application or has furnished information that is false in material particular to the knowledge of applicant;
- (8) the convention application was not made within twelve months from the date of first application for protection for the invention made in a convention country;
- (9) that the complete specification does not disclose or wrongly mentions the source and geographical origin of biological material used in the invention;
- (10) the invention claim is traditional knowledge. **OPPOSITION PROCEEDINGS TO GRANT OF PATENTS**

Questions

1. Write short note on opposition to grant of patent.
2. Discuss the provisions for opposition to grant of patent. Sections 25 to 28 in Chapter V of the Act state the grounds on which grant of patent may be opposed. Rules 55 to 70 of Chapter VI provide procedure for opposition to grant of patent. The notice of opposition is to be made in Form No. 7 in duplicate and sent to the Controller at appropriate office. Purpose of seeking opposition to grant of patent is twofold to (a) prevent a fake invention to be patented and (b) thwart a wrong person from getting patent. Grounds of opposition available to any person—Section 25 provides, where an application for patent has been published but patent has not been granted, any person may oppose the grant of patent on the following grounds—

(a) Wrongful acquisition of invention—the applicant has wrongfully obtained the invention or the right to make application for patent.

(b) Prior publication of invention—the invention is previously published.

Case Law: The usability of the patented product in the manner of anticipation as one of the basic concept of novelty has been explained by the Privy Council in *Pope Appliance Corporation v. Spanish River Pulp and Paper Mills Ltd.* AIR 1929 PC 38, as follows: The test of anticipation has been dealt with in many cases. They were enumerated in the very recent case of *British Thomson Houston Co. v. Metropolitan Vickers Electrical Co.* (2). At p.23 the judgment runs thus:

In *Otto v. Linford* (3) at p. 44, Lord Justice Holker expresses himself thus: 'We have it declared in *Hill v. Evans* as the law, and it seems very reasonable, that the specification which is relied upon as an anticipation of the invention must give you the same knowledge as the specification of the invention itself.' And in *Flour Oxydising Co. v. Carr & Co.* (4), Mr. Justice Parker (afterwards Lord Parker) says: 'When the question is solely a question of prior publication, it is not, in my opinion, enough, to prove that the apparatus described in an earlier specification could be made to produce this or that result. It must also be shown that the specification contains clear and unmistakable directions so to use it.' And the remarks of Lord Dunedin in *Armstrong Whitworth & Co. v. Hardcastle* (5), are quite in line with these dicta.

(c) Existence of prior claim—there is a prior claim in the completed specification filed.

(d) Prior knowledge and use of invention in India—the invention claimed in any complete specification was publicly known or publicly used in India before the priority date of that claim

(e) Obvious and obsolete invention—the invention claimed is obvious and does not involve any inventive step being previously published and used in India.

(f) Claim not invention and not patentable—the subject of claim is not an invention as envisaged under the Act, or is not patentable.

(g) Insufficient description of invention—lack of sufficient and clear description of invention in complete specification or the method by which it is to be performed.

Case law: In *Clay v. Allcock and Co. Ltd.*, 1906 (23) Rpc 745 it was observed that, it is, a Part of the duty of a Patentee to tell the public of his claim taken with the specifications and drawings, what he claims as his own and what, therefore, they (the opposite Party) must not do without infringing the Patent; in other words he "must mark out with adequate distinctiveness. The boundary of the territory that he claims to be exclusively of his own."

Case Law: *Ram Narain Kher vs Ambassador Industries New Delhi*. AIR 1976 Delhi 87.

Fact: The Plaintiff claiming to be the registered proprietor and grantee of Indian Patent No. 1133W dated 29th November, 1967 pertaining to air cooler. By this application under Order 39, Rules 1 and 2 and Section 151, Civil Procedure Code seeks an ad interim injunction restraining the defendants, their servants, agents and representatives from adapting the method and Process for manufacturing, selling or offering for sale air coolers in infringement of the plaintiff's aforesaid patent with further relief for rendition of accounts.

From a Perusal of the claim made by the plaintiff before the Patent authority it is not claimed that the design proposed by the Plaintiff was an improvement on any Previously existing coolers in that there would be 25 per cent, additional advantage of added cooled air by fixing the fan on the top of the cooler than in the customary way hitherto known in the front of the cooler as was sought to be urged during the course of arguments. It is incumbent under Section 10(4) of the Act to fully and particularly describe the invention and its operation or use and the method by which it is to be Performed and disclose the best method of performing the invention which is known to the applicant and for which he is entitled to claim protection ending with a claim or claims defining the scope of the invention for which protection is claimed.

Injunction granted in favour of plaintiff against defendant Trial Court vacated.

Case Law: In *Gillette Safety Razor Co. v. Anglo American Trading Co. Ltd*, Vol. 30., Reports of Patent, Design and Trademark Cases p. 465, Lord Moulton observed as under:

"I am, therefore, of opinion that in this case the Defendants' right to succeed can be established without an examination of the terms of the Specification of the Plaintiffs' Letters Patent. I am aware that such a mode of deciding a Patent case is unusual, but from the point of view of the public it is important that this method of viewing their rights should not be overlooked. In practical life it is often the only safeguard to the manufacturer. It is impossible for an ordinary member of the public to keep watch on all the numerous Patents which are taken out and to ascertain the validity and scope of their claims. But he is entitled to feel secure if he knows that that which he is doing differs from that which has been done of old only in non-patentable variations, such as the substitution of mechanical equivalents or changes of material shape or size. The defense that 'the alleged infringement was not novel at the date of the plaintiff's Letters Patent' is a good defense in law, and it would sometimes obviate the great length and expense of Patent cases if the defendant could and would put forth his case in this form, and thus spare himself the trouble of demonstrating on which horn of the well-known dilemma the plaintiff had impaled himself, invalidity or non-infringement".

(h) Furnishing of false information—the applicant has failed to disclose information in respect of foreign application or furnished information which in material particular is false to knowledge of applicant.

(i) Filing of convention application beyond 12 months— a convention application is not filed within 12 months from the date of first application for protection for the invention made in a convention country.

(j) Disclosure of wrong source and geographical origin of biological material—the complete specification does not disclose or wrongly mentions the source and geographical origin of biological material used for invention.

(k) Anticipated invention—the claimed invention is anticipated in the context of knowledge available within locality or indigenous community in India or elsewhere.

Grounds of opposition available to "person interested"— any person interested in or engaged in promoting research in the field to which the invention is related is also entitled to oppose the grant of patent on the grounds available to any other person.

Restoration of invention to first and true inventor In case of "obtaining" the Controller may treat the patent as the patent of opponent—in any opposition proceeding it is found by the Controller that the invention is stolen by the applicant from the person opposing the Controller is empowered to on the request by the opponent to confer the patent on the opponent.

"Obtaining", meaning of—"Obtaining" is not defined in the Act. The dictionary meaning of obtaining is getting hold of or acquiring. In the context it means nothing but stealing the invention from its first and true inventor.

Intellectual property is considered as movable property having all the attributes thereof. In effect the provision contemplates the restoration of property stolen from the genuine inventor.

Mention of first and true inventor in the patent—any person by making a claim before grant of patent satisfies the Controller that he is the inventor in respect of which or substantial part of which an application for patent has been made and the application for patent is direct consequence of his invention, the Controller shall cause him to be mentioned as inventor.

ANTICIPATION

The object of Patents Act, 1970 is to reward the genuine inventor by enabling him to commercially exploit the fruits of his labour by conferring patent for his invention. It is possible that any dishonest person may hunt records and present a published invention picked up from such records for patent. The act of presenting of such invention, accepted or rejected by the Controller, for patent by an applicant is called "anticipation".

Statutory definition—the act of "anticipation" is not defined by the Act. Section 13 enjoins the examiner to make investigation for the purpose of ascertaining whether the invention claimed by applicant in complete specification, has been anticipated by publication before the date of filing of the applicant's complete specification in any specification filed in pursuance of an application for a patent made in India and dated on or after 1st day of January, 1912.

Powers of Controller in cases of anticipation—Where it appears to the Controller that an invention in respect of which an application for patent is made is anticipated on or after 1st January 1912, the Controller may refuse such application.

Exceptions to Anticipation

Chapter VI containing Sections 29 to 34 lists instances in which an invention claimed in a complete specification shall not be deemed to have been anticipated by reason only that the invention was published before the priority date of the relevant claim of the specification. Conversely, any specification not covered by exceptions enumerated under Sections 29 to 34

shall be deemed to be an anticipation of invention. Following are 12 instances which shall not be considered as anticipation.

- 1. No anticipation by publication prior to 1st January 1912**—An invention claimed in a complete specification shall not be treated as anticipated if that invention is published in a specification in application for patent made in India before 1st January 1912. The Patents Act, 1970 is concerned with specifications that are published subsequent to the cutoff date which is 1st January 1912.
- 2. No anticipation when the matter published obtained from applicant**—An invention claimed in a complete specification shall not be treated as anticipated where it was published before the priority date of the relevant claim of specification, if the patentee or the applicant proves that the matter published was obtained from him and was published without his consent or the consent of any such person.
- 3. No anticipation when the application is made immediately subsequent to acquisition of knowledge**—An invention claimed in a complete specification shall not be treated as anticipated where the invention was published before the priority date of the relevant claim of specification, if the patentee or the applicant proves after learning of the publication before the date of application for the patent, the application was made as soon as reasonably practicable thereafter.
Exception: If the invention before the priority date of claim was commercially worked in India by the patentee or any one through him, it shall be treated as anticipated.
- 4. No anticipation if application made in contravention of the rights to true inventor**—An application by a true and first inventor is not anticipated if an application for same patent is made in contravention of the rights of the true and first inventor.
- 5. No anticipation by previous communication to the Government**—An invention is not anticipated by communication of the invention to the Government to investigate the invention or its merits.
- 6. No anticipation by previous public display**—An invention claimed in a complete specification is not anticipated by use of the invention with the consent of the true and first inventor at an industrial or other exhibition under the authority of Government, provided the application for patent is made within twelve months.
- 7. No anticipation by publication at an industrial or other exhibition**—An invention claimed in a complete specification is not anticipated by the publication of any description of the invention due to display or use of it at any industrial or other exhibition.
- 8. No anticipation by publication or use of invention at exhibition**—An invention claimed in a complete specification is not anticipated by the use of invention after it has been displayed or used at any exhibition by any person without the consent of the true and first inventor, provided the application for patent is made within twelve months.
- 9. No anticipation by academic reading of invention**—An invention claimed is not anticipated by the description of the invention in a paper read by the true and first inventor before a learned society or published with his consent in the transaction of such a society, provided the application for patent is made within twelve months.
- 10. No anticipation by working of invention for reasonable trial**—An invention claimed is not anticipated if at any time within one year before the priority date the relevant claim of the specification, the invention was publicly worked in India by the patentee or the applicant or any person with the consent of the patentee or applicant if the working was for the purpose of reasonable trial requiring its working in public.

11. No anticipation by use and publication after provisional specification—where an applicant files a complete specification with provisional specification the invention is not anticipated if the matter described in provisional specification was used in India or published in India or elsewhere at any time after the date of filing of such specification.

12. No anticipation by use and publication of matter described in complete specification treated as provisional— Where an applicant files a complete specification with provisional specification and the complete specification is treated as provisional specification by the Controller, the invention is not anticipated if the matter described in provisional specification was used in India or published in India or elsewhere at any time after the date of filing of such specification.

13. No anticipation by use of matter in specification in India filed in pursuance of convention application—An invention claimed in a complete specification filed in pursuance of a convention application is not anticipated by any matter disclosed in any application for protection in a convention country upon which the convention application is founded was used in India or published in India or elsewhere at any time after the date of that application for protection.

Case Law: *Martin and Biro Swan Ltd. v. H Hilwood Ltd.* 1956 RPC 125. In this case it was observed that to establish anticipation it must be shown that in some prior publication there is to be found information about the alleged invention, equal for the purposes of practical utility to that given by the patent in the suit. It is not enough, to use that familiar metaphor which has perhaps been run to death, to make a mosaic of prior publications and to say that thus, the whole invention has been already disclosed. This is particularly the case where the invention is said to consist of a novel combination, or as is sometimes said a new functional inter relation of integers.

Case Law: *Technograph Printed Circuits Limited v. Mills and Rockley (Electronics) Ltd* [1972] RPC 346. In this case it was found that the question of novelty or anticipation was raised but there is no single prior document which can be regarded as an anticipation of the invention (in question). In this case, the decision in *British Westinghouse Electric & Manufacturing Co. Ltd. v. Braulic* (1919) 27 RPC 209 was referred to. In the said judgment it was observed as under: "I confess that I view with suspicion arguments to the effect that a new combination, bringing with it new and important consequences in the shape of practical machines, is not an invention, because, when it has once been established, it is easy to show how it might be arrived at starting from something known, and taking a series of apparently easy steps. This ex post facto analysis of invention is unfair to inventors and, in my opinion, is not countenanced by English patent law".

PROVISIONS FOR SECRECY OF CERTAIN INVENTIONS **Question 1.** Describe the provisions of secrecy of Inventions.

Ans: In atomic age, science and technology is an effective weapon of war. Inventions in different branches of science like physics, chemistry and biology can be put to use by unscrupulous elements to cause mass destruction beyond imagination. The Act therefore, made provisions for secrecy of inventions that are relevant for defense purposes.

Under Section 4 there is absolute ban on granting patent in respect of an invention relating to atomic energy falling within sub-Section (1) of Section 20 of the Atomic Energy Act, 1962. Chapter VTI of the Act containing Sections 35 to 42 and Chapter VII of Patents Rules, 2003

containing Rules 71 and 72 provide for maintaining secrecy of inventions relevant to defense purposes.

1. Secrecy direction relating to inventions relevant for defense purposes—where it appears to the Controller that the invention for which an application is made for patent belongs to a class notified by Central Government as relevant for defense purposes, or where otherwise the invention appears to him to be so relevant, he may give direction for prohibiting or restricting the publication of such information of the invention or the communication of such information.

2. Revocation of secrecy direction by Central Government—The Central Government on receiving notice of application and direction of secrecy of publication from Controller, shall consider whether the publication of the invention would be prejudicial to the defense of India. Where after so considering it appears to Central Government that the publication of the invention would not so prejudice the defense of India, give a notice to the Controller to that effect, the Controller shall thereafter revoke the directions and notify the applicant of the same.

3. Power of Central Government to issue direction— Where the Central Government is of the opinion that the invention is relevant for defense purposes and the Controller has not given any secrecy direction, the Central Government before grant of patent is entitled to notify the Controller and thereafter the secrecy direction shall apply to the invention

4. Periodical review of secrecy direction by Central Government—the question whether an invention in respect of which secrecy directions have been given continues to be relevant for defense purposes shall be reconsidered by the Central Government at the intervals of six months or on a request made by the applicant. If it appears to the Central Government that the publication of the invention would no longer be prejudicial to the defense of India it shall forthwith direct the Controller to revoke the secrecy direction.

5. Secrecy direction in case of foreign application—in case of an application filed by foreign applicant it is found that the invention, in respect of which secrecy direction is issued, is published outside India it shall forthwith revoke the direction through notice to Controller.

6. Consequence of secrecy directions—during the period of enforcement of directions:

- (a) the Controller shall not pass an order refusing to grant the application; and
- (b) no appeal shall against any order of the Controller passed in this regard.

Where a patent is granted in pursuance of an application in respect of which directions have been given no renewal fee shall be payable in respect of any period

7. Revocation of secrecy directions and extension of time—When any secrecy direction is revoked the Controller may extend the time for doing anything required or authorized to be done by or under the Act in connection with the application whether or not that time has previously expired.

8. Residents not to apply for patents outside India without prior permission—no person resident in India shall, except under the authority of written permission from Controller, make any application outside India for grant of a patent for unless—

- (i) an application or a patent for the same invention has been made in India, not less than six weeks before the application outside India; and
- (ii) either no secrecy direction has been given in relation to the application in India, or all such directions have been revoked.

9. Penalty for contravention of secrecy direction and ban on residents to make application outside India —If in respect of an application for a patent any person contravenes any directions as to secrecy or makes or causes to be made an application for grant of patent outside India by a resident the application for patent under this Act shall be deemed to have been abandoned and

the patent granted, if any, shall be revoked under Section 64. The provision provides no penalty of imprisonment or imposition of fine for violation of Sections 35 and 39 except the deemed abandonment of application and revocation of patent when granted.

10. Finality of orders of Controller and Central Government—All orders of the Controller giving directions as to secrecy as well as all orders of the Central Government shall be final and shall not be called in question in any Court on any ground whatsoever.

GRANT OF PATENTS

Grant of patents—Under Section 43 (1) duty is cast on Controller to grant patent as expeditiously as possible where the application for patent has been found to be in order and —

(a) the application has not been refused by the Controller; or

(b) the application has not been found to be in contravention of any of the provisions of the Act.

Under Rule 74 (1) of Patents Rules, 2003, the form for patent is as specified in Third Schedule and shall bear the number according to the application under Rule 37.

Under Rule 74 (2) of Patents Rules, 2003, the patent certificate shall be issued within seven days from the date of grant of patent.

Date of patent—the date of filing of application seeking patent shall be the date of patent for the purpose of Act. Such date shall be recorded in the register. The applicant shall have all the rights related to patent from the date of application except the right to sue for infringement of the patent applied for which shall commence only from the date of grant of patent.

Significance of date of application and date of grant of patent—date of application and date of grant of patent have direct bearing on the rights of the patentee and the public as:

(1) Computation of the twenty years' term of patent commences from the date of application.

(2) The right to sue for infringement of patent accrues to the patentee from the date of grant of patent.

(3) The date relevant for calculation of yearly renewal is date of application.

Form, extent and effect of patent—every patent shall be in the prescribed form and shall be effective throughout India.

Grant of patent to be subject to certain conditions—grant of patent is subject to—

(1) **Making of any machine etc. by Government for its own use**—any machine, apparatus or other article in respect of which the patent is granted or any article made by using a process in respect of which patent is granted may be used or made by or on behalf of the Government for the purpose merely of its own use;

(2) **Use of any process by Government for its own use**— any process in respect of which the patent is granted may be used by or on behalf of the Government for the purpose of its own use;

(3) **Use of machine, process etc. for experiment or research by any person for academic purpose**—any machine, apparatus or other article in respect of which the patent is granted or any article made by use of the process in respect of which the patent is granted, may be made or used, and any process in respect of which the patent is granted may be used, by any person for the purpose merely of experiment or research including the imparting of training to pupils; and

(4) **Use of medicine and drug by Government for its own use or for public health**—in case of patent in respect of any medicine or drug, the medicine or drug may be imported by the Government for the purpose merely for its own use or for the distribution in any dispensary, hospital or other medical institution maintained by or on behalf of Government or any other dispensary, hospital or other medical institution which the Central Government may have regard to the public service that such dispensary, hospital or medical institution renders.

RIGHTS CONFERRED ON PATENTEE Questions

1. The monopoly granted by patent law essentially differs from that granted by copyright law. Discuss and compare essential features of rights and protection given by these laws.

2. What is patent? Who can apply for patent? What are the rights of a patentee?

Rights conferred on an applicant before and subsequent to granting of patent are scattered in different Chapters of the Act.

1. Right to prevent third parties from commercially exploiting product patent—Under Section 48 (1) the patentee has exclusive right to prevent third parties from making, using, offering for sale, selling or importing for above purpose the product in India.

2. Right to prevent parties from commercially exploiting process patent—Under Section 48 (2) the patentee has exclusive right to prevent third parties from using the process, offering for sale, selling or importing for those purposes the product obtained directly **by that** process in India.

Case Law: Dhanpat Seth And Ors. vs Nil Kamal Plastic Crates Ltd. 2006 (33) PTC 339 NULL Himachal Pradesh High Court:

"Section 48 of the Patents Act, as amended by the Act of 2002, has not given the right to the patentee to seek injunction for the first time. Even before this amendment, the Court had the power, per Section 113(4) of the Patents Act, which provision remains untouched by the Amendment Act of 2002, to grant injunction in fact the amendment to Section 48, made by Amending Act of 2002, is in a different context. Prior to the amendment the patentee had the exclusive right by himself, his agents, or licensees to make, use, exercise, sell or distribute the patented article or substance in India. That meant that the persons, other than the patentee, his agents, or licensees, could not make, use, exercise, sell or distribute the patented article or the substance in India. In other words, the law itself prevented the persons, other than the patentee, his agents, or licensees, to make, use, exercise, sell or distribute the patented article or substance in India.

Now, after the amendment, the patentee has been given exclusive right to prevent third parties, who do not have his consent, from the act of making, using, offering for sale, selling or importing the invented product, meaning thereby that the third parties cannot make, use etc. the invented product, only if the patentee exercises his exclusive right to prevent them from doing so".

Dhanpat Seih And Ors. vs Nil Kamal Plastic Crates Ltd. 2006 (33) PTC 339 NULL Himachal Pradesh High Court: Seeking injunction against the defendant it was urged that, under Section 48 there is presumption in favour of validity patented invention. The submission was rejected outright with following observation. "The argument advanced by the learned Counsel for the plaintiff/ petitioners cannot be accepted, because per Section 107(1) of the Patents Act, in any suit for infringement of patent, every ground, on which it may be revoked, under Section 64, is available as a ground for defence. It is one of the grounds for revocation of a patent, under Section 64 of the Act, that the patented product is not an invention, which in the present case means a new product. Now, if in a suit for infringement of a patent it is denied by the defendant that the patented item is an invention and prima facie it appears from the material placed on record that the patented product is not a new product, but just an imitation of some traditional product, cast in a different material (synthetic polymeric material in this case), in that event the patentee will not be entitled to the relief of injunction, neither permanent for temporary. If the

argument of the learned Counsel for the plaintiffs/petitioner is accepted, that would mean that every patentee will get injunction from the Court just on filing a suit claiming therein that his product is patented and the patent has not been revoked. In other words, the Court would be acting just like a rubber stamp and granting relief without application of mind".

3. Right of genuine inventor to get the patent amended in his name—Under Section 26, where the applicant for the patent wrongfully obtains the invention from any person, such person by filing opposition proceedings has right to get the patent amended in his name.

4. Right to be named as inventor—Under Section 27, where the applicant is inventor of an invention or substantial part of it for which application seeking patent has been made and the application for the patent is direct consequence of he being inventor such applicant has right to get his name mentioned as inventor in the patent granted.

5. Right to Patent of addition—Under Section 54 a patentee has right to a "patent of addition" in respect of his complete specification.

6. Right to amend application and specification or any related document before Controller, Appellate Board and High Court—Under Sections 57 and 58 the applicant or patentee has right to seek amendment of application, and specification or any related document by way only of disclaimer, correction or explanation or for the purpose of incorporation of actual fact.

7. Right to restoration of lapsed Patent—Where a patent has lapsed due to failure to pay any renewal within 18 months from the date on which the patent has lapsed, the patentee has right under Section 60 to make an application for restoration of the patent.

8. Right to surrender of Patents—A patentee under Section 63 (1) after giving notice in prescribed form has right to surrender his patent.

Rights of co-owners of Patents

The Act nowhere defines "co-owners". In the absence of any specific definition of "co-owner" in the Act, the ordinary meaning of the phrase "co-owner" is to be given to the term. Where two or more persons own a patent, each of them is co-owner of the patent with others.

Referring to the term 'co-owner' Section 50 enacts that, where a patent is granted to two or more persons, each of those persons shall be entitled to equal undivided share in the patent.

Co-owners—where a patent is granted for two or more persons such persons together are co-owners of rights in patent. The co-owners of patent have following rights:

- (1) Each co-owner is entitled to equal undivided share in the patent.
- (2) Each of the co-owners is entitled by himself or his agents, to the rights conferred by Section 48 for his own benefit without accounting to the other person or persons.
- (3) A licence under the patent can be granted and a share in the patent shall be assigned by one of such persons only with the consent of the other person or persons.
- (4) Where a patented article is sold by one of two or more persons registered as grantee or proprietor of a patent, the purchaser and any person claiming through him shall be entitled to deal with the article in the same manner as if the article has been sold by sole patentee.

PATENTS OF ADDITION Question 1. What is patent of addition?

Research and development turning out invention and improvement in technology is constant process. It is quite natural that subsequent to filing application for patenting and invention the inventor may discover technique improving the invention.

Patent of addition—patent of addition to patent granted to the applicant or patentee for any improvement in modification of an invention described in the main invention.

"Application for patent modification"—An application made for a patent in respect of any improvement in or modification of an invention described in complete specification relating to patent is called "application for patent of modification".

"Main invention"—The complete specification in which an application for modification is made is referred to as "main invention".

Chapter IX containing Sections 54 to 56 state the procedure as to the grant, term and validity of patents of addition.

Application for patent of addition—where an application is made for patent in respect of any improvement in or modification of an invention described in complete specification by an applicant for patent or by patentee of main invention such application is called 'application for patent of addition'. Under Section 54 (1) the Controller is empowered to grant such patent of addition on application being made in that behalf.

Section 54. Patents of addition—under sub-Section (I), where an application is made for a patent in respect of any improvement in or modification of an invention described in the main invention and the applicant also applies or has applied for a patent for that invention or is the patentee of it, the Controller may on the request of applicant grant the patent for the improvement or modification as a patent of addition.

Patent of addition—where an invention being an improvement in or modification of another invention, is the subject matter of an independent patent and the patentee is in respect of that patent is also patentee for main invention, the Controller may on request revoke the patent for improvement of the modification and grant to the patentee a patent of addition in respect of it bearing the same date as the date of the patent so revoked.

Illustration: 'B' a patentee of device to run cooking stove on solar energy seeks patent of device to run cooking stove on wind energy which device is modification in patented device to run cooking stove on solar energy. The Controller may on request made by 'B' revoke the patent for improvement of modification and grant to 'B' a patent of addition of it bearing the same date as the date of patent revoked.

Date of application of patent of addition—a patent of addition shall be granted only if the date of filing of application was the same as or later than the date of filing the application in main invention.

Illustration: The date of filing of patent in respect of main invention is 01.01.1999. A patent of addition in respect of main invention can only be granted as on 01.01.1999 or subsequent to that date.

Patent of addition subsequent to grant of patent in main invention—a patent of addition shall not be granted before grant of the patent for the main invention.

Term of patents of addition—term of patent of addition is equal to the term of main invention, or for that part of the term which has not expired.

AMENDMENT OF APPLICATIONS AND SPECIFICATIONS

The complete specification once tiled is open to amendment at the following three stages:

- (a) before acceptance, under Section 13,
- (b) during the process of acceptance, under Section 57, and
- (c) subsequent to acceptance, under Section 58. **Amendment before acceptance**

Under Section 13(b) the examiner is required to make investigation for the purpose of ascertaining whether the invention so far as claimed in any claim of the complete specification is claimed in any claim of any other complete specification published on or after the date of filing

the applicant's complete specification, being specification filed in pursuance of an application for a patent made in India and dated before or claiming the priority date earlier than that date. Simply put, the examiner checks if there exists any specification filed in pursuance of an application for patent made in India which is dated before or claiming the priority date earlier than the date of filing of applicant's complete specification. When the finding of examiner is in affirmative, the applicant shall be so informed and shall be afforded an opportunity to amend his application. The amendment of application bringing it in compliance of the Rules shall be condition precedent for grant of patent. Amendment under this Section is- sought by the Controller.

Section 15—Where the Controller is satisfied that the application or any specification or any other document filed in pursuance of registration for patent does not comply with the requirements of the Act or any rules made under the Act, the Controller may refuse the application or may require the application, specification or other documents to be amended to his satisfaction before he proceeds with the application and refuse the application on failure to do so.

Amendment during the process of acceptance Section 57. Amendment of application and specification of any document before Controller—Sub-Section (1) provides that, upon application made by the applicant for patent or by patentee, the Controller may allow the application for the patent or the complete specification or any document relating to application to be amended subject to conditions as the Controller deems fit.

Under Rule 81 (1) of Patents Rules, 2003 the form prescribed for application of amendment is Form 13.

Bar on power of Controller to permit amendment—Proviso appended to Sub-Section (1) restricts the power of Controller to pass any order in respect of an application seeking amendment pending any suit before a court for infringement of the patent or any proceeding before High Court for revocation of patent filed before or after the filing of application seeking amendment.

Sub-Section (2). Contents of application—An application for amendment shall contain the nature of proposed amendment and the full particulars of the reasons for which the application is made. **Sub-Section (3). Publication of application**—Any application seeking amendment of application or a patent or a complete specification or any document related to complete specification made after the grant of patent and the nature of proposed amendment may be published seeking objections by interested persons.

Under Rule 81 (3) (a) of Patents Rules, 2003, if the application for amendment is made after the grant of patent and the nature of the proposed amendment is substantive, the application shall be published.

Sub-Section (4). Procedure after receipt of objection—

On receipt of objection within prescribed time subsequent to publication, the Controller shall notify the applicant for amend and hear the objector and the applicant.

Sub-Section (5). Priority date—This provision provides that, an amendment of a complete specification may be, or include, an amendment of priority date of a claim. An amendment under this Section can be sought before **or after** registration of patent by the applicant or patentee.

Amendment subsequent to acceptance Section 58. Amendment of specification before Appellate Board or High Court—Sub-Section (!) provides that, in any proceeding filed by an interested person before the Appellate Board or High Court the Appellate Board or High Court may allow the patentee to amend his complete specification and if in any proceeding for

revocation the Appellate Board or High Court decides that the patent is invalid it may allow the specification to be amended instead of revoking the patent.

Sub-Section (2). Notice of application to Controller—The applicant is required to give notice of application filed before Appellate Board or High Court to the Controller.

The amendment ordered under this Section is consequence of an application filed by third person seeking revocation of patent. The Appellate Board or High Court has total discretion to allow amendment under this Section where it decides that instead of revocation of patent, direction of an amendment could be proper order.

Supplementary provisions as to amendment of application or specification

Section 59. Amendment only by disclaimer, correction or explanation—Sub-Section (1) provides that, no amendment of an application for a patent or a complete specification or any document relating to application or specification shall be allowed, except by way of (a) disclaimer, (b) correction or (c) explanation with qualification that such amendment shall be allowed only for the purpose of adding actual fact further no amendment of a complete specification shall be allowed, the effect of which would be that the specification as amended would claim or describe matter not in any claim of the specification as amended would not be wholly within the scope of a claim of the specification before amendment.

The amendment of an application or complete specification permitted under this Section relate to:

- (a) disclaimer, or
- (b) correction, or
- (c) explanation.

Disclaimer—A disclaimer is a declaration by the maker reducing the scope of monopoly by limiting the ambit of claim. Thus, the statement, "This invention claims does not claim...". Is disclaimer.

Correction—An amendment by way of correction can be only to correct a typographical or clerical error.

Explanation—An amendment by way of clarifying any matter in application or complete specification is explanation.

RESTORATION OF LAPSED PATENTS

Lapsed Patent, meaning of—The term of patent under Section 53 of the Act is twenty years commencing from the date of filing of application for patent. Apatentee is required to pay certain amount of money for availing the protection conferred by the Act to his rights subsequent to coming to end of the term of twenty years. Where a patentee fails to pay the required amount of money the protection conferred on his rights is removed. This is known as 'lapsing of patent'.

Chapter XI containing Sections 60 to 62 states the procedure for filing of applications for restoration of lapsed patents, disposal of applications for restoration of lapsed patents and rights of patentee of lapsed patents which have been restored.

Section 60. Applications for restoration of lapsed Patents—Under sub-Section (1), where a patent is lapsed by reason of failure to pay any renewal fee within the period under Section 53 or within such period as may be allowed under sub-Section (4) of Section 142. the patentee or his legal representative, and where the patent is held by two or more persons jointly, then, with the permission of the Controller one or more of them without joining the others, may, within eighteen months from the date on which the patent is lapsed, make an application for restoration of patent.

Under sub-Rule (1) of Rule 84 of Patents Rules, 2003, an application for restoration of a patent shall be made in Form 15.

Under sub-Rule (2) of Rule 84 of Patents Rules, 2003, if Controller is satisfied that a prima facie case for restoration of any patent has not been made out, the Controller shall intimate the application accordingly and unless the applicant makes a request to be heard in the matter within one month from the date of such intimation, the Controller shall refuse the application.

Under sub-Rule (3) of Rule 84 of Patents Rules, 2003, where the applicant requests for a hearing within the time allowed under sub-Section (2), the Controller after giving the applicant such hearing, is prima facie satisfied that the failure to pay the renewal fees was unintentional, he shall publish the application.

Sub-Section (3). Contents of application—An application for restoration of lapsed patent shall contain a statement, verified in the prescribed manner, fully setting out the circumstances which led to the failure to pay the prescribed fee. The Controller is further empowered to require from the applicant such further evidence as he thinks necessary.

Section 61. Procedure for disposal of applications for restoration of lapsed Patents—Under sub-Section (I) after hearing the applicant, the Controller is prima facie satisfied that the failure to pay the renewal fee was (a) unintentional and that (b) there has been no undue delay in making the application, he shall publish the application in the prescribed manner; and within two months any interested person may give notice to the Controller of opposition to application for restoration of lapsed patent on any one or both the grounds stated above.

SURRENDER AND REVOCATION OF PATENTS

Questions

1. When can a patent be revoked?
2. Discuss the law relating to revocation of patent.
3. Explain revocation and surrender of patent,
4. Write short note on surrender and revocation of patent. **Surrender of patent, meaning of**—Right in patent being species of movable property, the patentee is entitled to give up his right in patent. Such giving up of right in patent by the patentee is called 'surrender of patent'. Right in patent further being intangible, it is surrendered by making an application to the Controller under procedure prescribed by the Act.

Revocation of patent, meaning of—Revocation of patent in the context of the Act means invalidating the patent. The Appellate Board is empowered to revoke a patent on an application made by any interested person or by Central Government or by High Court in a suit for infringement of patent.

Chapter XII containing Sections 63 to 66 state the procedure of surrender and revocation of patents.

Surrender of patents—a patentee at any time by giving notice in prescribed manner to the Controller is entitled to offer to surrender the patent.

Publication of offer—where such an offer is made by a patentee to surrender the patent, the Controller shall publish the offer in the prescribed manner and also notify every person whose name appears in the register as having an interest in the patent.

Notice of opposition—any person interested may within three months from the date of publication give notice to the Controller in Form 14 of opposition to the surrender and where any such notice is given the Controller shall notify the patentee of the same.

Revocation of patent—the Controller subsequent to hearing the patentee and opponent, where a notice of opposition is given, is satisfied that the patent may properly be surrendered, he may accept the offer of surrender and revoke the patent.

Section 64. Revocation of patents—Sub-Section (1) enacts that, a patent, may be revoked at the instance of any person interested or the Central Government by the Appellate Board or on a counter claim in a suit for infringement of the patent by High Court or on any of the following grounds:

1. Invention claimed is valid claim of earlier priority date— the invention as claimed in any claim of earlier priority date described in the complete specification of another patent granted in India;

2. Patentee not entitled to patent—the patent was granted on the application of a person not entitled under the provisions of the Act to apply for patent;

3. Patent obtained unlawfully etc.—the patent was obtained wrongfully in contravention of the rights of the petitioner or any person under or through whom he claims;

4. Claim mentioned in complete specification is not invention—the subject of any claim of the complete specification is not an invention within the meaning of the provisions of Act;

5. Invention known to public—invention claimed in complete specification is not new in the sense that it was publicly known or publicly used in India before the priority date of the claim or was published in India or elsewhere in any of documents referred under Section 13;

6. Invention claimed in complete specification is obvious—the invention does not involve any inventive step, having regard to what was publicly known or publicly used in India or what was published in India or elsewhere before the priority date of the claim:

7. Invention not useful—the invention as claimed in any complete specification is not useful;

8. Description of invention imperfect—the complete specification does not sufficiently and fairly describe the invention and the method by which it is to be performed;

9. Scope of claim of the complete specification not properly defined—the scope of any claim of the complete specification is not sufficiently and clearly defined or that any claim of the complete specification is not fairly based on the matter disclosed in the specification;

10. False representation etc.—the patent was obtained on a false suggestion or representation:

11. Subject matter of complete specification not patentable—the subject matter of any claim of complete specification is not patentable under the Act;

12. Invention secretly used—the invention claimed in any claim of the complete specification was secretly used in India, otherwise than as mentioned in sub-Section (3) before the priority date of the claim;

13. Failure to disclose information under Section 8—the applicant for the patent has failed to disclose to the Controller the information under Section 8 or has furnished information which in any material particular was false to his knowledge;

14. Contravention of direction under Sections 35 and 39— the applicant contravened any direction for secrecy passed under Section 35 or made or caused to be made on application for grant of a patent outside India in contravention of Section 39;

15. Leave to amend obtained by fraud—leave to amend the complete specification under Section 57 or Section 58 was obtained by fraud;

16. Wrong mention of geographical origin in respect biological material—the complete specification does not disclose or wrongly mentions the source or geographical origin of biological material used for invention;

17. Anticipation of invention—the invention claimed in claim of complete specification was anticipated having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere.

Case Law: Dhanpat Seth And Ors. vs Nil Kamal Plastic Crates Ltd. 2006 (33) PTC 339 NULL Himachal Pradesh High Court: Seeking injunction against the defendant it was urged that, under Section 48 there is presumption in favour of validity patented invention. The submission was rejected outright with following observation. "The argument advanced by the learned Counsel for the plaintiff/petitioners cannot be accepted, because per Section 107(1) of the Patents Act, in any suit for infringement of patent, every ground, on which it may be revoked, under Section 64, is available as a ground for defence. It is one of the grounds for revocation of a patent, under Section 64 of the Act, that the patented product is not an invention, which in the present case means a new product. Now, if in a suit for infringement of a patent it is denied by the defendant that the patented item is an invention and prima facie it appears from the material placed on record that the patented product is not a new product, but just an imitation of some traditional product, cast in a different material (synthetic polymeric material in this case), in that event the patentee will not be entitled to the relief of injunction, neither permanent for temporary. If the argument of the learned Counsel for the plaintiffs/petitioner is accepted, that would mean that every patentee will get injunction from the Court just on filing a suit claiming therein that his product is patented and the patent has not been revoked. In other words, the Court would be acting just like a rubber stamp and granting relief without application of mind".

18. Section 65. Revocation of patent or amendment of complete specification on the direction from Government in cases relating to atomic energy—where the Central Government is satisfied that a patent is for an invention relating to atomic energy, for no patent can be granted under Section 20 of Atomic Energy Act, 1962, the Central Government may direct the Controller to revoke the patent, after giving a notice to the patentee.

19. Section 66. Revocation of patent in public interest— where the Central Government is of the opinion that a patent or the mode in which it is exercised is mischievous to the State or generally prejudicial to the public.

Distinction between Surrender of patent and Revocation of Patents

Though the consequences that flow from surrender and revocation of patent are similar, the distinction between the two is:

Sr. No.	Surrender	Revocation
1.	Proceeding for surrender of patent can be initiated by the patentee.	Proceeding for revocation can only be initiated by: (i) on application made by third person, or (ii) in a suit for infringement of patent.
2.	Surrender of patent is an act of own decision of patentee.	Revocation of patent is imposed on the patentee.
3.	No odium of penalty is attached to surrender	Revocation in most of cases is penal action.
4.	The Controller is empowered to accept the offer for surrender of patent and revoke the same	Only the Appellate Board on an application made by person interested or Central Government or High Court in suit filed for infringement of patent is empowered to revoke the patent.

REGISTER OF PATENTS

A register of patents is a record for registration of patents and other facts related thereto. It is a public document the certified copies of which are admissible in evidence. Sections 67,71 and 72 in Chapter XII deal with contents, rectification and significance of register of patents.

Entries and place of availability of Register of Patents Place of Register of Patents—Under sub-Section (1) Section 67 appointed place of Register of Patents is the patent office.

Entries to be made in Register of Patents—Under second part of sub-Section (1) the following entries shall be made in Register of Patents:

- (a) the names and addresses of grantees of patents;
- (b) notifications of assignments and transmissions of patents, of licences under patents, and of amendments, extensions and revocations of patents; and
- (c) particulars of other matters affecting the validity or proprietorship of patents as may be prescribed.

Matter not to be mentioned in the Register of Patents— sub-Section (2) of Section 67 expressly prohibits entry of any trust, whether express, implied or constructive and even of such entry is found, the Controller is required not to take any note of such notice.

Custody of Register of Patents—Under sub-Section (3), the Register of Patents shall be kept under the control and management of Controller subject to the superintendence and direction of Central Government

Power of Controller to keep Register of Patents in computer floppies etc.—sub-Section (4) empowers the Controller to keep the Register of Patents or any part of it in computer floppies, diskettes or any other electronic form subject to safeguards that may be prescribed.

Evidentiary value of a copy or extract from Register of Patents—sub-Section (5) provides that, a copy of, or extracts from, the Register of Patents, certified to be true copy under the hand of the Controller or any officer duly authorized by the Controller shall be admissible in evidence in all legal proceedings.

Consequences of Register of Patents kept in electronic form—under sub-Section (6) following consequences flow from Register of Patents kept in computer floppies, diskettes or any other electronic form:

- (i) reference to an entry in the register shall be deemed to include reference to a record of particulars kept in computer floppies, diskettes or any other electronic form and comprising the register or part of the register;
- (ii) references to particulars being registered or entered in the register shall be deemed to include references to the keeping of record of those particulars comprising the register or part of the register in computer floppies, diskettes or any other electronic form; and
- (iii) references to rectification of the register are to be read as including references to the rectification to the record of particulars kept in computer floppies, diskettes or any other electronic form and comprising the register or part of the register.

Rectification of Register of Patents— Under sub-Section (3) of Section 67 the Controller has the control and management over the Register of Patents. The power of rectification of Register of Patents under the Act is entrusted with Appellate Board which is an authority superior to the Controller.

Section 71. Rectification of register— the Appellate Board may on the application of any person aggrieved due to—

- (i) absence of any person aggrieved; or

- (ii) any entry made in the register without sufficient cause; or
- (iii) any entry wrongly remaining on the register; or
- (iv) by any error or defect in any entry in the register, make such order for the making, variation or deletion, of any entry therein as it may think fit.

Under sub-Section (3) notice of any application by aggrieved person for rectification of register shall be given to the Controller who shall be entitled to appear and be heard on the application, and must appear if so directed.

Person entitled to apply for rectification of register: Any person aggrieved is entitled to file an application for rectification of register. 'Person aggrieved' is not defined by the Act. A 'person aggrieved' must be a person interested. Person aggrieved may be the patentee, the assignee of the patentee or a joint holder of rights in patent.

Conditions required for warranting rectification

Following are the conditions warranting rectification of Register of Patents;

- (1) absence or omission of any entry from register; or
- (2) an entry made in the register without sufficient cause; or
- (3) an entry wrongly remained on the register; or
- (4) error or defect in any entry in the register. **Significance and evidentiary value of register**

Section 72. Register to be open for inspection—sub-Section

(1) enacts that, the register shall at all convenient times be open to inspection by the public and certified copies sealed with the seal of the patent office, of any entry in the register shall be given to any person requiring them on payment of the prescribed fee.

Under Sub-Section (2), the register is prima facie evidence on any matters required or authorized by or under the Act to be entered therein.

WORKING OF PATENTS AND COMPULSORY LICENCES AND REVOCATION

Questions

1. Laws relating to intellectual property, while granting monopoly on the one hand, must also ensure that the rights given by them are used. Discuss the scheme in various laws relating to intellectual property which ensure this.

2. How and when the Central Government is entitled to acquire an invention under Patents Act. Invention in science and innovation in technology goes a long way in improving the standard of living of mankind. Results of inventions in medicine and public health are particularly proof of the above fact. Object of Patents Act, 1970 is twofold, to provide incentive to scientists and technologists to invent and innovate and to make available the patented inventions at reasonable and affordable prices to the public. It may sometimes happen that with ulterior motive or for any other reason, a patented invention is not properly exploited for above stated purposes.

Chapter XVI containing Sections 82 to provides for mechanism for putting patented inventions to stated purposes.

Section 82. Definition of "patented article" and "patentee".

- (a) "patented article" is any article made by a patented process; and
- (b) "patentee" includes an exclusive licensee.

Section 83. General principles applicable to working patented inventions—Under Chapter XVI working of patents should be guided by following principles, namely:

- (1) that the patents are granted to encourage inventions and to secure that the inventions are worked in India on a commercial scale and to the fullest extent that is reasonably practicable without undue delay;

- (2) that patents are not granted merely to enable patentees to enjoy a monopoly for the importation of patented article;
- (3) that the protection and enforcement of patent rights contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a balanced manner;
- (4) that the patents granted do not impede protection of public health and nutrition and should act as instruments to promote public interest specially in sectors of vital importance for socioeconomic and technological development of India;
- (5) that the patents granted do not in any way prohibit Central Government in taking measures to protect public health;
- (6) that the patent right is not abused by patentee and the patentee does not resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology; and
- (7) patents are granted to make the benefit of the patented invention available at reasonable cost to public.

Restriction placed under sub-Section (2) is expressly waived in respect of Central Government under sub-Section (3) enacting, the Central Government may, if in its opinion it is necessary so to do, in public interest, direct the Controller at any time to authorize any licensee in respect of patent to import the patented article from abroad.

Compulsory license—A compulsory license, is a license granted by Controller to any person due to failure of patentee to carry out object of the Act.

Following are the prerequisites for granting of compulsory licenses:

- (a) the reasonable requirements of the public with respect to the patented invention has not been satisfied, or
- (b) the patented invention is not available to the public at large at a reasonably affordable price, or
- (c) the patent invention has not worked in the territory of India... any person interested may subsequent to expiration of three years from the date of a patent make an application to the Controller for grant of compulsory licence on patent.

Compulsory license—if the Controller is satisfied with claim made in the application may grant a license to interested person upon such terms as he may deem fit.

Person entitled to make application—'any person' is entitled to make an application for grant of compulsory license.

Content of application—An application shall contain a statement setting out the nature of applicant's interest together with such particulars as may be prescribed and facts upon which the application is based.

Consideration of application by Controller—While considering the application the Controller shall take into account:

- (i) the nature of invention, the time which has elapsed since the sealing of the patent and the measures already taken by the patentee or any licensee to make full use of the invention;
- (ii) the ability of applicant to work the invention to the public advantage;
- (iii) the capacity of the applicant to undertake the risk in providing capital and working the invention, if the application were granted;

(iv) whether the applicant has made efforts to obtain a license from the patentee on reasonable terms and conditions and such efforts have not been successful within reasonable period, not ordinarily exceeding six months, as deemed fit by Controller.

The Controller is not required to consider the above conditions under

- (a) national emergency, or
- (b) other circumstance of extreme urgency, or
- (c) in case of public non-commercial use of patented invention, or
- (d) on establishment of a ground of anti-competitive practices adopted by the patentee, and
- (e) matters subsequent to making of the application. **REASONABLE REQUIREMENTS OF THE PUBLIC**

Question

1. When reasonable requirements of the public with respect to the patented invention shall be construed to have been not satisfied?

A compulsory license contemplated under Sub-Section (1) of Section 84 may be granted by Controller when the reasonable requirements of public with respect to the patented invention have not been satisfied.

Sub-Section (7) states the following circumstance in which the reasonable requirements of public shall not be deemed to have been satisfied, viz...

- (a) if, by reason of the refusal of the patentee to grant licence or licences on reasonable terms,—
 - (i) an existing trade or industry or the development of such trade or industry or the establishment of any new trade or industry in India is prejudiced; or
 - (ii) the demand for the patented article has not been met to an adequate extent or on reasonable terms; or
 - (iii) a market for export of the patented article manufactured is not being supplied or developed: or
 - (iv) the establishment or development of commercial activities in India is prejudiced; or
- (b) if, due to conditions imposed by the patentee upon the grant of licenses or upon the purchase, hire or sale of materials not protected by the patent, or the establishment or development of any trade or industry in India is prejudiced; or
- (c) if the patentee imposes a condition upon the grant of licence to provide exclusive grant back, prevention or challenges to the validity of patent or coercive package licensing; or
- (d) if the patented invention is not being worked in the territory of India on a commercial scale to an adequate extent or is not being so worked to the fullest extent that is reasonably practicable, provided the Controller is satisfied under Section 86 (1) that the time which has elapsed since the sealing of the patent has for any reason been insufficient to enable the invention to be worked on a commercial scale to an adequate extent or to enable the invention to be so worked to the fullest extent that is reasonably practicable; or
- (e) if the working of patented invention in the territory of India on a commercial scale is being prevented or hindered by the importation from abroad of the patented article by; (i) the patentee or persons claiming under him; or
- (ii) persons directly or indirectly purchasing from him; or (iii) other persons against the patentee is not taking or has not taken proceedings for infringement.

Revocation of patents by Controller for non-working—where a compulsory licence under Section 84 (1) has been granted, the Central Government or any person interested may, after two

years from date of order granting first compulsory licence, apply to the Controller for an order revoking the patent on the grounds:

- (i) that the patented invention has not been worked in the territory of India, or (ii) that reasonable requirements of the public with respect to the patented invention have not been satisfied, or (iii) that the patented invention is not available to the public at a reasonably affordable price.

Object of compulsory licences

Section 89 lists following purposes for granting compulsory licenses:

(a) patented inventions are worked on a commercial scale in the territory of India without undue delay and to the fullest extent that is reasonably practicable:

(b) the interest of any person for the time being working or developing an invention in the territory of India under the protection of a patent is not unfairly prejudiced.

Recommended terms and conditions of compulsory licenses

While granting compulsory licenses, the Controller shall make an effort to secure:

(i) that the royalty and other remuneration reserved to the patentee is reasonable; (ii) that the patented invention is worked to the fullest extent by the person to whom the license is granted and with

reasonable profit to him; (iii) that the patented articles are made available to the public at reasonably affordable prices; (iv) that the license granted is non-exclusive; (v) that the right of the licensee is non-assignable; (vi) that the license is for balance of term of the patent unless a shorter term is consistent with public interest; (vii) that the license is granted with main purpose of supply in the Indian market; (viii) that in case of semi-conductor technology, the licence granted is to work the invention for non-commercial use; (ix) that where the license is granted to remedy a practice determined after judicial or administrative process to be anticompetitive, the licensee shall be permitted to export the patented product if required.

Licensing of related patents

Section 91 (2) provides that at any time after the sealing of a patent, any person who has the right to work any other patented invention may apply to (he Controller for grant of a licence of the first mentioned patent on the ground that he is prevented or hindered without such licence from working the other invention efficiently to the best advantage possible. Provided—

(a) the applicant is able and willing to grant to the patentee and licensees a license in respect of the other invention on reasonable terms; and

(b) the other invention has made a substantial contribution to the establishment or development of commercial industrial activities in India.

Compulsory License in special circumstances—during national emergency, extreme urgency or public non-commercial use the Central Government is satisfied that compulsory license in any patent should be granted to work the invention it may make a declaration to that effect by notification in Official Gazette. Subsequent to such notification, the Controller is empowered on application made by any person interested to grant him a license to work the patent.

Compulsory licence tot pharmaceutical products Compulsory license for export of patented pharmaceutical products—compulsory license shall be available for manufacture and export of patented pharmaceutical products to any country having insufficient or no manufacturing capacity in the pharmaceutical sector for the concerned product to address public health problems on give-and-take basis.

Termination of compulsory license—if the circumstances giving rise to grant of compulsory license no longer exist and not likely to recur, the Controller may terminate the compulsory license on an application being made by the patentee.

USE OF INVENTIONS FOR PURPOSES OF GOVERNMENT AND ACQUISITION OF INVENTIONS BY CENTRAL GOVERNMENT Questions

1. How and when the Central Government is entitled to acquire an invention under the Patents Act?

2. Write short note on use of patent by government.

Sovereign is entitled to acquire any property belonging to its subjects for certain purposes.

Patents being species of movable property this is equally applicable to the rights patentee.

Chapter XVII containing Sections 99 to 103 state the meaning of use of invention for purposes of Government, empower the Government to make use of inventions and state the procedure for resolution of dispute in respect of exercise of power of Government under Chapter XVII.

Section 100. Power of Central Government to use inventions for purposes of

Government—Sub-Section (1) enacts that, at any time after an application for a patent has been filed at the patent office or a patent has been granted, the Central Government and any person authorized in writing by it may use the invention for the purposes of Government in accordance with provisions of Chapter XVII.

The phrase 'Purposes of government' is nowhere defined in the Act. In the absence of specific definition it has to given common sense meaning. 'Purposes of government' means nothing but the use of invention for public purpose i.e. for the welfare of public.

To legalize use of any invention following three conditions are necessary:

(1) the invention is used by Central Government; or

(2) the invention is used by any person authorized by Central Government; and

(3) the invention is used for the purposes of Central Government. Any of first or second circumstance with the third circumstance are essential for use of invention under this provision.

The provision provides blanket permission to make use of any invention subject to limitations mentioned therein.

Sub-Section (2). Use of invention without remuneration— The Sub-Section provides that, where an invention has, before priority date of the relevant claim of complete specification, been duly recorded in a document, or tested or tried, by or on behalf of the Government or a Government undertaking, any use of invention by Central Government or any person authorised in writing by it for the purposes of Government may be made free of any royalty or other remuneration to the patentee.

The power of Central Government to make use of an invention is qualified by temporal restriction i.e. use of invention before the priority date of relevant claim of the complete specification. The other conditions being prior recording of invention in a document and fact of testing and trying the invention by or on behalf of Government or by Government undertaking.

Sub-Section (3). Use of invention by agreement—Use of an invention by Central Government without rerecording, trying or testing subsequent to grant of patent shall be made upon terms as may be agreed upon either before or after the use between the Central Government or any person authorised under Sub-Section (1) and the patentee.

Payment of remuneration—proviso appended to Sub-Section (3) enacts that in case of any such use of any patent under Sub- Section (3) the patentee shall be paid not more than adequate

remuneration in the circumstances of each case, taking into account the economic value of the patent.

Sub-Section (4). Authorization by Central Government— The authorization by the Central Government to make use of invention may be given before or after the patent is granted and either before or after the acts in respect of such authorization given or done, and may be given to any person, whether or not he is authorized directly or indirectly by the applicant or the patentee to make, use, exercise or vend the invention or import the machine, apparatus or other article or medicine or drug covered by such patent.

Sub-Section (5). Notice to patentee—Where an invention has been used by or with the authority of Central Government, the Government shall notify the patentee as soon as practicable of the fact and furnish him with such information as to the extent of the use of invention as he may reasonably require: and where the invention has been used for the purposes of Government undertaking, the Central Government may call for such information as may be necessary from such undertaking.

Sub-Section (6) Right of Government to sell goods—The right to make, use, exercise and vend an invention for the purposes of Government includes the right to sell on non-commercial basis, the goods which have been made in exercise of that right, and purchaser has all rights that accrue to him on purchase made from the patentee.

Section 101 Rights of third parties in respect of use of invention for purposes of Government—Sub-Section (1) provides that, in relation to any use of patented invention made for the purposes of Government the provisions of any licence, assignment or agreement granted or made between the patentee and any person other than the Central Government shall be of no effect so far as those provisions restrict or regulate the use for the purposes of Government of the invention, or of any model, document or information relating thereto.

Section 102 Acquisition of inventions and patents by the Central Government—Under Sub-Section (1) the Central Government may, if satisfied that it is necessary that an invention patented or in the process should be acquired for a public purpose publish a notification to that effect in the Official Gazette and thereupon the invention or patent and all rights in respect of the invention or patent shall stand transferred to and be vested in the Central Government.

Sub-Section (2). Notice of acquisition—Notice of acquisition shall be given to the applicant or patentee as the case may be.

Sub-Section (3). Payment of compensation—The Central Government shall pay to the applicant or patentee such compensation as may be agreed upon between the Central Government and applicant or patentee, in default of agreement, compensation shall be determined by High Court on reference under Section 103.

Resolution of Dispute with regard to use of invention for purposes of government

Any dispute concerning the power of Central Government under Section 100 to use inventions for purposes of Government is referable only to High Court by parties involved.

Section 103. Reference to High Court of disputes as to use for purposes of Government—Sub-Section (1) provides that High Court shall be adjudicating authority between either party with regard to any dispute ...

(a) as to the exercise by the Central Government or person authorised by it of powers under Section 100; or

(b) as to the terms for the use of an invention for the purposes of Government under Section 100: or

(c) as to the right of any person to receive any part of a payment made in pursuance of Sub-Section (3) of Section 100; or

(d) as to the amount of compensation payable for the acquisition of an invention or patent under Section 102.

Defence available to Central Government: Sub-Section (2). In any proceeding the Central Government may:

(a) if the patentee is a party to the proceedings, make a counterclaim for revocation of the patent on any ground upon which a patent may be revoked under Section 64; and

(b) whether a patentee is or is not a party to the proceedings, question the validity of patent.

Confidentiality of certain disclosures Sub-Section (3) Confidential disclosures to be made to advocate of other party— If any question arises whether an invention has been recorded, tested or tried under Section 100 (2) and [he disclosure of any document regarding the invention, or of any evidence of the test or trial of it be prejudicial to the public interest, the dispute may be made confidentially to the advocate of the other party or to an independent expert mutually agreed upon.

Procedure by High Court Sub-Section (4). Compensation for use of invention by Central Government—In deciding any dispute as to the terms for the use of an invention for the purpose of Government the High Court shall have regard to compensation which the patentee may have received, or may be entitled to receive, directly or indirectly in respect of invention in question for the purposes of Government.

Sub-Section (5). Reference of dispute by High Court to Arbitrator—The High Court is empowered to order the whole proceeding to be referred to an official referee, commissioner or an arbitrator.

Sub-Section (6). Dispute in respect of invention in the course of employment—Where an invention claimed in a patent by an employee of Central Government or State Government or Government undertaking and such invention is certified by relevant authority to be connected with the work done in the course of normal duties of such employee, then, any dispute referred in Sub-Section (1) relating to the invention shall be disposed by Central Government after hearing the party or parties concerned.

SUITS FOR INFRINGEMENT OF PATENTS **Question 1.** Explain the provisions relating to powers of Court in suits concerning infringement of patents.

Court competent to try suits concerning infringement of patents—only the District Court has jurisdiction to try:

(1) suit for declaration under Section 105;

(2) suit for relief under Section 106; and

(3) suit for infringement of patent.

Jurisdiction of High Court—Where a counter-claim for revocation of patent is made by the defendant, the suit, with the counterclaim shall be transferred to High Court.

Burden of proof—where any person is using a process for obtaining a product that is identical to the product obtained by patented process and the patentee files suit alleging infringement of his patent, the burden of proving the contrary is on the person using a process to obtain product identical to the product obtained patented process if:

(a) the subject matter of the patent is a process for obtaining a new product, or

(b) there is substantial likelihood that the identical product is obtained by the patented process and the patentee has been unable through reasonable efforts to determine the process actually by such person.

Illustration: 'A' in inventor patented a process for producing a product that can turn curds back to milk. 'B' another inventor has made an identical product and 'A' is unable through reasonable efforts to determine the process actually used by 'B'. In a suit for infringement of patented process of 'A' by 'B', the Court may direct 'B' to prove that the process used by him to obtain the product is different from the patented process of 'A'.

The general rule evidence that the party who asserts the positive should prove the allegations made by him is made inapplicable due to peculiar circumstances of patented process being for new product.

Power of Court to make declaration as to non- infringement of patent—suit seeking declaration that any process used by him, or the making, use or sale of any article by him does not or could not amount to an infringement of claim of patent against the patentee making such assertion can be filed by any person, provided

(a) that such person has applied in writing to the patentee for a written acknowledgement to the effect of the declaration claimed and furnished him with full particulars in writing of the process or article in question; and

(b) the patentee has refused or neglected to give such an acknowledgement.

The object of the Section is to pre-empt any avoidable action for infringement by patentee.

Power of Court to grant relief in cases of groundless threats of infringement proceedings—where any person threatens any other person by circulars or advertisements or by communications, oral or in writing addressed to that or any other person, with proceedings for infringement of a patent, any person aggrieved by such threats may bring a suit against him seeking:

(a) a declaration to the effect that the threats are unjustifiable:

(b) an injunction against the continuance of the threats: and

(c) such damages, if any sustained by the plaintiff due to such threats.

A mere notification of the existence of patent does not constitute a threat of proceeding stated in this Section.

Defenses in a suit for infringement of patent—Sub Section (1) provides that in any suit for infringement of a patent, every ground on which it may be revoked under Section 64 shall be available as ground for defense.

Defenses in a suit for infringement of patent

1. Revocation of patent—the patent is revoked by Appellate Board or High Court under Section 64.

2. Use by or on behalf of Government—patented machine, apparatus or other article or any article made by patented process is imported or made by or on behalf of Government for its own use.

3. Use of patented process by Government—a patented process is used by Government for its own use.

4. Use for experiment, etc.—patented machine, apparatus or other article or any article made by patented process is made by or used merely for experiment or research including the imparting of instructions to pupils.

5. Use of patented process for experiment, etc.—patented process is used merely for experiment or research including the imparting of instructions to pupils.

6. Importation of drug or medicine for distribution in public—patented drug or medicine is imported by the Government for its own use or for distribution in any medical institution maintained by Government.

7. Importation of drug or medicine for distribution in public under notification by Central Government—patented drug or medicine is imported for distribution by medical institutions rendering public service as specified by notification in Official Gazette issued by Central Government,

8. For submission of information under law—patented invention is made, constructed, used, sold or imported for development and submission of information required under law.

9. Importation from authorized person—importation of patented products by any person from a person authorized under law to produce and sell or distribute the product.

10. Absence of knowledge as to existence of patent- in a suit for infringement of patent claiming damages or an account of profits ignorance of existence patent and failure of patentee to pay the renewal fee within prescribed period is good defense.

11. Framing of specification not in good faith—where an amendment of a specification by way of disclaimer, correction or explanation has been allowed after publication of the specification, no damages on accounts of profits can be granted in any proceeding for use of invention before the date of the decision allowing the amendment where the specification originally published was not framed in good faith and with reasonable skill and knowledge.

Relief in suits for infringement

1. Injunction—in any suit for infringement the Court is empowered to grant an injunction subject to such terms as the Court may think fit.

Case Law: In *Smith vs. Grigg* Ld. 41 R.P.C. 149(i), it was observed by Atkin L. J. that; "The mere fact of the granting of a patent is not in itself an indication that the plaintiff has established to the satisfaction of any authority that he has the right to the monopoly which he claims. In a case of a patent therefore, the mere fact that a patent has been granted does not show that those conditions have been performed which alone entitle a plaintiff to a conclusive right, and therefore, the Courts when they are approached by a plaintiff who says: "I am the owner of a patent, and the defendant has infringed it." say where the patent is of a recent date; "Your right is not established sufficiently by the mere fact that a patent has been granted to you"; and unless there is some kind of substantial case evidenced before the Court that there is in fact a valid patent, then the Court refuses to grant an injunction." **Case Law:** The test of balance of convenience has been aptly explained by the Court of Appeal in *Corruplust Ltd. v. George Harrison (Agencies) Ltd.* 1978 RPC 761 as follows:

In so regarding the matter, in my opinion the learned judge was taking too narrow a view upon the question of balance of convenience.

If the plaintiffs are right about infringement, they are entitled to be protected by their patents against competition by the defendants until those patents expire. They are struggling to establish a new market and to establish themselves in that market; they are, or they appear to be, at a crucial stage of that development, and if the defendants are allowed to compete with the plaintiffs, not only will the plaintiffs' present efforts be hindered, but also at the expiry of their patents, when other competitors may come on the market as well as the defendants they will find that instead of being the only known and established suppliers in this country, they will have to compete with the defendants, who may by then have built a significant bridgehead in the market, giving them an advantage over other suppliers, and the plaintiff company will find itself confronted by stronger competition than would otherwise be the case.

...In every case of this kind the function of the court must be to consider which course, either the granting or withholding of an injunction, is the one which is likely to make it most

easy for the trial court, when the issues in the action have been decided, to adjust the rights of the parties and do justice between them: and in the present case it seems to me that the balance of convenience is substantially in favour of granting an injunction.

Therefore, prima facie when it is made clear that the applicant/plaintiff is in the market and its patent is for a limited period and it is in a crucial stage of development, the respondent/defendant cannot be permitted to interfere, especially when the defendant is a strong competitor to the plaintiff.

Dhanpat Seth And Ors. vs Nil Kamal Plastic Crates Ltd. 2006 (33) PTC 339 NULL Himachal Pradesh High Court:

Seeking injunction against the defendant it was urged that, under Section 48 there is presumption in favour of validity patented invention. The submission was rejected outright with following observation. "The argument advanced by the learned Counsel for the plaintiff/ petitioners cannot be accepted, because per Section 107(1) of the Patents Act, in any suit for infringement of patent, every ground, on which it may be revoked, under Section 64, is available as a ground for defence. It is one of the grounds for revocation of a patent, under Section 64 of the Act, that the patented product is not an invention, which in the present case means a new product. Now, if in a suit for infringement of a patent it is denied by the defendant that the patented item is an invention and prima facie it appears from the material placed on record that the patented product is not a new product, but just an imitation of some traditional product, cast in a different material (synthetic polymeric material in this case), in that event the patentee will not be entitled to the relief of injunction, neither permanent nor temporary. If the argument of the learned Counsel for the plaintiffs/petitioner is accepted, that would mean that every patentee will get injunction from the Court just on filing a suit claiming therein that his product is patented and the patent has not been revoked. In other words, the Court would be acting juri like a rubber stamp and granting relief without application of mind".

Supreme Court of India **Midas Hygiene industries P. Lid. vs Sudhir Bhatia And 2004 (73) DRJ 647, 2004 (28) PTC 121 SC** The law on the subject is well settled. In cases of infringement either of Trade Mark or of Copyright normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the Mark was itself dishonest. In this case relying on **Midas Hygiene Industries P. Lid. v.s Sudhir Bhatia 20(14 (73) DRJ 647, 2004 (28) PTC 121 SC**, in cases of infringement either of Trade Mark or of Copyright normally an injunction must follow hence, once a patent is registered, the patentee, complaining of infringement by filing a suit for permanent prohibitory injunction, should normally be granted a temporary injunction.

Held: 'The argument has been noticed only to be rejected. What the Hon'ble Supreme Court has said in this case is that in cases of infringement, either of trade mark or of copy right, normally an injunction must follow. It is a matter of common knowledge that registered trade marks and copy rights stand on different footings than a patent. Patent is granted in respect of an 'invention' or a 'new invention' and even after the grant of patent, there is no warranty about the validity of the patent, per Section 13(4) of the Patents Act. Again, claim to an invention can be challenged, even after it is patented, on a number of grounds enumerated in Section 64 of the Act. Not only this, all these grounds are available as defences to a defendant, in a suit filed by the patentee alleging infringement of patent, per Section 107(2) of the Act".

Hindusthan Lever Limited vs Godrej Soaps Limited AIR 1996 Cal 367, (1997) 1 CALLT 123 HC. 100 CWN 562.

"The principles upon which an interlocutory injunction may be granted in a patent case are the same as in a case under the provisions of Order 39, Rules I and 2 of the Civil Procedure Code, though interim injunction restraining the defendant from infringing a patent does not come strictly within this scope of Order 39. The plaintiff in a patent case must show a prima facie case of an infringement and further that the balance of convenience and inconvenience is in his favour. In patent cases the onus of showing a prima facie case justifying the grant of an injunction is a heavy one and it is comparatively easy for the respondent to establish a defence sufficient to prevent the grant of such an injunction. In *Hubbard v. Vosper*. (1972) 1 All ER 1023 : (1972) 2 QB 84 at 1029, Lord Denning observed:

"In considering whether to grant an interlocutory injunction, the right course for a Judge is to look at the whole case. He must have regard not only to the strength of the claimant but also to the strength, of the defence, and then decide what is best to be done. Sometimes, it is best to grant an injunction so as to maintain the status quo until the trial. At other times, it is best not to impose a restraint on the defendant, but leave him free to go ahead. For instance, in *Frazer v. Evans*, (1969) 1 All ER 8, although the plaintiff owned the copyright, we did not grant an injunction, because the defendant might have a defence of fair dealing. The remedy by interlocutory injunction is so useful that it should be kept flexible and discretionary. It must not be made the subject of strict rules."

American Cyanamid Company v. Ethicon Ltd., (1975) RPC 513: 1975 AC 396 : 1975 (1) All ER. In this celebrated judgment. Lord Diplock at p. 539 made the following observations:

"The instant appeal arises in a patent case. Historically there was undoubtedly a time when in an action for infringement of a patent that was not already "well established", whatever that may have meant, an interlocutory injunction to restrain infringement would not be granted if counsel for the defendant stated that it was intended to attack the validity of the patent

"Reliance of this reluctance to enforce a monopoly that was challenged, even though the alleged grounds of invalidity were weak are to be found in the judgment of Scutton L.J., as late as 1924 in *Smith v. Grigg Ltd.*, (1924) KB 655; but the elaborate procedure for the examination of patent specifications by expert examiners before a patent is granted, the opportunity for opposition at that stage and the provisions for appeal to the Patent Appeal Tribunal in the person of a Patent Judge of the High Court, make the grant of a patent now-a-days a good prima facie reason, in the true sense of the term, for supporting the patent to be valid and have rendered absolute the former rule of practice as respects interlocutory injunctions in action for infringement actions. In my view the grant of interlocutory injunctions in actions for infringement of patents is governed by the same principles as in other actions....."

American Cyanamid Company case, (1975) RFC 513: 1975 (1) All ER 504

(i) That there was no rule of law that precluded the grant of an interim injunction unless upon the evidence adduced by both parties, the applicant had satisfied the court that on the balance of probabilities the acts of the other party sought to be enjoined, if committed, would violate the applicant's legal rights;

(ii) Unless the material available to the court at the hearing of the application for an interlocutory injunction failed to disclose that the plaintiff had any real prospect of succeeding in a claim for a

permanent injunction at the trial, the Court should go on to consider whether the balance of convenience lay in favour of granting or refusing the relief that was sought:

(iii) That the grant of interlocutory injunctions in patent infringement actions was governed by the same considerations as in other actions;

(iv) In contrast with former practice in relation to interlocutory relief in patent infringement cases, the grant of a patent was in present times a good prima facie reason for supposing a patent to be valid in this context.

Treatise of Kerr on "Law and Practice of Injunction" (6th Edn. 1981) where at p. 320 under the heading "Interlocutory Relief it has been pointed out. as follows :

"If one clear instance of infringement or a strong prima facie case of infringement is made out and (the plaintiff has not been guilty of laches, the court will generally grant an interlocutory injunction in the following cases:

(1) when the validity of the patent has already been established in a previous action;

(2) when the patent is of old standing and the enjoyment under it has been uninterrupted:

In *Gillette Safety Razor Co- v. Anglo-American Trading Co. Ltd.* (30 RPC 465) Lord Moitlton observed : "I am of the opinion that in this case the defendant's right to succeed can be established without an examination of the terms of the specification of the plaintiff's patent. I am aware that such a mode of deciding a patent case is unusual, but from the point of view of the public it is important that this method of viewing their rights should not be overlooked. In practical life, it is often the only safeguard to the manufacturer. It is impossible for an ordinary member of the public to keep watch on all the numerous patents which were taken out and to ascertain the validity and scope of their claims. But he is entitled to feel secure if he knows that which he is doing differs from that which has been done of old only in non-patentable variations. Such as. the substitution of mechanical equipments or changes of material shape or size. The defence that the alleged infringement was not novel at the date of the plaintiff's patent was a good defence in law and it would sometimes obviate the great length and expenses of patent cases if the defendant could and would put forth his case in this form, and spare himself the trouble of demonstrating on which horn of the well-known dilemma the plaintiff had impaled himself, invalidity or non-infringement".

(3) when the validity of the patent is not in issue; and notwithstanding that the defendant offers to keep an account.

2. Damages or an account for profits—the Court may also award at the option of plaintiff either damages or account for profits.

3. Seizer, forfeiture or destruction of infringing material— the Court may at its discretion also order that the goods which are found to be infringing, any materials and implements, the predominant use of which is in the infringing goods shall also be seized, forfeited or destroyed without payment of any compensation.

APPEALS TO APPELLATE BOARD

Sections 116 and 117 in Chapter XIX provide for constitution of Appellate Board, staff of Appellate Board, matters in which appeal lies to Appellate Board and the procedure in preferring appeal etc. No appeal lies to Appellate Board except provided.

Section 117A. Appeals to Appellate Board—Sub-Section

(1) no appeal lies to Appellate Board from any decision, order or direction made or issued under the Act by Central Government, or from any Act or order of the Controller for the purpose of giving effect to such decision, order or direction except under Sub-Section (2)

Sub-Section (2). Matters in which appeal lies—The Sub-Section provides for appeal to Appellate Board from any decision, order or direction of the Controller or Central Government in following matters:

- (a) Order made by Controller refusing or requiring amendment of applications under Section 15;
- (b) Order made by Controller in respect of division of application under Section 16;
- (c) Order made by Controller in respect of dating of application under Section 17;
- (d) Order made by Controller in respect of anticipation of invention in any claim of complete specification under Section 18;
- (e) Direction issued by Controller in exercise of powers in case of potential infringement of claim made or patent under Section 19;
- (f) Direction issued by Controller in exercise of powers to make orders regarding substitution of application under Section 20;
- (g) Order passed by Controller in opposition proceedings to grant of patent to the effect that the invention claimed in any claim of complete specification is publicly known or publicly used in India before the priority date of that claim and that the invention claimed in any claim of the complete specification is obvious under Section 25 (5);
- (h) Making an order causing any person to be mentioned as an inventor in any patent granted in pursuance of the application in complete specification and in the registrar of patents under Section 28;
- (i) Order made by Controller in respect of disposal of applications of lapsed patents under Section 60; (j) Order made by Controller in respect of accepting or refusing the offer to surrender the patents under Section 63; (k) Declaration made by Central Government to the effect that a patent or the mode in which it is exercised is mischievous to the State or generally prejudicial to the public in Official Gazette under Section 66; (l) Order made by Controller in respect of assignments and transmissions under Section 69 (3); (m) Order made by Controller in exercise of powers to correct clerical errors under Section 78; (n) Order made by Controller in respect of grant of compulsory licences under Section 84 (1) to (5); (o) Order made by Controller in respect of revocation of patents by Controller for non-working under Section 85; (p) Order made by Controller in exercise of powers in granting compulsory licence on application made under Section 84 as mentioned under Section 88; (q) Order made by Controller in respect of licensing of related patents under Section 91; and (r) Declaration made by Central Government under special circumstances granting compulsory licences to work invention under Section 92.

Section 117 B. Procedure and powers of Appellate Board

Section 117 E Right of Controller to appear and to be heard before Appellate Board—Sub-Section (1) provides that the Controller shall have right to appear and be heard:

- (a) in any legal proceedings before Appellate Board relating to alteration or rectification of the registrar or any question raised relating to practice of the patent office;
- (b) in any appeal to the Appellate Board from an order of Controller on an application for grant of patent:
 - (i) which is not opposed, and the application is either refused by the Controller or is accepted by him subject to any amendments, modifications, conditions or limitations, or

(ii) which has been opposed and the Controller considers that the appearance is necessary in public interest.

Sub-Section (2). Right of Controller to submit statement in writing—The Controller may, unless the Appellate Board otherwise

directs, in stead of appearing, submit a statement in writing signed by him, giving such particulars as he thinks proper of the proceedings

before him relating to the matter in issue or the grounds of any decision given by him or of the practice of patent office in like cases, or of

the other matters relevant to the issue and statement shall be evidence in the proceeding.

PENALTIES

Sections 118 to 124 contained in Chapter XX provide for penalties for offences committed under the Act.

1. Penalty for contravention of secrecy of invention—

Penalty for failure to comply with any direction relating to invention relevant for defense purposes and for making or causing to be made an application for grant of patent by residents in India for patents outside India without written permission from Controller is imprisonment for a term which may extend to two years, or with fine, or with both.

2. Penalty for falsification of entries in registrar—If any person makes, or causes to be made, a false entry in any registrar kept under the Act, or a writing falsely purporting to be a copy of an entry in such a registrar, or produces or tenders, or causes to be produced or tendered, in evidence any such writing knowing the entry or writing to be false, he shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.

3. Penalty for unauthorised claim to patent rights—If any person represents that any article sold by him is patented in India or is the subject matter of an application for patent in India by stamping, engraving or impressing on, or otherwise applying to the article the work "patent" or "patented" or some other word expressing or implying that a patent for the article has been obtained in India or that an article is subject of an application for patent in India by stamping, engraving or impressing on. or otherwise applying to the article the words "patent applied for", "patent pending", or some other words implying that an application for a patent for article has been made, he shall be punishable with fine which may be extend up to one lakh rupees.

4. Wrongful use of words "patent office"—If any person uses on his place of business or any document issued by him or otherwise the words "patent office" or any other words which would reasonably lead to the belief that his place of business is, or is officially connected with, the patent office, he shall be punishable with imprisonment for the term which may extend to six months, or with fine, or with both.

5. Penalty for refusal or failure to supply information— (1) If any person refuses or fails to furnish:

(a) to the Central Government any information by Government undertaking of the use of any invention for the purposes of Government undertaking under Section 100 (5);

(b) to the Controller any information which is required with respect to commercial working of patent from patentee under Section 146.

6. Sub-Section (2). Penalty for furnishing false information knowing it to be false—If any person required to furnish any 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 punishable with imprisonment which may extend to six months, or with fine, or with both.

7. Practice by non-registered patent agents—If any person practices, holds himself as patent agent without being registered as such, he will be punishable with fine which may extend to one lakh rupees in case of a first offence and five lakh rupees in the case of a second or subsequent offence.

8. Offences by companies—If the person committing an offence is a company, the company as well as every person in charge of, and responsible to the company for the conduct of its business at the time of the commission shall be deemed to be guilty of offence and shall be liable to be proceeded against and punished accordingly, unless he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

PATENTS AGENTS

To practice as patent agent a person has to have prescribed qualifications and get his name registered as patent agent by making an application to the Patent Office in Form No. 22 of Patents Rules, 2003.

Register of patent agents—The Controller is required to maintain a register containing the names, addresses and other relevant particulars of all persons qualified to have their names on register. The Registrar is permitted to keep the register of patent agents in computer floppies, diskettes or any other electronic form subject to such safeguards as may be prescribed.

Qualifications for registration as patent agents—sub-Section (1) of Section 126 prescribes following qualifications for patent agents:

- (a) he is citizen of India;
- (b) he has completed the age of 21 years;
- (c) he has obtained a degree in science, engineering or technology from any University of India or possesses such other equivalent qualifications as the Central Government may specify in this behalf, and in addition—
 - (i) has passed the qualifying examination prescribed for the purpose; or
 - (ii) has, for a total period of not less than ten years, functioned either as an examiner or discharged the functions of Controller under Section 73 or both, but ceased to hold such capacity at the time of making the application for registration; (iii) has paid prescribed fee.

Registered agent before Amendment Act of 2005—a person who has been registered as a patent agent before the commencement of the Patents (Amendment) Act, 2005 is entitled to continue as a patent agent, on payment of prescribed fee.

The law of patent deals with invention in the science and technology, hence the Act prescribes qualification in the field of science and engineering a prerequisite to practice as patent agent.

Disqualification for Registration Rule 114 of Patents Rules, 2003 prescribes that no person shall be eligible to be registered as a patent agent, if he:

- (i) has been adjudged to be of unsound mind by competent court;
- (ii) is undischarged insolvent;
- (iii) being discharged insolvent, has not obtained from the court a certificate to the effect that his insolvency was caused by misfortune without any misconduct on his part;

(iv) has been convicted by a competent court whether within or outside India of an offence to undergo a term of imprisonment; unless the offence of which he has been convicted, has been pardoned or unless on an application

made by him, the Central Government has, by order in this behalf, removed the disability;

(v) being a legal practitioner has been guilty of professional misconduct.; or (vi) being chartered accountant, has been guilty of negligence or misconduct.

Rights of Patent Agents— Rights accruing by virtue of registration to patent agents are described under Sections 127 and 128. Every patent agent is entitled—

(a) to practice before Controller; and

(b) to prepare all the documents, transact all business and discharge such other functions as may be prescribed in connection with any proceeding before Controller.

Right to sign applications and communications to Controller—All applications and communications to the Controller may be signed by a patent agent authorized in writing by person concerned.

Restrictions on practice as patent agents—express bar is imposed on any person or any partnership firm not registered as patent agents to practice, describe or hold himself out as a patent agent. In case of a partnership firm said bar continues if any one of the partners is not so registered as patent agent such bar is absolute in case of a company or body corporate. Subsequent to Patent (Amendment) Act, 2003 even a person who is specifically authorized by applicant is not entitled to practice as patent agent.

Removal from register of patent agents and restoration— The Controller is empowered to remove the name of any person from the register after giving that person a reasonable opportunity of being heard and after such further inquiry as the Controller thinks fit to make in following cases:

(a) that his name has been entered in the register by error or on account of misrepresentation or suppression of material fact;

(b) that he has been convicted of any offence and sentenced to a term of imprisonment or has been guilty of misconduct in his professional capacity which in the opinion of the Controller renders him unfit to be kept in the register.

Restoration—Controller may, on application and on sufficient cause being shown, restore to the register the name of any person removed therefrom.

Power of Controller to refuse to deal with certain agents— The Controller may refuse to recognize as agent in respect of any business under the Act:

(a) any individual whose name has been removed from, and not restored, to register;

(b) any person who has been convicted of practicing as patent's agent without registering;

(c) any person, not being registered as patent agent, who in the opinion of the Controller is engaged wholly or mainly in acting as agent in applying for patents in India or elsewhere in the name or for the benefit of the person by whom he is employed;

(d) any company or firm, if any person whom the Controller could refuse to recognize as agent in respect of any business under the Act, is acting as a director or manager of the company or is a partner in the firm.

(e) the Controller shall refuse to recognize as agent in respect of any business under the Act any person who neither resides nor has a place of business in India.

Savings in respect of other persons authorized to act as agents—the Controller is not empowered to prevent

(a) the applicant for a patent from drafting any specification or appearing or acting before the Controller, or (b) any advocate from taking part in any hearing before the Controller on behalf of a party who is taking part in any proceeding under the Act.

The right of an advocate, who is not registered as patent agent, is restricted to taking part in hearing before the Controller on behalf of a party who is taking part in any proceeding under the Act.

Part IV

Trade Marks

Concept of Trade Marks

In agrarian society, prior to industrial revolution, a consumer used to relate goods to the manufacturer by personal identity as relationship between him and manufacturer was more or less direct. Subsequent to industrial revolution, due to production of goods on mass scale, the manufacturer started putting a distinct uniform sign on goods to distinguish his goods from other manufacturers. As such sign is mark put on the goods during the course of business or trade it is called a 'trademark'. Certain trademarks, due to better quality of goods on which they were put acquired goodwill and were readily accepted by consumers. Such trade marks were prone to be stolen by dishonest manufacturers. To regulate the use, acquisition and assignment of trade marks, the Trade and Merchandise Marks Act, 1958 was enacted. In view of developments in trade and commerce, the Act of 1958 was found wanting in certain aspects. Accordingly, Trade Marks Act, 2003 was passed by Parliament amending the existing Act.

TRADE MARKS ACT, 2003

Salient Features of the Act

- (a) Scheme of the Act**—The scheme of the Act is so far as possible to grant a trade mark to the applicant at his doorstep. Under the Act, a person can apply and obtain a trade mark through mail or e-mail. He is not required to make visits to the office of Registrar of Trade Marks.
- (b) Classification of goods and services**— The Registrar under Section 7 is empowered and bound to classify goods and services, as far as may be, in accordance with the International classification of goods and services for the purpose of registration of trade marks,
- (c) Prohibition on registration of imitations of well known trade marks**—Registration of trade mark that are imitations of well known trade marks is prohibited and under Sections 9 and 11 grounds for refusal or registration of trade mark are enlarged.
- (d) Enhancement of punishment for offences**—The Act made provisions for enhancement of punishment for offences relating to trade marks on par. with Copyright Act, 1957. to prevent the sale of spurious goods.
- (e) Absolute and relative grounds for refusal of registration**—Under Section 9 following are the absolute grounds for refusal to registration of trade marks...
- (i) trade marks that are not capable of distinguishing the goods or services of one person from another;
 - (ii) trade marks which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of goods or service or other characteristics of the goods or service;
 - (iii) trade marks which consists exclusively of marks or indications which have become customary in the current language and established practices of the trade. A trade mark "No. i" is not registrable, as the term "No. Prefers to the best quality of goods; unless the trade mark has acquired distinctive character as a result of the use made of it or is well-known trade mark;
 - (iv) trade marks likely to deceive the public or cause confusion;
 - (v) trade marks containing or comprising of any matter likely to hurt the religious feelings;

- (vi) trade marks comprising or containing scandalous or obscene matter;
- (vii) trade marks the use of which is prohibited under Emblems and Names (Prevention of Improper Use) Act, 1950;
- (viii) a trade mark if it consists exclusively of the shape of goods which results from the nature of the goods themselves;
- (ix) a trade mark if it consists exclusively of the shape which is necessary to obtain a technical result;

(x) a trade mark if it consists exclusively of shape which gives substantial value to the goods.

(f) Registration of identical or similar trade mark by more than one proprietor in respect of same or similar goods or services—in case of honest concurrent use or other special circumstances the Registrar is empowered to permit the registration by more than one proprietor of the trade marks which are identical or similar in respect of the same or similar goods or services.

(g) Prohibition of registration of names of chemical elements or international non-proprietary names—Section 13 prohibits registration of a word as trade mark which is the commonly used and accepted name of any single chemical element or compound or which is declared by the World Health Organization and notified by the Registrar as an international non-proprietary name or which is deceptively similar to such name and if registered, shall be deemed null and void.

(h) Use of names and representations of living or persons recently dead—Section 14 prohibits registration of a trade mark which falsely suggests a connection with any living person, or a person whose death took place within twenty years unless the applicant furnishes the Registrar with consent of such living person or the legal representative of deceased person.

(i) Withdrawal of acceptance—The Registrar under Section 19 is empowered after the acceptance of an application for registration of trade mark but before registration to withdraw the acceptance if he is satisfied that the application has been registered in error or the trade mark should not have been registered or should be registered subject to conditions or limitations.

(j) Limits on effect of registered trade mark—A person is not prevented from making use of trade mark for identifying goods or services as those of the proprietor if the use is in accordance with honest practices in industrial or commercial matters, and is not such as to take unfair advantage of or be injurious to the distinctive character or repute of trade mark.

(k) Saving for use of name, address or description of goods or services—A proprietor or a registered user of a trade mark is not entitled to interfere with any bona fide use by the person of his name or that of his business, or of the name, or of the name of the place of business, of any of his predecessors, in business, or the use by any person of any bona fide description of the character or quality of his goods or services. For example, a registered proprietor of trade mark "Sharma Travels" cannot prevent a person whose name is Sharma from using trade mark of "Sharma Travels" for his traveling business.

(l) Certification trade mark—Chapter IX of the Act provides for registration of certification trade mark. 'Certification trade mark' is defined under Section 2 (e) as a mark capable of distinguishing the goods or services in connection with which it is used in the course of trade which are certified by the proprietor of the mark in respect of..

- (i) origin,
- (ii) material,
- (iii) mode of manufacture of goods or performance of service,

(iv) quality, accuracy or other characteristics from goods of services not so certified and registrable as such under Chapter IX in respect of those goods or services in the name, as proprietor of the certification trade mark, of that person.

(m) Special provisions for textile goods—Chapter X of the Act makes special provisions for textile goods.

(n) Establishment of Appellate Board—For speedy disposal of appeals Section 83 provides for establishment of an Appellate Board to be known as Intellectual Property Appellate Board to exercise jurisdiction, power and authority conferred on it by or under the Act.

(o) Implied warranty on sale of marked goods—Where a mark or a trade mark or trade description has been applied to the goods on sale or in the contract for sale of any goods or in relation to any service, the seller, under Section 126, shall be deemed to warrant that the mark is genuine mark and not falsely applied, or that the trade description is not false sale description.

(p) Remedy against groundless threat of legal proceedings—Where a person threatens another person with action or proceedings for infringement of a trade mark which is registered or alleged by first mentioned to be registered the person threatened may under Section 142 bring a suit against person so threatening and may obtain declaration that the threats are unjustifiable and an injunction against such threats and may recover damages if any sustained by him.

TRADE MARK Questions

1. What is meant by trade mark? Which mark can be registered?
 2. What constitutes trade mark? Which trade mark can be registered?
 3. Define trade mark and discuss the procedure for registration of trade mark.
 4. What is trade mark? Which trade mark cannot be registered?
 5. What is a trade mark? Describe in detail the procedure for registration of trade mark.
- As the phrase suggests, 'trade mark' means a mark or symbol used in the course of trade to indicate the source of commercial goods or services.

Definition

Meaning of Trade Mark—"trade mark" from the point of view of a consumer is a mark by which he identifies goods of trader or manufacturer or services of service provider.

Under the Trade Marks Act, 1999, a 'trade mark' is defined as a mark capable of being represented graphically which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours.

Elements of trade mark

A mark to meet the criteria as trade mark must:

- (a) be capable of being drawn graphically, and
- (b) be capable of telling apart the goods or services of one person from those of others.

A picture of a flower can be a trade mark. But a flower itself cannot qualify to be a trade mark as being not capable of being represented graphically. Further, a florist cannot use the representation of a flower for his products since the trade mark of a flower is not capable of distinguishing the products of one florist from that of another. A trade mark can be the shape of goods, the packaging of goods and combination of colours.

"A trade mark is a symbol which is applied or attached to goods offered for sale in the market, so as to distinguish them from similar goods and to identify them with a particular trader or with his successor as the owner of a particular business.. "M.R. Verma v. William Hallins and Co. Ltd., AIR 1947 Lah. 29.

"Trade mark is simply an intimation upon the goods that they are the goods of the owner of the mark"—Lord Shand in *Bowden Wire Ltd. v. Bowden Brake Co. Ltd.*

Common Sense Definition

A "trade mark" means a word, symbol, logo or phrase used to identify the origin of particular goods or services and differentiate it from other goods or services.

The definition is equally applicable to registered as well as unregistered trade marks and goods as well as services. When the mark registered with the government authority it is indicated by the symbol ®"" or "TM".

Salient features of Trade Mark

1. Trade Mark, Kind of property—A trade mark is a kind of property. It is entitled to protection under law. irrespective of its value in money so long as it has some business or commercial value. *London Rubber Co. Ltd. v. Durex Products*, AIR 1959 Cal. 56.

2. Comprehensive term—Trade mark must be considered to be a comprehensive term including within itself 'trade name' under which articles, goods etc are sold. *Kirloskar Diesel Ream P. Ltd. v. Kirloskar*.

3. Memory of average person with imperfect recollection—Distinctiveness of trade mark is to be judged by memory of an average person with imperfect recollection and not that of a photogenic recollection of the whole in visual details. *Rupa and Co., Ltd. v. Dawn Mills Co. Ltd.*, AIR 1998 Gujarat 247.

4. Right in trade mark not absolute—Right in a trade mark is subject to certain restriction of bona fide use.

5. Trade Mark not a distinct property—No right can exist in trade mark distinct from the business, trade or service for which it is obtained.

Prerequisites for registration of Trade Mark

(a) It should be distinctive. It should be something that can be separated from other marks. (b) It must not cause any confusion.

(c) It should not contain scandalous or obscene matter.

(d) It should not contain any matter which may hurt the religious susceptibilities of any class or section of the people.

Functions of trade mark

1. Identification of product and its origin—Trade mark identifies the product and its origin. The trade mark "COLGATE" is tooth paste originating from the particular manufacturer.

Case Law: *Bowden Wire Ltd. v. Bowden Brake Co. Ltd.*—The function of a trade mark is to give an indication to the purchaser of the trade source from which the goods come or the trade hands through which they pass on their way to market. Trade mark after all is simply an intimation upon the goods (that they are (the goods of the owner of the mark).

2. Trade mark guarantees the quality of goods and services—Where a mark or a trade mark or trade description has been applied to the goods on sale or in the contract for sale of any goods or in relation to any service, the seller, under Section 126, shall be deemed to warrant that the mark is genuine mark and not falsely applied, or that the trade description is not false sale description.

3. Trade mark advertises the product—Trade mark represents the product. The trade mark 'Vicco' refers to produce's application on gums and teeth.

4. Trade mark helps create brand loyalty—By high standards of quality in the goods or services, a trade mark gains loyalty of consumers. A consumer using hair oil of X brand will readily use toiletries introduced by manufacturer of X brand of hair oil.

The Registrar and Conditions for Registration Section 3. Appointment of Registrar and other officers— Sub-Section (I) empowers the Central Government to appoint the Controller General of Patents, Designs and Trademarks, who is the Registrar of Trademarks for the purposes of the Act.

Under Section 3 (2) the Central Government is empowered to appoint such other officers with such designations as it thinks fit for the purpose of discharging, under the superintendence and direction of the Registrar, such functions of the Registrar under this Act as he may from time to time authorize them to discharge.

Section 4. Power of Registrar to withdraw or transfer cases etc—The Registrar may, by order in writing and for reasons to be recorded therein, withdraw any matter pending before an officer appointed under sub-Section (2) of Section 3 and deal with such matter by himself or transfer the same to another officer so appointed who may proceed with the matter either de novo or from the stage it was so transferred.

Section 5. The Trade Marks Registry and offices—Sub-Section (1) states that there shall be a trade marks registry and the Trade Marks Registry established under the Trade and Merchandise Marks Act, 1958 shall continue to be the Trade Marks Registry under the present Act.

Sub-Section (2) empowers the Central Government to specify the place for head office and branch office of Trade Marks Registry. The Head Office of the Trademarks Registry is at Mumbai and Branch Offices at Ahmedabad, Kolkata, Chennai and Delhi.

Under sub-Section (3) the Central Government is empowered to define the territorial limits within which an office of the Trade Marks Registry may exercise its functions.

Sub-Section (4) enjoins the Trade Marks Registry to have its seal.

Section 6. The Register of Trade Marks-- A record called Register of Trade Marks containing following details shall be maintained at the head office of Trade Marks Registry:

- (a) all registered trade marks with the names,
- (b) addresses and description of the proprietors,
- (c) notifications of assignments and transmissions,
- (d) the names, addresses and descriptions of registered users,
- (e) conditions, limitations and such other matters relating to registered trade marks as may be prescribed.

Section 7. Classification of goods and services—Sub-Section (1) enjoins the Registrar to classify goods and services in accordance with International Classification of goods and services for the purpose of registration of trade marks giving final authority under sub-Section (2) to Registrar to determine as to which class within which any goods or services fall in case of any dispute. Under International Classification, goods are classified in 1 to 34 classes and services are classified in 35 to 45 classes.

Section 8. Publication of alphabetical index—The Registrar of Copyright's mandated to publish an alphabetical index of classification of goods and services in accordance with International classification.

CONDITIONS FOR REGISTRATION OF TRADE MARK Questions

1. What conditions are to be fulfilled for registration of trade mark under trade marks act?
2. State and explain the conditions for registration of trade mark under trade marks act.

Section 9 of the Trade Marks Act, 1999 states following as absolute grounds for refusal to registration of trade mark:

(a) trade marks which are devoid of any distinctive character. In other words, not capable of distinguishing the goods or services of one person from the other;

(f) "Gl@ss".

(2) "'Treat",

(3) "P.R.E.P.A.R.E.".

(4) "You've got mail",

(5) "Eurolamb",

(6) "Gl@ss" etc;

Case Law: CYCLINT IS..." Trade Marks Applications, the applicant sought registration as trade marks consisting of words "Cycling is..." and "Cycling is..." Registration was refused by the Registrar on the ground that the signs were "devoid of distinctive character".

Case law: (1999) PRC 392, p. 395. TY Water Ltd's case.

Application for registration of a trade mark consisting of bottle colored blue in respect of bottled water was refused registration on one of the grounds that the mark was devoid of distinctive character.

(b) trade marks which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of characteristics of goods or services; examples: "Liverpool" for cables, "Yorkshire" in respect of copper tubes and capillary fittings;

Case Law: (2002)RPC 6, 257; BESMER S.A. 'S Trade Mark Application—Registration of trade mark "DAY BY DAY" was sought for milk and milk products, edible oil and fats. The application was refused by Registrar on the ground that the mark consists exclusively of a sign which may serve in trade to designate the time of delivery or quality of the goods for which trade mark was sought. Upholding the rejection, the appellate court held, it (trade mark) should have regard to not only natural use on packaging but also in natural use in the context of advertising milk products in the ordinary course of trade in relation to milk products, e.g. "Don't rely on weekly shop, have it delivered fresh day by day".

(c) trade marks which consist exclusively of marks or indications which have become customary in the current language or in bona fide and established practices of trade; e.g. Lawnmaster for lawn movers; Cyclemaster for bicycles, Loadmaster for tyres etc.

In every discipline of human affairs certain terms acquire negative and positive connotations, apart from their dictionary meaning. Words, 'sweet', 'tasty', 'best', 'perfect' connote positive quality and hence cannot be registered.

Exception: a trade mark which has acquired distinctive character before the date of application or is well known shall not be refused registration on any of above grounds.

A mark shall not be registered as the trade mark if:

(a) trade mark which is of such a nature as to deceive the public or cause confusion;

Case Law: Concord Canning Company's case; (1932) 49 RPC 323—a sea-food processor sought registration of trade mark with words "Norwegian Sardines" for canned sardines that were never processed in Norway, the trade mark held to be deceptive;

As the provision is enacted in public interest, an application to register a misleading mark will be refused even when the applicant has acted in good faith and in the absence of any opposition.

(b) trade mark which comprises of any matter likely to hurt the religious susceptibilities of any class or section of citizens of India; example: 'Hallelujah' for clothing was refused registration;

(c) trade mark which comprises scandalous or obscene matter; **Case Law:** Ghazilian' Trade Mark application. (2002) RPC 628, trade mark 'Tiny Penis'" was registered for clothing, footwear and head gear the registration was refused.

(d) trade mark which is prohibited under Emblems and Names (Prevention of Improper Use) Act, 1950;

Case Law: Ravikanth Shinde v. Gujarat Heavy Chemicals Ltd. And ors., 2003 (4) ALD 400—the respondents were manufacturing, stocking and marketing their product 'kitchen salt' under the trade mark of "DANDI" with the pictorial representation in the background of man loin cloth bending for picking up something on seashore with onlookers in the backdrop. The trade mark and pictorial representation was held to be in violation of Emblems & Names (Prevention of Improper Use) Act, 1950, since "DANDI" reminds the historical Dandi march by Mahatma.

A mark shall not be registered as a trade mark if it consists exclusively of:

(a) the shape of goods which results from the nature of goods themselves; or

(b) the shape of goods which is necessary to obtain a technical result; or

(c) the shape which gives the substantial value to the goods.

Relative grounds for refusal of registration—under sub- Section (1) of 11, a trade mark shall not be registered if, there exists possibility of confusion on the part of public including the likelihood of association with the earlier trade mark because of:

(a) its identity with an earlier trade mark and similarity of goods or services covered; or

(b) its similarity to an earlier trade mark and the identity or similarity of goods or services covered by the trade mark.

Principles for determination of likelihood of confusion

Romer J. in Jellinek's Appl, formulated following principle to determine likelihood of confusion:

I. It is not necessary, in order to find that a mark offends the provision that there is an actual probability of deception leading to a passing-off. It is sufficient if the result of the user of the mark will be that a number of persons will be caused to wonder whether it might not be the case that the two products come from the same source.

II. In considering the probability of deception, all the surrounding circumstances have to be considered.

III. In application of registration, the rights of the parties to be determined as at the date of application.

IV. The onus must be discharged by the applicant in respect of all goods coming within the specification applied for.

V. The Court must be satisfied that there is a real tangible danger of confusion if the mark which it is sought to register is put on the Register.

Illustrative cases: following are held to be similar goods... "Wines" and "sprit".

"Beer" and "rum".

"Corn flour" and "oatmeal".

"Tyres of motor cars" and "tyres of cycles" and "motor cycles".

Sub-Section (2) of Section 11 provides for a situation where a trade mark identical with or similar to an earlier trade mark and is sought to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of different proprietor.

It lays down that, such trade mark shall not be registered, if the earlier trade mark is a well known trade mark in India and the use of the one sought to be registered would take unfair advantage or be injurious to the distinctive character or repute of earlier trade mark.

Example: a trade mark 'X' is registered by 'A' for dairy products, which with the passage of time has become well known and acquired considerable good-will; application of 'B' for registration of trade mark 'X' for cosmetics may not be accepted, if the mark sought by 'B' is likely to take, without due cause, unfair advantage or be detrimental to the distinctive character of repute or trade mark "X' registered by 'A'.

A trade mark shall not be registered if, its use in India is liable to be prevented

(a) by virtue of any law in particular the law of passing off protecting an unregistered trade mark used in the course of trade; or

(b) by virtue of copyright.

Principles of passing-off

Misrepresentation—Misrepresentation, direct or indirect is an essential element of passing-off.

To establish a likelihood of deception or confusion in an action for passing-off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark to other feature which is the same or sufficiently similar, that the defendant's goods or business are from the same source or are connected.

The question of deception or confusion is question of fact. In deciding such question of the existence of deception, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of mark, name, etc, used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark, etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons whom it is alleged is likely to be deceived and all other surrounding circumstances.

Case Law: AIR 1973 A.P. 53; Teju Singh v. Shanta Devi—The dispute was regard to trade mark "One Day Electric Dry Cleaners". The plaintiff was dealing in dry cleaning of clothes in name and style of "One Day Electric Dry Cleaners". The defendant started his business close by plaintiff's on the same road in the name and style of " Only One Day Electric Dry Cleaners", It is held that there was every scope for confusion or deception.

Consent of earlier proprietor—Where the proprietor of earlier trade mark or earlier holder of right in trade mark consents to registration, the Registrar is obliged to register such trade mark in spite of prohibitions mentioned under the Act.

Facts to be considered by Registrar to determine whether a trade mark is well-known or not—The Registrar while determining whether a trade mark is a well-known trade mark, shall take into account any fact which he considers relevant for determining a trade mark as well known including:

(i) the knowledge or recognition of that trade mark in relevant section of the public including knowledge in India obtained as a result of promotion to the trade mark; (ii) the duration, extent and geographical area of any use of that trade mark;

- (iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of goods or services to which trade mark applies;
- (iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent they reflect the use or recognition of the trade mark;
- (v) the record of successful enforcement of the rights in that trade mark, in particular, the extent to which the trade mark has been recognized as a well-known trade mark by any court or Registrar under that record.

Determination of knowledge or recognition in relevant section of the public, factors to be considered—The Registrar

shall for determination of as to whether a trade mark is known or recognized in a relevant section of the public take into account:

- (i) the number of actual or potential consumers of the goods or services;
- (ii) the number of persons involved in the channels of distribution of the goods or services;
- (iii) the business circles dealing with the goods or services, to which that trade mark applies.

Factors which are not to be required to be considered—

the Registrar shall not require as a condition for determining whether a trademark is well-known, any of the following:

- (1) That the trademark has been used in India.
- (2) That the trademark has been registered.
- (3) That the application for registration of the trademark has been filed in India.
- (4) That the trademark is well-known in, or has been registered in, or in respect of which an application for registration has been filed in any jurisdiction other than India.
- (5) That the trademark is well-known to the public at large in India.

Duty to protect well-known trademarks—While considering an application for registration of a trademark and opposition filed to it, the Registrar shall:

- (i) protect a well-known trade mark against the identical or similar trade marks;
- (ii) take into consideration the bad faith involved either of the applicant or the opponent affecting the right relating to the trade mark.

Case Law: Amritdhare Pharmacy v. Safyadeo Gupta, AIR 1963 Supreme Court 449—the Supreme Court pointed out, "For deceptive resemblance between two trade marks" two important questions are:

- (1) who are the persons whom the resemblance must be likely to deceive or confuse, and
- (2) what rules of comparison are to be adopted in judging whether such resemblance exists.

The general principle that emerges by Sections 9 and 11 is similar trade marks for similar goods or trade are not eligible for registration.

Question

1. Write short note on honest concurrent use of trade mark. Registration in case of honest concurrent use, etc.—

exception to above general principle is stated in Section 12, which provides that "in case of honest concurrent use or of other special circumstances which in the opinion of Registrar, make it proper to do so, he may permit the registration by more than one proprietor of the trade marks which are identical or similar in respect of same or similar goods or services, subject to such conditions and limitations, if any, as the Registrar may think it to impose."

Special circumstances to be considered by Registrar— following are some of the special circumstances as stated by Lord Tomlin.

- (1) The extent of concurrent use;
- (2) The quantity and area of trade;
- (3) The degree of confusion likely to ensue from the resemblance of the marks, which is, to a large extent, indicative of measure of public inconvenience;
- (4) Honesty of concurrent use;
- (5) Whether any instances of confusion have been proved;
- (6) Relative inconvenience which would be caused if the mark is registered, subject, if necessary, to any conditions and limitations.

Function of trade mark is to distinguish the goods or services of one person from those of others. Therefore a trade mark that is likely to cause confusion on the part of public because of its identity with an earlier trade mark and similarity of goods and services is not liable to be registered. There are two exceptions to this general rule.

- (1) Where the proprietor of earlier trade mark, whether registered or a well-known trade mark gives his consent to registration of identical or similar trade mark the Registrar cannot refuse registration of the same.
- (2) Where in the case of honest concurrent use or other special circumstances that make it proper to do so the Registrar may permit the registration by more than one proprietor of trade marks which are identical or similar in respect of same or similar goods or services.

Illustration: 'A' is registered proprietor of trade mark V. 'B' applies for registration of mark 'x' for his goods that are similar to the goods for which trade mark 'x' is registered pleading honest concurrent use. The Registrar permits registration of trade mark 'x' by 'B'. Such registration of trade mark V of 'B' is "concurrent registration of trade mark".

The grounds to be considered for permitting honest concurrent use of trade mark:

- (1) the extent of concurrent use;
- (2) the quantity and area of trade;
- (3) the degree of confusion likely to be caused from resemblance of the marks, which is, to a large extent, indicative of the measure of public inconvenience;
- (4) honesty of concurrent use;
- (5) whether any instance of confusion has been proved;
- (6) relative inconvenience which would be caused if the mark is registered.

The concurrent use claimed by the appellant must be honest. It must not be in bad faith to appropriate the goodwill of registered trade mark. It is quite possible that a trader conceives of a particular trade mark for his goods or services and uses it for a considerable time without being aware of the existence of a similar registered trade mark in relation to similar goods or services. The Registrar is empowered if such trader applies for registration of the trademark similar to the one already registered to permit the registration considering the bona fides of concurrent use of the trade mark.

The concurrent use need not be continuous and uninterrupted. The requirement is of consistence of the mark in commercial sense. The quantum of sale and production may vary from time to time and there may be even interruption in the business for a variety of reasons. If the use of mark was in the course of trade and resumed after interruption that is sufficient.

Case Law: National Chemicals and Colours Ltd. v. Rekitt ami Coleman of India Ltd. AIR 1991 Bom. In spite of having the knowledge of registered trade mark, the appellant continued to use the same device on their goods. The use of appellant held not to be honest.

Triple similarity test

Where the goods or services in respect of which concurrent registration of trade mark is sought, the marks involved are identical or substantially identical and the area of use is also same, concurrent registration cannot be permitted.

PROCEDURE FOR REGISTRATION OF TRADE MARK Questions

1. What is a trade mark? Describe in detail procedure for registration of trade mark.
2. Define trade mark and explain the procedure for registration of trade mark.
3. Write short notes on conditions for registration of trade mark.
4. State and explain the conditions for registration of trade mark under Trade Marks Act, 1999. Chapter III of the Act containing Sections 18 to 26 lays down the procedure for registration and duration of trade marks.

Person entitled to apply for registration—any person claiming to be the proprietor of a trade mark used or proposed to be used by him can seek registration of a trade mark.

Application for registration—Under Section 18 any person interested in obtaining registration of trademark is required to apply in writing in the prescribed manner for the registration of trade mark. The form prescribed for application is Form TM-1 and fee payable on application to register a trade mark for a specification of goods or services included in one class is Rs. 2.500/-. A single application can be made for registration of a trade mark for different classes of goods and services but the fee should be separately paid for each class of goods or services.

The application should be made in prescribed form along with the prescribed official fees, in triplicate accompanied by five additional representations with following particulars:

- (1) Name of applicant.
- (2) Nationality of applicant.
- (3) Full address of the applicant.
- (4) Signature of applicant or his agent.
- (5) Power of attorney—where the applicant is represented by an agent a power of attorney in form TM-48 signed by the applicant.
- (6) Address for service.

Trade mark being used or proposed to be used: Registration can be obtained for trademark which is being used or proposed to be used by the applicant. In case of a trade mark proposed to be used, the applicant must have a definite and present intention to use the trademark on the date of application.

User of Trade Mark

Under Rule 27, where a trade mark applied for is in use, the application shall contain a statement of a period during which the mark has been used. The Registrar may also require the applicant to file an affidavit testifying to such use with proof of its use.

Harvesting of trademark—Law does not permit "harvesting of trademark". Harvesting of trade mark means registering a trade "mark and trading in registered trade mark by assignment.

Territorial jurisdiction—An application for registration is to be filed in the office of the Trade Mark Registry within whose territorial limits the principal place of business of the applicant is situated.

Offices of Trade Mark Registrar—for the making of application for registration, India is divided into five regions each having office of Registration at Mumbai, Ahmedabad, Kolkata, New Delhi and Chennai.

Outcome of application—the Registrar may refuse the application or may accept it absolutely or subject to such amendments, modifications, conditions or limitations as may be prescribed.

Appeal against order of Registrar

Appeal provided under Section 91 to Appellate Board against any order of Registrar of Copyrights. Such appeal is to be filed in prescribed form within three months from the date on which the order of Registrar of Copyrights is communicated.

Withdrawal of acceptance—The Registrar under Section 19 is empowered after the acceptance of an application for registration of a trade mark but before registration to withdraw the acceptance. Such power can be exercised by the Registrar if he is satisfied that the application has been accepted in error or that the trade mark should not be registered or should be registered subject to conditions or limitations after hearing the applicant—**Advertisement of application**—When an application for registration has been accepted, the Registrar shall under Section 20 cause it to be advertised in the prescribed manner as soon as possible. The advertisement of trademark includes the following details:

- (1) class,
- (2) application number,
- (3) date of filing,
- (4) name of applicant,
- (5) reproduction of actual mark as applied for,
- (6) goods/services in respect of which registration is sought,
- (7) conditions/limitations subject to which the application is accepted or proposed to be accepted,
- (8) application number or trademark number with which the mark is to be associated,
- (9) name of the appropriate office where the application was filed and where all future proceedings will be conducted.

Case Law: Virendra Sethi v. Kundas Das, 2002 (25) PTC 50 (Delhi)—"It is the duty and responsibility of the concerned authorities under Trade and Merchandise Marks Act to ensure that the advertisement is published properly and nothing is left vague or uncertain."

Opposition to registration—Under Section 21, any person may within three months from the date of the advertisement give notice in writing in the prescribed manner to Registrar of opposition to registration. The Registrar then serves a copy of the notice on the applicant and within two months the applicant shall send to the Registrar counter statement of grounds on which he relies for his application, if the applicant fails to file such counter statement his application shall be deemed to have been abandoned. Where the applicant files his counter statement, it shall be served on the person giving notice of opposition. Thereafter, both of them shall be given opportunity to submit evidence if any, the Registrar after hearing both of them if desired and required decide whether the registration is to be permitted.

Who may oppose?

Any person whether interested in the matter or not is entitled to oppose the application.

Case Law: P, N. Mayor v. Registrar of Trademarks, AIR 1960 Cal. 80—it was held that, even a customer, a purchaser or a member of public likely to use the goods may object to the registration of trademark in respect of such goods on the ground of possible deception or confusion.

Registration of trade mark—When under Section 23 an application for registration has been accepted after opposition or without opposition or after rejection of opposition the Registrar shall register the trade mark and issue a certificate in Form TM 48 titled "**CERTIFICATE OF REGISTRATION OF TRADE MARK**" of registration to the applicant. The date of registration shall be deemed to be the date of application.

The Certificate of Registration does not contain details of conditions and limitations in respect of registration, renewal of trade mark, change of ownership hence it cannot be used in any legal proceedings. It is merely an official record of registration of the mark. For the purpose of legal proceedings or for obtaining registration abroad, the registered proprietor must obtain a legal certificate on an application made on Form TM 46 by paying prescribed fee.

Duration, removal and restoration of registration—Section 25 provides for duration, removal and restoration of registration of trade mark.

Duration of registration—Duration of registered trade mark under Section 25 (1) shall be for ten years.

Renewal of registration—Under Section 25 (2) registration of trade mark may be renewed for ten years from the date of expiration of original registration or the last renewal of registration. Fee for such renewal is Rs. 5000/- and application for renewal shall be in Form TM-12.

Removal from registration—Under Section 25 (3), the Registrar at the prescribed time before the expiration of registration is required to issue notice to the registered proprietor of date of expiration and conditions as to payment of fees and otherwise upon which a renewal or registration may be obtained, and if at the expiration of time prescribed those conditions have not been duly complied with the Registrar may remove the trade mark from the register.

Restoration of trade mark to register—Where a trade mark has been removed from the register for non-payment of prescribed fee, the Registrar shall under Section 25 (4), after six months and within one year from the expiration of the last registration of trade mark, on receipt of an application and on payment of prescribed fee, if satisfied that it is just so to do, restore the trade mark to the register and renew registration of trade mark. Application for restoration shall be in Form TM-13 and fee shall be Rs. 5000/- plus fee applicable for renewal.

Effect of removal from register for failure to pay fee for renewal—Where trade mark has been removed from the register for failure to pay the fee for removal, it shall for the purpose of any application for registration of another trade mark during one year be deemed to be a trade mark already on register, unless:

- (a) there has been no bona fide trade use of the trade mark during the two years immediately preceding its removal; or
- (b) no deception or confusion would be likely to arise from the use of the trade mark which is subject of the application for registration by reason of any previous use of the trade mark which has been removed.

EFFECT OF REGISTRATION/RIGHTS CONFERRED BY REGISTRATION OF TRADE MARK

The Act under various provisions confers different rights on the proprietor of trade mark. Chapter IV containing Sections 27 to 36 states privileges that accrue to the proprietor on registration of trade mark.

No action for infringement of unregistered trade mark— Section 27 (I) enacts that, no person shall be entitled to institute any proceedings to prevent, or to recover damages, for the infringement of an un-registered trade mark. Conversely, only a proprietor of a registered trade mark is entitled to institute proceeding to prevent, or to recover damages for infringement of his registered trade mark.

Sub-Section (2) provides that nothing in the Act shall affect rights of action against any person for passing-off goods or services as the goods or services of another person or as services provided by another person, or remedies in respect thereof.

PASSING-OFF

"Passing-off is not defined anywhere in the Act. Though the phrase finds mention under following Sections of the Act—

Section 27 (2). Under this sub-Section right of action against passing-off of a trademark is expressly stated to be independent of registration.

Section 134 (1) (c). Under this provision an exclusive jurisdiction is conferred on District Court to try an action against passing-off.

Section 135 (3) (c). This sub-Section states the defences that are available to defendant in a suit for passing-off.

Meaning of 'passing-off'—James L.J described action of passing-off thus, "no man is entitled to represent his goods being the goods of another man; and no man is permitted to use any mark, sign or symbol, device or means, whereby without making a direct representation himself to a purchaser who purchases from him, he enables such purchaser to tell a lie or to make a false representation to somebody else who is the ultimate purchaser."—**Singer Manufacturing Co. v. Loog.**

Example: 'X' a confectioner sells his sweetmeat as if prepared by 'Y' another confectioner. The act of 'X' amounts of passing-off.

Under Section 27 (2)'Y' is entitled to restrain to 'X' from selling his sweetmeat as that of *Y'.

Elements of passing-off

The necessary elements of passing-off as given in Halsbury' s Laws of England:

- (1) that the plaintiffs goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant leading or likely to lead the public or believe that the goods or services offered by the defendant are goods or services of plaintiff; and
- (3) the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by defendant's misrepresentation.

In the absence of direct misrepresentation the court should look for two following elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant' s use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or services are from the same source or are connected.

In deciding the issue of deception or confusion the court has to look for;

1. the nature and extent of the reputation relied upon;
2. the closeness or otherwise of the respective fields of activity in which the plaintiff and defendant carry on business;
3. the similarity of the mark:, name etc. used by the defendant to that of the plaintiff;
4. the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors;
5. the manner in which the particular trade is carried on, the class of persons whom it is alleged, is likely to be deceived and all other surrounding circumstances.

Object of law of passing-off

In Sir Shadilal Enterprises Ltd. v. Kesar Enterprises Ltd.,

1998 PTC 309 (DCC): the Delhi High Court stated the object thus:

"The purpose of passing-off action was not only to protect the commercial goodwill but also to ensure that the purchasers were not exploited and dishonest trading was prevented".

Test of confusion likely to be caused to a man of average intelligence

In *Sir Shadilal Enterprises Ltd. v. Kesar Enterprises Ltd.*,

1998 PTC 309 (DCC); Delhi High Court laid down the following test. "The trite proposition of law is that the test to be applied in such matters is as to whether a man of average intelligence and of imperfect recollection would be confused. An unwary purchaser is not expected to keep the goods of two manufacturers or the labels side by side and compare the similarities and dissimilarities thereon meticulously to decide whether he is purchasing the same goods which he had intended to buy".

Deceptive similarity

Cadila Heath Care Ltd. v. Cadila Pharmaceutical Ltd., AIR 2001 SC 1952; for deciding the question of deceptive similarity following factors are highlighted by the Court:

- (a) Nature of the marks i.e. whether the marks are word marks or label marks or composite marks consisting of both words and label works;
- (b) The degree of resemblance between the marks, phonetically similar and hence similar in idea;
- (c) The nature of goods in respect of which they are used as trade marks;
- (d) The similarity in nature, character and performance of the goods of the rival traders;
- (e) The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods;
- (f) The mode of purchasing the goods or placing orders for goods; and
- (g) Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks.

Case Law: *Win Medical P. Ltd. V. Marigold Pharma Ltd.* Delhi:

www.indiankanoon.org/doc/1355478/ - Plaintiff is owner of registered trade mark "Betadine" and "Eezo-betadin" in relation to 10 medicinal and pharmaceutical preparations. The defendant started marketing the same product under trade mark "Beectadine", Defendants were restrained from manufacturing and marketing products under "Beectadine" or any other trade mark similar or deceptively similar to the plaintiff's.

Marks held to be deceptively similar

1. "Lakshmandhara" and "Amritdhara". AIR 1963 Supreme Court 449.
2. "Simatul" and "Ambal", AIR 1970 Supreme Court 46.
3. "Formis" and "Charmis". AIR 1979 Cal. 133.
4. "Trevicol" and "Fevivol". AIR Delhi 155.
5. "Beplex" and "Belplex" AIR 1989 P & H. 430.
6. "Betadine" and "Beccatadine" www.indiankanoon.org/doc/1355478/.

RIGHTS CONFERRED BY REGISTRATION Question

1. What are the rights conferred by registration of trade mark under Trade Marks Act, 1999? Section 28. Rights conferred by registration—Under Section 28 the registered proprietor of trade mark has:

1. the exclusive right to use the trade mark in relation to the goods or services in respect of which the trade mark is registered; and
2. the right to obtain relief in respect of infringement of trade mark;

3. such right is subject to any conditions and limitations imposed on the registration and entered on the register;
4. where two or more persons are registered for identical or nearly resembling marks, the exclusive right does not operate against each other, i.e. if a identical or nearly resembling trade marks are registered by more than one person, none of them can restrain the other or others from using the trade mark.

Goods and services in respect of which trade marks may be obtained are mentioned in Fourth Schedule.

Registration prima facie evidence of validity—Section 31 enacts that, 'in all legal proceedings relating to the trade registered trade mark the original registration of trade mark and of all subsequent assignments and transmissions of the trade mark shall be prima facie evidence of the validity of registration'.

In an action for infringement of mark, the registered proprietor is not required to prove the use or reputation of his mark, the fact of registration in the name of proprietor is sufficient proof of his proprietorship.

For commencing legal proceedings for infringement by proprietor of trade mark or for obtaining registration abroad apart from production of certificate of registration, the production of certified copy of entry in the register is obligatory.

Right to assign trade mark and give receipts—Under Section 37, the person entered as the proprietor of trade mark has power to assign the trade mark, and give effectual receipts for any consideration for such assignment.

Right to get trade mark altered—The registered proprietor of trade mark under Section 22 has right to apply to Registrar for leave to add or alter the trade mark in any manner not substantially affecting the identity of trade mark.

Right of registered user to institute proceedings for infringement—Under Section 52, a registered user of trade may institute proceedings for infringement in his own name as if he were the registered proprietor, making the registered proprietor a defendant.

ASSIGNMENT AND TRANSMISSION OF TRADE MARKS Questions

1. Write short not on assignment of trade mark.
2. Write short note on assignment and transmission of trade mark.
3. Define the term trade mark and explain the procedure for assignment and transmission of trade mark.
4. Write short note on assignment and transmission of trade mark.
5. Define the trade mark and explain the procedure for assignment and transmission of trade mark.
6. Write short note on assignment and transmission of trade mark.
7. Describe in detail the provision for transmission and registration of trade mark.

A trade mark is considered to be movable property. Like any other movable property, right in trade mark is assignable and transferable. Chapter V of the Act containing Sections 37 to 46 state the procedure for assignment and transmission of trade mark.

Section 37. Power of registered proprietor to assign and give receipts—under this provision, the right of registered proprietor of trademark to assign a trade mark and to give effective receipts for any consideration for such assignment is stated.

Procedure—a joint application for assignment or transmission to trade mark by the proprietor and the transferee is to be made in Form TM 23. An application only by assignee for assignment

is to be made in Form TM 24 by enclosing, in both the cases, the instrument of assignment or transmission.

Section 38. Trade mark to be assignable and transmissible with or without goodwill—a registered trade mark is assignable and transmissible with or without goodwill of the business concerned in respect of all the goods and services or in respect of a pan of goods or services. The provision is in conformity with Article 21 of TRIPS agreement. Article 21 mandates that the owner of a registered trade mark shall have a right to assign the trade mark with or without the transfer of business to which the trade mark belongs.

Though a proprietor of trade mark has liberty to assign the trade mark without the good will, such assignment is not practicable. The reason for this is that a trade mark cannot be conceivable in isolation from goods or services,

Case Law: *Pinto v. Badman* (1891) S RPC 317. Try L.J. has summed up the principle thus. "The brand is an indication of origin and if you transfer an indication of origin without transferring the origin itself, you are transferring a right, if any at all, to commit fraud upon the public and such right is not recognized by law of England."

Goodwill—"goodwill" is not defined in the Act. The dictionary meaning of noun 'friendly or helpful feeling or attitude' is not of much help. The meaning of the noun as explained in various judgments "Goodwill must mean every advantage that has been acquired by the old firm by carrying on its business, every thing connected to the premises and the name of the firm, and everything connected or carry ing with it the benefit of the business. "-*Churton v, Dogules*, 7 WR 365.

"Goodwill includes whatever adds to the value to a business by reason of situation, name and reputation, connection, introduction to old customers, and agreed absence from competition- or any of these things, and there may be others which do not occur TO me." *Commissioner of Inland Revenue v. Midler & Co.* (1901) A.C. 217.

Section 39. Assign ability and transmissibility of unregistered trade marks—an unregistered trade mark may be assigned or transmitted with or without the goodwill of the business concerned.

Section 40. Restriction on assignment or transmission where multiple exclusive rights would be created- no trade mark shall be assignable or transmissible in a case in which as a result of the assignment or transmission there would in the circumstances subsists exclusive rights in more than one of the persons concerned to the use, in relation to:

- (a) same goods or services;
- (b) same description of goods or services;
- (c) goods or services or description of goods or services which are associated with each other. of trade marks nearly resembling each other or of identical trade mark, if having regard to the similarity of the goods and services and to the .similarity of trade marks, the use of the trade marks in exercise of those rights would be likely to deceive or cause confusion.

Section 41. Restriction on assignment or transmission when exclusive rights would be created in different parts of India—the provision lays down restriction on assignment or transmission so as to prevent splitting of rights of a trade mark on a territorial basis and creating rights on different persons in different parts of India.

Section 42. Conditions for assignment otherwise than in connection with the goodwill of a business—an assignment without goodwill of business will not take effect unless the assignor obtains the direction of the Registrar and advertises the assignment as per Registrar' s directions.

Section 43. Assignability and transmissibility of certification trade marks—a certification trade mark shall not be assignable or transmissible without the consent of Registrar.

Section 44. Assignability and transmissibility of associated trade marks—associated trade marks shall be assignable and transmissible only as whole and not separately.

Section 45, Procedure for assignments and transmissions of trade marks—An application to register the title of a person who becomes entitled by assignment or transmission to a registered trade mark shall be on Form TM 23 or TM 24.

DECEPTIVE SIMILARITY

The purpose of trade mark is to give a distinct identity to the goods or services. Every trade mark, like each individual digit, should not only be unique, but must be easily distinguishable by consumer of average intelligence.

Definition

Section 2 (h). "A mark shall be deemed to be deceptively similar to another mark if it so nearly resembles that other mark as to be likely to deceive or cause confusion".

Under Section 11 a trade mark shall not be registered if, because of—(a) its similarity with an earlier trade mark and similarity of goods or services covered by the trade mark; or (b) its similarity to an earlier trade mark and the identity or similarity to the goods or services covered by the trade mark there exists likelihood of association with earlier trade mark.

Section 11 thus far prohibits registration of mark having deceptive similarity with an earlier trade mark relating to similar goods or services covered by registration of trade mark and mark sought to be registered. Sub-Section (2) of Section 11 even prohibits registration of such mark for goods or services which are not similar to those for which the earlier trade mark is registered in the name of different proprietor if or to the extent the earlier trade mark is well known trade mark in India and the use of later trade mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.

Case Law: Remidex Pharma P. Lid. v. Savita Pharmaceuticals P. Ltd., 2006 (3) R.A.J. 417 (Delhi)- following test is stated for determination of deceptive similarity between [wo marks by the Court, "The words must be compared as whole and while comparing the marks,, greater regard should be paid to the uncommon element in the two marks and upon such comparison if it is found that the uncommon elements are so dissimilar as cannot be confused with each other, then the conclusion would be that the marks are not deceptively similar". **Elements of deceptive similarity**—following are elements brought out in clear relief by various decisions of the Supreme Court and the High Courts—

Cadila Health Care v. Codila Pharmaceutical Ltd., Supreme Court—

(a) The nature of marks i.e. whether the marks are word marks or label marks or composite marks:

(b) The degree of resemblance between the marks, phonetically or in idea;

(c) The nature of the goods in respect of which they are used as trade marks;

Case Law; Esso Co. Sanitations, Delhi v. Mascot Industries. AIR 1982 Delhi 308-the High Court laid down factors for determination of deceptive similarity between two trade marks:

(a) nature of marks;

(b) the degree of resemblance between the marks; phonetic, visual as well as similarity in idea;

(c) the nature of goods in respect of which they are used or are likely to be used as trade marks;

(d) the similarity in the nature, character and purpose of goods of the rival traders;

(e) the class of purchasers who are likely to buy the goods bearing the marks, their level of education and intelligence, and the degree of care they are likely to exercise in purchasing the goods; and

(f) other surrounding circumstances.

Case Law: Hiralal Prabhu Das v. Ganesh Trading Company, AIR 1984 Bom. 218, the Court in this case reiterated the following principles:

(a) marks are remembered by general impressions by some significant detail rather than by a photographic recollection of the whole.

(b) overall similarity is the touchstone,

(c) marks must be looked at from the first impression of a person of average intelligence and imperfect recollection;

(d) overall structure, phonetic similarity and similarity of idea are important and both visual and phonetic tests must be applied;

(e) marks must be compared as a whole, microscopic examination being impermissible; and

(f) the broad and salient features must be considered for which the marks must be placed side by side to find out differences in design.

Marks held to be deceptively similar—following are some of marks declared to be deceptively similar by Supreme Court and High Courts:

1. "Laksnmandhare" and "Amritdhara"-AIR 1963 Supreme Court 449.

2. "Andal" and "Ambal"-AIR 1970 Supreme Court 46.

3. "Simatul" and "Cibatul"-AIR Gujarat 1978 216.

4. "Trevicol" and "Fevicol"-AIR 1979 Delhi **155**.

5. "Calmpose" and "calmprose"-AIR 1989 **Delhi 44. Mark held not to be similar:**

(a) "Crechlor" and "Rtc'our" both pharmaceutical preparation of Chloromphenical-E. **R. Squibb and Sons V Curewell India Ltd.**, AIR 1987 Delhi 197.

(b) "Lumindon" and "Luminal" medicinal-Indo Pharma Pharmaceutical Works P. Ltd. v.

Farbenfabriken Bayer, AG 1975 RPC 545.

PASSING-OFF ACTION Questions

1. Discuss the law relating to infringement of passing-off of trade mark.

2. Discuss the difference between infringement and passing-off with reference to Trade Marks law.

3. Discuss the law relating to infringement and passing-off of trade marks.

4. Compare and discuss the remedies of infringement and passing-off in relation to trade marks.

Discuss procedure for such remedies, viz. who can file suits, parties, jurisdiction etc. 5. Discuss

the law relating to infringement and passing-off of trade marks. How does the remedies differ?

The action of passing-off as such is not defined anywhere in the Act. The following sections

refer to passing-off in the context mentioned therein.

Section 27 (1) of the Act provides the general law that, an action for infringement lies only in relation to a trade mark which is registered.

Section 27 (2) of the Act, recognizes the right owner of an unregistered trade mark under which the owner of a mark does have a common law right against any person for passing off his goods as the goods of such another person or the services provided by him as that of such another person.

Section 134 (1) (c)-laying down jurisdiction of Court enacts that suit for passing-off arising out of the use by the defendant of any trade mark which is identical with or deceptively similar to the

plaintiff's trade mark, whether registered or unregistered shall not be instituted in any court inferior to a District Court having jurisdiction to try the suit.

Section 135 (3) (c) states the circumstances in a passing-off suit where the court shall not grant relief by way of damages or on account of profits.

Passing-off, meaning—selling one's goods or rendering one's services under a mark that belongs to another is called 'passing-off. For example, 'A' manufactures his cosmetics under the brand name of 'Chimpu'. The attempts of 'B' at selling cosmetics manufactured by him under the brand name of 'Dampu' amounts to committing offence of passing off. Here 'A' does have a right of action against 'B' for passing-off his cosmetics under brand name 'Dampu'.

The basis for passing-off is false representation. The plaintiff in passing-off action has to show that the act of the defendant is calculated to passing-off the goods of defendant as that of the plaintiff.

Object of law of passing-off: the following are the broad objects of the law of passing-off—

- (a) protection of interest of trade mark owner;
- (b) protection of interest of consumer;
- (c) promotion of fair dealing in market; and
- (d) protection of commercial morality,

Elements of passing-off—elements necessary to obtain relief of passing-off action are:

- (1) reputation of goods passed off,
- (2) actual or possible deception,
- (3) likelihood of damages to plaintiff.

Case law: *Ranjit Singh v. Jaswant Singh*. AIR 1975 P & H 121-The general principle of law of 'passing-off is that no man is entitled to represent his goods as being the goods of another man and no man is permitted to use any mark, sign or symbol, device or other means, whereby without making a direct false representation by himself to a purchaser who purchases from him, he enables such purchasers to **tell** a lie or **to** make a false representation to someone else who is the ultimate customer.

Ingredients of passing-off—Lord Diplock in *Erven Warnink v. Townend* [(1980) RFC 31] stated following essential ingredients of passing-off:

1. misrepresentation,
2. made in the course of trade,
3. to prospective customers or ultimate customers of goods or services,
4. calculated to injure the business or good-will of the plaintiff,
5. actual damage to business or good-will of plaintiff. The necessary elements that emerge from various judgments pronounced by House of Lords are:
 - (A) the plaintiff's goods or services have acquired a good-will or reputation in the market and are known by some distinguishing feature or features;
 - (B) that there is misrepresentation by the defendant leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and
 - (C) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

Though misrepresentation by the defendant is one of the essentials for an action of passing-off, in the following cases direct misrepresentation is held to be of no help to the defendant:

1. where a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among the buyers of goods or users of services; and

2. such buyers or users will mistakenly infer from the defendant's use of the name, mark or other feature which is same or sufficiently similar to the defendant' s goods or services as that of plaintiffs.

Illustrative cases:

1. Aktiebolaget Volvo v. Volvo Steels Ltd.-1998 PTC (18) Bom. (Division Bench) 47-

Defendant was using the trade mark 'Volvo' which was similar to the plaintiffs. Defendant restrained from making use of mark 'Volvo'.

2. Yahoo Incorporation v. Akash Arora -1999 PTC (19) 201- Plaintiff and defendant in same class of business. Plaintiff using 'Yahoo' as domain name. Defendant using 'Yahoo India'. Defendant restrained from making use of 'Yahoo India'.

3. **Rupa and Co. Ltd. v. Dawn Mills Co. Ltd.,-1999 PTC (19) 334-**Plaintiff using trade mark of 'Dawn' for undergarments. Defendant registered trade mark 'Don'. Defendant dealing in undergarments restrained from using trade mark 'Don'.

4. **Himalaya Drug Co. v. Fufic Ltd., AIR 2004 Bom 278-**"Shallaki" was registered trade mark for medicinal preparation. The defendant used the same trade for their idetical products. The defendant was restrained from using the registered trade mark.

Distinction between 'passing-off and 'infringement'

Infringement of Trade mark	Passing-off
1. Infringement is always of registered trade mark.	Passing-off can be in relation to mark that is not registered.
2. Action for infringement is statutory remedy	Action for passing-off is common law remedy
3. Unauthorized use of trade mark is essential in action for infringement	Not so in case of passing-off.
4. Possible or actual damages to the an action for infringement of trade mark	Possible or actual damages to The business of plaintiff are essential in action for passing-off.

INFRINGEMENT OF REGISTERED TRADE MARK

Section 29 containing clauses (1) to (9) states what amounts to infringement of trade marks.

Clause (1) lays down that where a mark identical with or deceptively similar to registered trade mark is used by a person not authorized to use it in relation to goods or for services for which the trade mark is registered, it amounts to infringement of registered trade mark. Provided the mark is used in a manner that is likely to render the use of the mark as being used as trade mark. In other words, use of a registered trade mark in respect of goods or for services by any person other than authorized person amounts to infringement of the registered trade mark.

Elements to constitute infringement:

1. The trade mark in question is registered.
2. The infringing mark is identical with, or deceptively similar to the infringed trade mark.
3. The infringing mark is used in the course of trade for goods or services covered by the registered trade mark.
4. The use of infringing mark is in such manner that is likely to be taken as being used as a trade mark.
5. The use of trade mark is not authorized.

Clause (2) states, a registered trade mark is infringed if the unauthorized use of mark is likely to cause confusion on the part of the public, or is likely to have an association with the registered trade mark, due to:

- (a) its identity with the registered trade mark and similarity of the goods or services covered by registered trade mark; or
- (b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such trade mark; or
- (c) its identity with the registered trade mark and the identity of goods or services covered by such trade mark is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.

Under clause (4) a registered trade mark is infringed by use of mark which is identical or similar to the registered trade mark by an unauthorized person even when it is used in relation to goods or services which are not similar to those for which the trade mark is registered. Provided the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

Under clause (5) use of trade mark by a person as:

- a) his trade name or part of trade name, or
- b) name of his business concern or part of the name dealing in goods or services for which the trade mark is registered amounts to infringement of trade mark.

Clause (6) states the following acts which constitute using of registered trade mark:

- (a) affixing it to goods or packaging of goods;
- (b) offering or exposing goods for sale, putting them on market, stocking them for those purposes under the registered trade mark, of offering or supplying services under the registered trade mark;
- (c) importing or exporting goods under the trade mark; or
- (d) using the registered trade mark on business papers or in advertising.

Clause (7) provides that a registered trade mark is infringed by a person who without any lawful authority applies such registered trade mark to material intended to be used for labeling or packaging goods, as a business paper, for advertising goods or services.

Clause (8) provides that a registered trade mark is infringed by any advertising of that trade mark if such advertising:

(a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or

(b) is detrimental to its distinctive character: or

(c) is against the reputation of the trade mark.

Under Clause (9), where the distinctive elements of a registered trade mark consist of words the trade mark may be infringed by the spoken use of those words as well as by their visual representation. Where a trade mark consists of spoken words it can be infringed by oral representation also.

Limitation for action against infringement-the period of limitation prescribed under the Limitation Act, 1963 is three years from the date of infringement.

Ingredients of infringement

(a) Registered trade mark- The infringed trade mark is registered.

(b) Unauthorized use of trade mark-The trade mark is used by person other than the proprietor or authorized user.

(c) Use of trade mark-Use of trade mark by defendant in altered form.

(d) Use in the course of trade-Such use of trade is in the course of trade for which it is used by its proprietor.

(e) Identity or similarity of trade mark-The infringing trade is identical or similar to registration trade mark.

(f) Causing of confusion-Infringement of trade causes confusion on the part of purchasers.

Factors of Infringement

Madras High Court in Wockhardt Ltd. v Aristo Pharmaceuticals Ltd. (1999) PTC 540, holding the defendant's trade mark "SPASMO-FLEXON" deceptively similar and phonetically similar to "SPASMO-PROXY VON" laid down the following law:

1. The registered proprietor of a trade mark has exclusive right to the use of the trade mark in relation to goods or services in respect of which the trade mark is registered and to obtain relief in respect of infringement of the trade mark in the manner provided by the Act.
2. Whether it is decriptive or is in public domain a question of fact to be established.
3. When a number of marks all have a common element, may it be prefix, suffix or root, i.e. essential part or the core of the mark, they come to be associated in the public mind as an indication of the same source, which misleads or causes deception or confusion.
4. It is common element that has to be identified in an impugned mark and the registered trade mark and if such common element is highly distinctive and is not just description or a commonly used word, the likelihood of deception or confusion would be very much there, despite the fact that it may differ in similarity in certain letters.
5. The question has to be approached from the point of view of an unwary purchaser and not from the point of doctors' s prescription or advice or chemists, druggist or pharmacists, as they may do it in a craze to clear the commodity because it treats the same ailment. In such a situation, there may be likelihood of deception or confusion with anxiety of the dealer to cause confusion of the consumer.
6. The nature of commodity, the class of purchasers, the mode of purchase and other surrounding circumstances must also be taken into account.
7. Mark must be looked at from the first impression of a person of average intelligence and imperfect recollection.
8. Mark must be compared as a whole, microscopic examination being impermissible.

9. The broad and salient features must be considered, for which the marks must be placed side by side to find out the differences in design.

10. Overall similarity is the touchstone.

11. It is not the colour of the container or the difference in the product, but it is the statutory right to the word that has to be weighed.

12. The plaintiff need not in general show strong prima facie case and the prima facie case that is required to be shown must be something more than a case that will avoid being struck out as frivolous or vexatious.

13. Even if the chance of success at the trial is only twenty per cent, the statutory protection is absolutely necessary by way of an injunction in order to prevent confusion or deception arising from similarity of marks.

14. Similar trade marks being used by others is no defense. **Persons entitled to sue for infringement**—Following affected persons are entitled to file suit for infringement: i) registered proprietor of trade mark, ii) legal successor of registered proprietor, iii) registered user of trade mark subsequent to issuing of notice to registered proprietor if the said proprietor fails to take any action,

iv) an applicant for registration of trade mark, v) in case the trade mark is owned jointly any of the joint proprietor, vi) a foreign trade mark registered in when infringement takes place in India.

Person liable to be sued—Suit for infringement lies against following person for infringement of trade mark—or the provisional infringer of trade mark; or ii) the master responsible for his servant's acts of infringement,

or

iii) the agent of infringer, or

iv) the director or promoters of a limited company, if they have personally committed infringement.

Exceptions to use of trade mark by persons other than the proprietor

Section 30 of the Act exempts following acts from the preview of infringement—

1. Honest practice—where the use of trade mark is in accordance with honest practices in industrial or commercial matters.

Case Law: Britisk Sugar PLC V. James Robinson & Sons Ltd., (1996)R.P.C. 281—the plaintiff was proprietor of trade mark "TREAT". Plaintiff brought an action against defendant for use of the same. Chancery Division held that, if the plaintiff wished to use a common term as a trade mark, that trade mark could not be infringed by another person using the same term in a descriptive way in relation to another product.

2. No unfair advantage—where the use of trade mark is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of the trade mark.

3. To indicate kind, quality etc—where the use of trade mark is to indicate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services.

4. Use of trade mark as person conditions—where a trade mark is registered subject to conditions or limitations, use of trade mark out of the scope of such conditions or limitations shall be construed as an infringement. [Section 30 (2) (b)]

5. Trade mark applied by proprietor—There is no infringement, if the use of trade mark is in relation to genuine goods and in respect of which the registered proprietor or the registered user has applied the mark and has not subsequently removed or obliterated it, or has consented to the use of the mark.

6. Indicate source of services—where the purpose and effect of the use of the mark is to indicate that those services has been preformed by the proprietor of trade mark if the trade mark is applied by its proprietor.

7. Application of trade mark to spare parts—where use of the registered trade mark is necessary in relation to genuine spare parts or accessories and neither the purpose not the effect of the use of the trade mark is to cause any confusion as the trade origin.

8. Identical or similar trade mark—use of registered trade mark being one of two or more registered trade marks which are identical or similar, in exercise of the right to use of that registered trade mark.

9. Lawful acquisition of goods—Where the goods bearing a registered trade mark are lawfully acquired by a person, the sale of the goods in the market by that person is not infringement of a trade mark if the registered trade mark was assigned by the registered proprietor to some other person.

Apart from the above circumstances in the following cases use of registration of trade mark shall not be considered infringement.

10. Acquiescence—where the proprietor of earlier trade mark acquiesced for continuous period of five years in the use of a registered trade mark he shall not allowed:

- (a) to seek declaration that the registration of the later mark is invalid, or
- (b) to oppose the use of later trade mark in relation to goods or services for which it has been used.

Illustration: 'A' is using trade mark "X" which in not registered for his goods. "B' obtains registration of trade mark "X" in the year 2000.

Following proposition can be formulated based on above illustration

1. 'A' having knowledge of registration of trade mark "X" since the year 2000. A is not entitled to an action of infringement in the year 2006 against B for use of trade "X".
2. 'B' is equally not entitled to an action of infringement against 'A' for use to trade mark "X"
3. Where 'A' can prove that 'B' has obtained registration of trade mark "X" not in good faith, A is entitled to injunction against B.

Delay no ground for refusal of injunction

Case Law: Hindustan Pencil P. Ltd. v. India Stationery Products Co. AIR 1990 Delhi 19. If the defendant acts fraudulently with the knowledge that his violating plaintiff s rights then in that case, even there is inordinate delay on the part of plaintiff in taking action against the defendant, the relief of injunction is not denied.

11. Earlier use—Where a mark identical or similar to registered trade mark is being used from an earlier date to registration of trade mark, the proprietor of such trade mark cannot restrain the use of earlier trade mark.

To invoke the protection of this provision following ingredients are essential:

- (a) the mark must be identical with or nearly resembling the registered trade mark;
- (b) the user claimed is from a date earlier to the use of the registered trade mark or the date of its registration;
- (c) such continuous use is in relation to those goods or services covered by the registered trade mark; and
- (d) the user is by the proprietor or his predecessor in title.

12. Use of name, address or description of goods or services— The use by a person of his name or the name of his predecessor in business, his place of business or bona fide description of

character or quality of goods or services cannot be restrained as infringing registered trade mark by a proprietor of trade mark.

Case Law: Woodward Ltd. v. Boulton Macro Ltd., (1950) 32 RPC 173-The Act law recognizes and preserves the right which every man has to use his own name, provided that the user of it is not in any way fraudulent, and to apply to his goods any bona fide description to their character or quality.

Passing-off and infringement of trade marks

Passing-off of trade mark	Infringement of Trade mark
1. Passing-off action originates from common law principle that no trader has any right to represent his good or services a belonging to another	Right against infringement of trade mark accrues by registration of trade
2. Action of passing-off is common law right	Action for infringement is statutory right.
3. To establish passing-off, the plaintiff has to first prove that his trade mark has acquired reputation and is well established.	In an action for infringement the plaintiff has to prove only the registration of trade mark. Land owner
4. In an action for passing-off the actual use of trade mark by defendant is not essential	In an action for infringement the actual use of trade mark is essential
5. An action for passing-off is basically an action for deceit	The action for infringement of trade mark is statutory remedy conferred on the registered proprietor of trade mark for enforcement of his rights
6. In case of passing-off the defendant may escape liability if he can show that the added material is sufficient to distinguish his goods from those of plaintiff.	In an action for infringement the plaintiff must make out that the use of the defendant's mark is likely to deceive but where the similarity between the plaintiffs and defendant's is so close either visually, phonetically or otherwise and the Court reach the conclusion that there is an imitation, no further evidence required to establish that the plaintiff's right is violated.
7. In case passing-off the defendant may escape liability if he can show amount that the added matter is sufficient to distinguish his goods from those of the plaintiff's.	In case of infringement once a mark of added matter intended to show the true origin of the goods can affect the question.
8. In passing off action addition get up or trade-dress might be relevant to enable the defendant to escape.	In case of infringement such facts do not assume relevance.
9. In passing-off action the degree of similarity of name, mark or other features concerned is important but not necessarily decisive	

Remedies for Infringement of Trade Marks

Remedies that are available to a proprietor of registered trade mark can be categorized into:

- A. Civil remedies.
- B. Criminal proceedings.
- C. Administrative proceedings. **Civil remedies**

Following remedies are available to plaintiff for infringement of his trade mark and passing-off action:

- (1) injunction to restrain infringement,
- (2) damages or account of profits,
- (3) an order for delivery-up of infringing labels and marks for destruction or erasure.

Injunction

Depending on relief sought and granted remedy of injunction is further categorized into:

- (a) Injunction proper;
- (b) Anton Piller order;
- (c) Mareva Injunction;
- (d) Interlocutory injunction; and
- (e) Perpetual injunction.

Injunction proper: The law relating to injunction is contained in Sections 36 to 42 to the Specific Relief Act and Order XXXIX Rules 1 to 5 of Civil Procedure Code.

Definition—An injunction is specific order of the Court forbidding the commission of a wrong threatened or the continuance of a wrongful course of action already begun—**State of Rajasthan v. R.D. Singh, AIR 1972, Raj. 241.**

Injunction is a judicial process whereby a party is ordered to refrain from doing or to do a particular act or thing—Halsbury's Law of England.

The purpose of injunction is both to prevent a wrong and remedy a wrong committed. It is either temporary or perpetual forming a part of decree made at a hearing upon merits. The defendant in case of perpetual injunction is permanently restrained from the assertion of a right, or perpetually restrained from the commission of an act contrary to equity and good conscience.

Interlocutory injunction—Interlocutory injunction is an order whereby the defendant is ordered by the court to refrain from infringing the trade mark till the defendant makes his appearance in the court. This order may be made either prior or subsequent to a notice to the defendant. For obtaining the relief of interlocutory injunction, the plaintiff is required to make full disclosure of material facts to the court which are necessary to exercise this power. Interlocutory injunction continues until the hearing of the cause upon the merits, or until further orders. Interlocutory injunction is not granted as a matter of right. The plaintiff is required to establish a prima facie case in his favour.

An interlocutory order or judgment is one made or given during the progress of an action, but which does not finally dispose the rights of the parties.—Wherton's Law Lexicon.

Object—Where the loss to the plaintiff cannot be compensated in terms of liquidated damages due to likely infringement, court grants this type of injunction.

Perpetual injunction—This is the injunction that is granted after conclusion of trial. It forever restrains the defendant from infringing the trade mark of plaintiff.

Anton Filler Order—Where there is threat of the defendant destroying, disposing of or shifting incriminating material, the Court on an application made by plaintiff orders inspection of the premises of the defendant.

Conditions necessary—Following preconditions are required to be present for obtaining Anton Filler order.

1. Strong prima facie case in favour of plaintiff.
2. Likelihood of irreparable damage to plaintiff.

user or other civil matters are concerned, it is desirable that the dispute is taken to civil court.

Case Law: Hiralal Chowthmal; AIR 1950 Assam 202-Parties should not be encouraged to resort to criminal courts in cases in which the points at issue between them are such that they can more appropriately be decided by a civil court.

Meaning of applying trade marks and trade description— a person is deemed to apply a trade mark or mark or trade description to goods or services, who:

- a) applies it to the goods themselves or uses it in relation to services; or
- b) applies it to any package in or with which the goods are sold, or exposed for sale, or had in possession for sale or for any purpose of trade or manufacture; or
- c) places, encloses or annexes any goods which are sold, or exposed for sale, or had in possession for sale or for any purpose or trade or manufacture, in or with any package or other thing on which a trade mark or mark or trade description has applied.
- d) Uses a trade mark or mark or trade description in any manner reasonably likely to lead to the belief that the goods or services in connection with which it is used are designated or described by that trade mark or trade description; or
- e) In relation to goods or services uses a trade mark or trade description in any sign, advertisement, invoices, catalogue, business letter, business paper, price list or other commercial document and goods are delivered or services rendered to person in pursuance of a request or order made by reference to trade mark or trade description.

f) a trade mark is deemed to be applied to goods, whether it is woven in, or impressed on or otherwise worked into, or annexed or affixed to the goods or to any package or other thing.

Falsifying trade marks. Following act amounting to falsifying trade marks.

Making a trade mark or deceptively similar trade mark without the assent of the proprietor of trade mark; falsifying a genuine trade mark, by alteration, addition, effacement or otherwise.

Falsely applying trade marks—there are two distinct offences stated under this head.

1. Applying falsified trade mark or deceptively similar mark to goods or services or any package containing goods.
2. Using any package bearing a mark which is identical with or deceptively similar to the trade mark of the goods for packing, filling or wrapping any goods other goods.

Illustration; Packing dairy products bearing brand name 'Dampu' in packages bearing mark 'Chimpu' amounts to the offence of 'falsely applying trade mark'.

Burden of proving—in prosecution for the above offence the burden is on accused to prove the assent of the proprietor of trade mark.

Defense—assent from the proprietor of trade mark is complete defense available to the accused.

Penalty for applying false trade marks and trade description—any person who...

1. falsifies any trade mark; or
2. falsely applies to goods or services any trade mark; or
3. makes, disposes of, or has in his possession, any die, block, machine, plate or other instrument for the purpose of falsifying or for being used for falsifying, a trade mark; or
4. applies any false trade description to goods or services; or
5. applies to any goods to which an indication of the country or place in which they were made or produced or the name and address of the manufacturer or person for whom the goods are

manufactured is required to be applied under Section 139, a false indication of such country, place, name or address;

6. or tampers with, alters or effaces an indication of origin which has been applied to any goods which it is required to be applied under Section 139; or

7. causes any of the above things is liable to be punished with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees unless he proves that he acted, without intent to defraud. **Penalty for selling goods or providing services to which false trade mark or false trade description is applied** A person who... i) sells or exposes for sale, has in his possession for sale goods or things; ii) lets for hire or hires, or provides or hires services to which false trade mark or trade description is applied, or to which an indication of the country or place in which they were made or produced etc. required to be applied under Section 139, are without the required indications is punishable with imprisonment which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees unless he proves that:

(a) he had at the time of commission of alleged offence no reason to suspect the genuineness of trade mark or trade description or that any offence had been committed in respect of the goods or services; or

(b) that, on demand by or on behalf of the prosecutor, he gave all information in his power with respect to the person from whom he obtained such goods or things or services; or

(c) that otherwise he acted innocently.

Enhanced penalty on second and subsequent convictions for commission of above stated offences

A person who has been convicted for above stated offences is again convicted of any such offence is punishable with imprisonment for a term which shall not be less than one year but with may extend to three years and fine which shall not be less than one lakh rupees but may extend to two lakh rupees.

Penalty for removing piece goods—if any person removes or attempts to remove for sale goods or cotton yarn or cotton threads that are not marked in accordance with the provisions of Section 81 of the Act, all such goods shall be forfeited to the Government and the person shall be punishable with fine.

Penalty for falsely representing a trade mark as registered—Section 107 prohibits false representation of trade mark as registered and prescribes punishment for a term which may extend to three years, or with fine, or with both.

Improperly describing a place of business as connected with the Trade Marks Office

Section 108 prescribes punishment of imprisonment for a term which may extend to two years, or with fine, or with both for improperly describing a place of business as connected with the Trade Marks Office.

Falsification of entries in the register

Section 109 provides punishment of imprisonment of period extending to two years or fine or with both for falsification of entries in the register.

Forfeiture of goods

Section 111 empowers the Court to direct the forfeiture to Government of all the goods relating to which an offence under Sections 103,104 or 105 is committed.

Section 113. Procedure where invalidity of registration is pleaded by accused—This Section provides that where the offence charged under Sections 103, 104 or 105 stated above, in relation to registered trade mark and the accused pleads invalidity of registration of trade mark, the criminal proceedings shall be stayed in certain circumstances, namely:

- (a) The court is satisfied that the defence of accused is prima facie tenable.
- (b) The accused proves to the court that he has filed necessary application before Appellate Board challenging the registration.

The principle of law is that, where the dispute between the parties can be decided more appropriately by a civil court, they should not be encouraged to resort to criminal courts.

Case Law: Mohammad Abdul Kader v. Finlay Fleming & Co. AIR 1928 Rang. 291—"It is for the person whose trade mark is infringed to complain of the infringement. Such a person has two remedies open to him. He can file a complaint in a criminal court, or he may get an injunction from a civil court. He may choose the former remedy as being the more expeditious. Whatever his reasons may be the choice is entirely his and it is not for the person who is alleged to have infringed on his rights to dictate to the owner or proprietor of the trade mark what remedy he shall seek. In a case of a private prosecution in which a civil or quasi civil right is involved, a Magistrate, naturally and properly is bound to stay his hand till a civil suit in which the same right in question is adjudicated upon, the judgment of Civil Court, whether binding or not, can always be tendered in the criminal case".

Section 115. Cognizance of certain offences and powers of police officers for search and seizer—Cognizance of following offences shall be taken only on complaint by the Registrar or on his behalf by a competent official.

- (a) Falsely representing a trade mark as registered. (Section 107)
- (b) improperly describing the place of business as connected with the Trade Marks Office. (Section 108)
- (c) Falsification of entries in the register. (Section 109)

Sub-Section 4 of Section 115, laying down procedure for search and seizure without warrant, enacts that a police officer not below the rank of Deputy Superintendent of police, if he is satisfied that a cognizable offence has been committed or is likely to be committed, may search and seize-without warrant-the goods, die, block, machine, plates or other instruments or things involved in the commission of offence after obtaining me opinion of Registrar.

Section 118. Limitation of prosecution—No prosecution for an offence shall be commenced after expiry of three years, following the commission of the offence or two years after the discovery thereof by the prosecutor, whichever is earlier. **Chapter XIII Miscellaneous**
Chapter XIII dealing with miscellaneous matters contain some important provisions as to stay of proceedings where validity of registration of trade mark is questioned, implied warranty on sale of marked goods, powers of Registrar, procedure of adducing evidence before Registrar, place where suit for infringement of trade marks may be filed, relief in suit for infringement or passing-off, remedy for groundless threats of legal proceedings, trade marks agents etc.

Part V

The Designs Act, 2000

The first enactment for regulation and registration of industrial designs, the Designs Act was passed in 1911. Due to quantum strides in science and technology the Act of 1911 found lacking in governing the designs activity in India. To meet the challenges of advancement in science and technology the Designs Act, 2000 is passed. The Act came into force on 11.05.2001.

Salient features of Designs Act, 2000

1. The scope of definition of "article" and "designs" is broadened. [Section 2 (a) & (d)].
2. The definition of designs specifically mentions things that are excluded from the scope of designs. [Section 2 (d)].
3. The office of the Controller of Designs is converged with the Controller of Patents, Designs and Trade Marks appointed under sub-Section (1) of Section 4 of the Trade and Merchandise Marks Act, 1958. [Section 3 (1)].
4. Certain designs are expressly prohibited registration. (Sec. 4).
5. Non-publication of design is made one of the statutory conditions for registration. [Section 5(1)].
6. Decision of Controller on any question arising as to the class within which any article falls is declared to be final. [Section 6(1)].
7. The Act enhances the initial period of registration from 5 to 10 years, to be followed by further extension of a period of five years. (Section 11).
8. Provision for restoration of lapsed designs is included. [Section 12 (1)J].
9. Procedure for cancellation of registration of patent obtained in violation of certain provisions is enacted [Section 19 (1)].
10. High Court is designated as appellate authority against any order of Controller in respect of rejection of registration under Section 19. [Section 19 (2)].
11. Where an application for a design has been abandoned or refused, the application and any drawings, photographs, tracings, representations or specimens left in connection with the application shall not at any time be open to publication or published by the Controller. (Section 28).
12. Controller is clothed with the powers of civil court in respect of any proceedings before him under the Act. (Section 32).
13. The Act makes provision for avoidance of certain restrictive conditions for the control of anti-competitive practices in contractual licences. (Section 42).
14. The Act makes provision for **reciprocal** arrangement with the United Kingdom and other convention countries or group of countries or intergovernmental organizations by an applicant for protection of design. (Section 44).
15. The Act makes provision for protection of security of India. (Section 46)

Object of the Designs Act

Designs Questions

1. What is "designs"? How it is protect under Designs Act?
1. Describe the procedure for registration of design. What is the effect of its registration?
2. The object of the Act is to protect novel designs devised to be applied to particular articles to be manufactured and marketed commercially.

Definitions

Article—"Article" means any article of manufacture and any substance, artificial, or partly artificial and partly natural; and includes any part capable of being made and sold separately.

Mark and design, comparison of—a mark and a design are quite different things, though both are capable of being represented graphically.

Distinction between "mark" and "design".

Design	Mark
1. A design forms part of the goods.	Mark is applied to the goods.
2. Purpose of design is to enhance aesthetics of the article in which it is applied.	Purpose of mark is to denote the origin of goods and services.
3. Right in design is for limited	Right in trade mark is perpetual unless abandoned by the proprietor.

Analysis of definition

Purely natural article is expressly excluded from the definition of article. An article comes within the purview of Section 2 (a) capable of being sold separately even if it be a part of another article.

Designs—"Designs" means only the features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article whether in two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye; but does not include any mode or principle of construction or anything which is in substance a mere mechanical device, and does not include any trade mark as defined in clause (v) of sub-Section (I) of Section 2 of Trade and Merchandise Marks Act, 1958 or property mark as defined in Section 479 of Indian Penal Code or any artistic work as defined in clause (c) of Section 2 of Copyright Act, 1957.

Analysis of definition

"Designs", the statutory meaning of 'designs' is distinct from that in which the word is used in common parlance in the sense of contrivance or method or process. Design must be capable of application on article only by industrial process or means. Thus, a painting by artist cannot fit into the frame of design under the Act. A design in finished article must appeal to and be judged solely by the eye, thus an article which is distinguished by feeling it in darkness is not design with the meaning of definition.

"Shape" and "configuration"

"Shape" imports and includes the external form of the article.

"Configuration" signifies the arrangement by which the shape of a composite article is arrived at. "Configuration" means the particular arrangement of a group of related things.

Case Law: Walls v. Atthahe (1932) 49 RFC 113 - The word 'shape' prima facie imports and certainly includes, the external form of the article, configuration conveys the idea, not of external form but of the construction of a composite article. The word 'configuration' imports the arrangement by which the shape of a composite article is arrived at.

"Pattern" and "Ornamentation".

"Pattern" and "Ornamentation" are usually synonymous. They are placed on the surface of an article for decoration.

Comparison between 'Shape' and 'Configuration' and 'Pattern' and 'Ornamentation'

Shape and Configuration	Pattern and Ornamentation
1. Shape and configuration are synonymous.	Pattern and ornamentation are synonymous.
2. An article can have no existence without shape and configuration	An article may be without any pattern or ornamentation on it.
3. Shape and configuration are three dimensional.	Pattern and ornamentation are two dimensional.
4. Shape and configuration have functional	Pattern and ornamentation may have

value	only decorative value
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By industrial process or means—the designs must be capable of being applied to articles by an industrial process or designs. In other words, the designs must allow the production of articles on mass scale.

Essential ingredients of a "design"

(a) A design in itself not subject of copyright—A design in itself is not subject matter of protection under designs law, What is protected is a design when applied to an article. Therefore copying or reproducing purely a design or reproducing such design is **not** culpable infringement of copyright in design. It is infringement only when the design is applied to an article. Afloral painting or drawing as such may be eligible for copyright protection as a work of art. To be qualified for protection as a design it must have been applied to an article, say readymade garment or piece of stationery.

(b) A design having functional value not eligible for protection—under Designs Act, 2000 a "design" means only the features of a shape, configuration, pattern, ornament or composition of lines or colours applied to any article. The essence of definition is, the design must not serve a function. For example, a manufacturer of pen produces a pen having a typical shape facilitating hold of person while writing. Such shape is not design under Designs Act. It may be protected as a patent but not as a design.

(c) Design applied only to specified articles—A design to be a "design" must be applied only to article of manufacture or any substance, artificial or partly artificial and partly natural including any part of article capable of being made and sold separately. A design in application to Nagpur oranges is not design but a design applied to cans of orange juice may be a design under the Act.

Things excluded from definition of designs

1. any mode or principle of construction or anything which is in substance a mere mechanical device, and
2. any trade mark as defined in Section 2 (1) (v) to Trade and Merchandise Marks Act, 1958[Section 2 (1) (zb) of the Trade Marks Act, 1999] property mark as defined in Section 479 of Indian Penal Code.

Novelty and originality—A design must be new and original. Novelty alone is not sufficient. There must be substantial originality as well as substantial novelty, and even if there be bare novelty, but there is insufficient originality, the application for registration ought not be allowed. Caron International's Design Application; (1981) RPC 179.

Case Law: Design as is generally understood refers to the features of shape, configuration, pattern or ornament when applied to an article. It is for this reason that designs such as these are described as Industrial Designs. It is these designs which are covered under the Designs Act. Designs can be two dimensional or three dimensional. While pattern or an ornament would ordinarily be applied to an article; shape and configuration, become the article itself. Designs in that sense relate to the non-functional features of the article. Therefore, by necessary corollary, a design which has functional attributes cannot be registered under the Designs Act. This is the essence of Section 2(d) of the Designs Act. The protection under the Designs Act is granted only to those designs which have an aesthetic value or otherwise appeal to the eye. There may be, however, cases where the design while fulfilling the test of being appealing to the eye, is also, functional. [Cow (P.B.) & Coy Ltd. Vs Cannon Rubber Manufacturers Ltd. (1959) RPCc 347]. In this case the diagonal ribs on a hot water bottle were both appealing to the eye as well as functional. They were functional in as much as they permitted the heat to be radiated without singeing the user. The conundrum of functionality was resolved by taking note of the fact that it

would make no impact on the articles functionality if, the ribs on the hot water bottle were either horizontal or vertical or even diagonal formations.

Registration of a design under the Designs Act creates a monopoly in favour of the registrant. A registration therefore, can be obtained only if it does not fall within the ambit of Section 4 of the Designs Act. Section 4 of the Designs Act describes negatively as to which designs cannot be registered. To put it positively designs which are new or original or which have not been pre-published, i.e., disclosed to the public either in India or abroad in a tangible form or by use or by any other way prior to the institution of an application for that purpose, or wherever applicable the priority date of such an application or, is significantly distinguishable from known designs or combination of known designs and does not contain scandalous or obscene matter, such a design, can be registered.

Thus in effect, after registration, the registrant has in its possession a copyright in an industrial design. By statutory fait, such industrial designs, which are registered under the Designs Act, are excluded from protection of the Copyright Act under Section 15(1) of the Copyright Act.

However, a copyright in any design which is capable of being registered under the Designs Act, shall have protection under the Copyright Act, till such time it is not reproduced more than 50 times by an industrial process by the owner of the copyright or with his license by any other person under Section 15(2) of the Copyright Act. This of course would be subject to the provisions of Section 13 of the Copyright Act, which enumerates the works in which copyright can subsist. Therefore, a design is registerable and is amenable to the protection of the Designs Act as long as it steers clear of the aspects referred to in Section 4 and is a design which fulfils the criteria prescribed under Section 2(b) of the Designs Act.

PROCEDURE OF REGISTRATION OF DESIGNS Questions

1. Describe the procedure for registration of design. What the effects of its registration?
2. Who can apply for registration of design? Discuss in detail the procedure for registration of design.
3. Discuss the procedure of registration of design, & its effect. **Ans:** Procedure for registration of designs as stated in Sections 5 to 10 and Rules 11 to 25 is simpler than registration of trademark or patent.

Persons entitled to apply for registration of design—under Section 5(1) any person claiming to be proprietor of any new or original design not previously published in any country and which is not contrary to public order or morality, may apply for registration of the design.

The Controller is required to refer application to examiner before registration to verify as the design is suitable for registration.

Section 5 provides for an application to be filed by a proprietor of a design which is not prohibited under Section 4 of the Act. The Controller of Designs under Section 5 of the Designs Act is empowered to verify this aspect by having the application for registration being referred to an examiner. The Controller's decision with regard to the registration of design in respect of any or all of the articles prescribed in a class of articles is final under the provisions of Section 6 of the Designs Act.

Proprietor of design—a proprietor of new or original design is any one of the following persons:

- (i) Where the author of the design for good consideration, executes the work for other person, means the person for whom the design is executed.
- (ii) Where, any person acquires the designs or the right to apply the design to any article, either exclusively of any other person or otherwise, means, in the respect and to the extent in and to

which the design or right has been so acquired, the person by whom the design or right is so acquired; and

(iii) In any other case, means the author of the design and where the property in or the right to apply the designs has devolved from the original proprietor upon any other person includes the other person.

Registration process consisted of following stages

(a) Submission of application—The proprietor of a design is required to file an application for registration in patent office accompanied by prescribed fee of Rs. 1000/- and in prescribed Form No. 1 in the prescribed manner.

(b) Class of design—a designs can be registered in not more than one class. The decision of Controller is Final in respect of any dispute as to class of any design. The Act classifies goods into 32 classes numbered 1 to 31 and 99 under Third Schedule, Rule 10.

(c) Acceptance/rejection—on consideration of the application if the Controller is satisfied that the applicant has fulfilled all the prescribed requirements, he shall register the design. The Controller may, if he thinks fit, refuse to register any design presented to him; but any person aggrieved by any such refusal is entitled to appeal to High Court.

(d) Abandonment of application—an application which owing to any default or neglect on the part of the applicant, has not been completed so as to enable registration within the prescribed time shall be deemed to have been abandoned.

(e) Date of registration—a design when registered shall be registered as of the date of the application for registration. [Section 5 (6)].

Publication of particulars of registered designs—The Controller shall as soon as may be after the registration of a design, cause publication of the prescribed particulars of the design to be published in prescribed manner after which the design shall be open to public inspection.

Certificate of Registration—Upon the completion of the aforesaid exercise, the Controller of Designs is entitled to issue a certificate of registration to the proprietor of the design under Section 9 of the Designs Act and thereafter in exercise of power under Section 10. enter the name and address of the proprietor of such a design alongwith any notification of assignment or transmission, in the Register of Designs.

Under Section 19, any person, who is interested, is conferred with the right to seek cancellation of a registered design on the grounds given in clause (a) to (e) of Sub-Section (1) of Section 19.

COPYRIGHT IN REGISTERED DESIGNS Questions 1. What is Copyright in Designs Act 2000? Who is the proprietor of a design?

Chapter III containing Sections 11 to 20 provide for confirmation of copyright in designs that are registered. State terms and procedure for extension of term of copyright in designs and procedure as to restoration of lapsed designs and cancellation of registered designs.

Term of registration, extension and copyright in registered designs

Duration of registration—registration of design will in the first instance be for a period often years from the date of registration. The period of registration can be extended by another five years.

Extension of registration—if, before the expiry of ten years application for extension of the period of copyright is made to the Controller, the Controller shall, on payment of the prescribed fee, extend the period of copyright for a second period of five years from expiration of the original period of ten years.

Restoration of lapsed designs—where a design has lapsed due to non-payment of fee for its extension, the proprietor of such design may within one year from the date on which the design

lapsed make an application for restoration of the design in the prescribed manner on payment of prescribed fee.

Statement of circumstance leading to failure of payment of fee—An application seeking restoration of lapsed design shall contain a statement, verified in the prescribed manner, fully setting out the circumstances leading to the failure to pay prescribed fee. The Controller may seek further evidence in this regard from the proprietor.

RIGHTS CONFERRED BY REGISTRATION

Copyright—by virtue of Section 11, the registered proprietor of a design acquires copyright in designs. As defined under Section 2 (c), copyright is exclusive right to apply design to any article in any class in which it is registered. The term of copyright is ten years at the first instance from the date of making the application, which can be extended by another five years. After expiry of fifteen years the copyright in designs extinguishes. Thereafter design becomes public property. The rights acquired on registration of design are summarized under—

- 1. Right of exclusive use**—the registered owner of design has copyright in the design registered for ten years. Acquisition of copyright means that such owner is empowered to restrain the use of design by others.
- 2. Right to acquire registration in respect of article in comprising in registered class**—a registered owner of design is entitled to obtain registration of the same design in respect of class of articles in same class in which he already holds registration.
- 3. Right to obtain certificate of registration**—when a design is registered the proprietor of design becomes entitled to a certificate of registration from Controller.
- 4. Right to have particulars entered in registration of designs**—the Controller is obliged to enter name and address of registered proprietor of design in the register of designs kept at the patent office.
- 5. Right to have a lapsed design restored**—where registered design has lapsed due to failure of registered proprietor of design to pay the fee for extension, the proprietor of such design or his legal representative or any one of the joint proprietors is entitled within one year from the date on which the design ceased to have effect to make an application for restoration of the design on payment of prescribed fee.

Restoration of lapsed design

Sections 12 and 13 state the procedure for restoration of design which is lapsed.

Restoration of lapsed designs—The proprietor of the design may, within one year from the date on which the design ceased to have effect, make an application for the restoration of the design in the prescribed manner on payment of prescribed fee provided the application contains a statement verified in the prescribed manner fully stating out the circumstances, which led to the failure to pay the prescribed fee.

Procedure for applications for restoration of lapsed designs—if the Controller is satisfied that the failure to pay the fee for extension of the period of copyright was unintentional and that there has been no undue delay in seeking restoration, the Controller shall upon payment of unpaid fee for extension of the period of copyright with prescribed additional fee restore the registration of design.

Conditions required to restoration of lapsed design...

- (a) failure to pay the fee for extension of the period of copyright must not be deliberate; and
- (b) delay in applying for restoration of lapsed design must not be excessive.

Once the proprietor of lapsed design succeeds in establishing the above two prerequisites, the Controller is obliged to restore the design on payment of prescribed fee.

Rights of proprietor of lapsed design which have been restored—Where the registration of a design is restored, the Controller may direct the registered proprietor to pay compensation to persons who may begun to avail themselves of the benefit of applying the design during the lapse of design.

Section 14 (2). Bar to suit or other proceedings—any suit or other proceedings in respect of piracy of a registered design or infringement of the copyright in such design committed between the date on which the registration of the designs ceased to have effect and the date of the restoration of the design is barred.

Right of persons making use of design during cessation of copyright in design...

The right of persons who might have made use of lapsed design during the period from the date of termination of copyright in design due to failure of the proprietor to pay the request fee to the restoration of design by Controller are protected under Section 14 (1) & (2) in the following manner...

(a) Where the registration of a design is restored, the Controller may direct the registered proprietor to pay compensation to persons who may begun to avail themselves of, or have taken definite steps by contract or otherwise to avail themselves of, the benefit of applying the design during the lapse of design.

(b) The proprietor is not entitled to file any suit or other proceedings in respect of piracy of a registered design or infringement of the copyright in such design committed between the date on which the registration of the design lapsed and the date of the restoration of design.

Requirements before delivery on sales—before delivery on sale of any articles to which registered design has been applied, the proprietor shall:

(a) if exact representations or specimens were not furnished on the application for registration, furnish to the Controller the prescribed number of exact representations or specimens of the design; and (b) cause each such article to be marked with the prescribed mark, or with the prescribed words and figures denoting that the design is registered.

Consequences of failure to carry out above directions...

(a) the Controller may, after giving notice to the proprietor terminate the copyright in the design by deleting the name of proprietor from the register, if he fails to so furnish exact representations as directed under sub-Section (a); and

(b) the proprietor shall not be entitled to recover any penalty or damages in respect of any infringement of his copyright in the design unless he shows that the infringement took place after the person guilty thereof knew or had received notice of existence of the copyright in the design, if the proprietor fails to cause each article marked in the prescribed manner.

Effect of disclosure on copyright

(a) Where a proprietor of design discloses the design in good faith to any person and such person obtains registration in the design, the copyright so obtained shall be deemed to have been invalidated by disclosure of design by its proprietor.

(b) Where the proprietor of design in textile places first order for printing of design on textile for applying for registration, and the person receiving such order obtains registration in the said design, the copyright so obtained shall be deemed to have been invalidated by disclosure of design by its proprietor.

Following acts are held to be publication

1. Showing the articles to person in shop.
2. Giving free gifts of articles to individuals with liberty to use them as they wish.
3. Exhibition of articles in private house.

Right of inspection of registered designs—during the existence of copyright in a design, any person on furnishing such information as may enable the Controller to identify the design and on payment of the prescribed fee is entitled to inspect the design in prescribed manner.

Right to certified copy of design—Any person may, on an application to the Controller and on payment of prescribed fee obtain a certified copy of any registered design.

Information as to existence of copyright—on request of any person furnishing necessary information and on payment of the prescribed fee, the Controller is bound to furnish details in respect of design.

Cancellation of Registration

Section 19 (1). Cancellation of registration—any interested person may seek cancellation of registration of a design at any time after the registration on any of the following grounds:

- (a) that the design has been previously registered in India; or
- (b) that it has been published in India or any other country prior to the date of reference; or
- (c) that the design is not new or original designs; or
- (d) that the design is not registrable under the Act; or
- (e) that it is not a design as defined under clause (d) of Section 2. Section 19(1)

Appeal against cancellation—an appeal shall lie from any order of the Controller canceling registration to the High Court, and the Controller may at any time refer any such petition to the High Court.

Acts not amounting to publication of design—the exhibition of design or an article to which the design has been applied prior to the date of application shall not prevent the design from being registered or invalidate the registration that is granted where-

- (a) exhibition of a design or any article to which the design has been applied in an industrial or other exhibition notified by the Central Government in the official Gazette for the purpose of Section 21;
- (b) publication of description of design during the exhibition;
- (c) the exhibition of the design or the article or the publication of a description of the design by any person elsewhere during or subsequent to exhibition without the privity or consent of the proprietor, provided...

(a) the exhibitor exhibiting the design or article or publishing a description of the design gives the Controller previous notice in Form 9 of Rules 2001, and (b) the application for registration is made within six months from the date of first exhibiting the design or article or publishing a description of the design. Publication of design in a periodical prior to display of the article at certified exhibition is not protected under this provision.

INFRINGEMENT OF COPYRIGHT IN A DESIGN- PIRACY

Section 2 (c) of the Act confers exclusive right on the proprietor to apply a design to any article in any class if the design is registered. Section 22 states what constitute infringement of copyright in designs.

Section 22 protects a registrant against piracy of his design. Clause (a) of Sub Section (1) of Section 22 make it unlawful for any person to apply for the purposes of sale or cause to be applied any article in a class of articles in which the design is registered, that design or any fraudulent or obvious imitation of that design except with the license or written consent of the registered proprietor. This prohibition extends to anything that may be done to enable the registered design to be infringed in the manner described above. Clause (b) of Sub Section { 1) of Section 22 extends the prohibition to even articles imported for sale without the consent of a registered proprietor which otherwise is an article belonging to a class in which the design is

registered. Similarly, clause (c) of Sub Section (1) of Section 22 makes it unlawful to publish or expose or cause to be published or exposed for sale that article by a person who has the knowledge that the design or any fraudulent or obvious imitation has been applied to any article in any class of articles in which the design is registered without the consent of the registered proprietor.

Sub Section (2) of Section 22 provides for penal consequences in the form of damages. The second proviso to Sub Section (2) of Section 22 mandates that a suit for infringement cannot be instituted in a court below (the court of a District Judge. Sub Section (3) of Section 22 enables the defendant in an infringement suit, where an allegation of piracy has been made qua the defendant to plead in his defence grounds, which are available under Section 19 of the Designs Act, for cancellation of a registered design.

Sub Section (4) of Section 22 requires that a suit in which a defence in terms of Section 19 of the Designs Act has been pleaded, the same shall be transferred to the High Court for decision. Sub Section (5) of Section 22 provides that, when a decree is passed in a suit under Sub Section (2), a copy of the decree would be sent to the Controller who will cause necessary entries to be made in the Register of Designs.

Section 22. Piracy of registered design—during existence of copyright it is not lawful:

(1) to apply or cause to be applied to any article in any class of goods in which the design is registered the design or any fraudulent or obvious imitation of it or to do anything with a view to enable the design to be so applied for the purpose of sale without the license or written consent of the registered proprietor, or

(a) Application of registered design or any fraudulent or obvious imitation of design for sale to any article in any class of goods in which the design is registered without permission of registered proprietor.

(b) Importation for sale any article belonging to class in which the design is registered (2) to import for the purpose of sale without the consent of the registered proprietor any article belonging to the class in which the design has been registered, and having applied to it the designs or any fraudulent or obvious imitation of it, or

(3) knowing that the design or any fraudulent or obvious imitation thereof has been applied to any article in any class of articles in which the design is registered without the consent of the registered proprietor, to publish or cause to be published or exposed for sale for that article.

Ingredients of infringement

1. Registration—copyright in design;

2. Application of design to pirated article—application of design or a fraudulent or an obvious imitation to pirated article;

3. Unauthorized Application of design—application of design or its imitation without license or written consent of registered proprietor,

4. Application of design to article in which design is registered—the article to which the design is applied comes within the scope of description of goods covered by the registration;

5. Application for sale—design is applied for the sale of article;

6. Application of design by defendant—the defendant has himself applied or caused the design to be so applied or done anything with a view to enable the designs to be so applied to article, or the defendant has imported for the purpose of sale the article bearing the design or its imitation without the consent of the registered proprietor, or the defendant has published or exposed for sale the pirated article knowing that it is pirated article.

'Pirated article'—'pirated article' as such is not defined under the Act, the meaning of pirated article that can be gathered is, it is an article in any class of articles in which the design is registered.

Penalty for infringement of designs

Section 22 (2)—any person acts in contravention of Section 22, shall be liable for every contravention:

- (a) to pay to the registered proprietor of the design a sum not exceeding twenty five thousand rupees recoverable as a contract debt, or
- (b) if the proprietor elects to bring a suit for the recovery damages for any such contravention, and for an injunction against the repetition thereof, to pay such damages as may be awarded and to be restrained by injunction accordingly. Jurisdiction of Court—any suit or other proceeding for relief under sub-Section 2 of Section 22 shall not be instituted in any court below the court of District Judge.

Person entitled to file suit for infringement

1. The registered proprietor of design can file suit for infringement.
2. An exclusive licensee is entitled to file suit for infringement by joining the registered proprietor of design as co-plaintiff. But where the registered proprietor refuses to join the exclusive licensee, he may be joined as defendant,

Persons liable for infringement of designs

1. The person applying the design or a fraudulent or obvious imitation of it to the article for the purpose of sale without the licensee or consent of proprietor.
2. The person who has caused the design or its imitation to be applied on article.
3. The person who has done anything with a view to enable the design to be applied.
4. The person who has imported for the purpose of sale a pirated article without the consent of registered proprietor.
5. The person who published or exposed or caused to be published or exposed for sale a pirated article knowing that it is a pirated article.

CIVIL REMEDIES AGAINST INFRINGEMENT OF COPYRIGHT IN DESIGNS

Remedies that are available against infringement of copyright in designs are twofold, (a) an injunction and (b) damages or compensation.

(a) Injunction—

Sub-clauses (a) and (b) of clause (2) of Section 22 provide specific remedy of injunction to plaintiff whose copyright in design is infringed stating:

- (a) "If any person acts in contravention of Section 22, he shall be liable for every contravention to pay to the registered proprietor of the design a sum not exceeding twenty five thousand rupees recoverable as a contract debt, or
- (b) if the proprietor elects to bring a suit for the recovery damages for any such contravention, and for an injunction against the repetition thereof, to pay such damages as may be awarded and to be restrained by injunction accordingly".

The total sum recoverable in respect of any one design shall not be more than fifty thousand rupees.

The remedy of damages and injunction is in alternative to the right of plaintiff to claim Rs. 25,000/- by way of penalty from defendant for infringement of copyright in design as stated in Section 22 (1) (a), (b) and (c).

Section 22 (5). Entry of decree in register—Where the court makes a decree in a suit for infringement it shall send a copy of decree to Controller and the Controller shall cause an entry of the decree in the register of designs.

Defenses (statutory)—sub-Section (3) provides that, in any suit or any other proceedings for relief under sub-Section (2) every ground on which the registration of a design may be cancelled under Section 19 shall be available to the respondent as a ground of defense.

Other defenses—apart from the defenses mentioned under Section 19, a defendant can take the following grounds as defense. **(1) Denial**—the defendant has not infringed the design.

(2) Absence of intention—there was no intention on the part of defendant to infringe the design.

(3) Failure by plaintiff to observe statutory conditions under Section 15 (1) (b)—The plaintiff failed to cause the article to which a registered design has been applied with the prescribed mark.

(4) Prior publication—the design has been published in India or any other country prior to the date of registration.

(5) Novelty of design—the design is not new or original.

(6) Limitation—the suit for infringement is barred by limitation.

(7) Proprietorship of plaintiff—The plaintiff is not registered proprietor.

Appropriate Forum—suit for relief under this Section lies to District Court having territorial jurisdiction.

Action of Groundless Threats

Section 23 of the Act provides that, in regard to groundless threats of legal proceedings for infringement of designs the provision of Section 106 of Patents Act, 1970 will apply as they apply in case of patents.

Section 106 of Patents Act, read after modifications suggested under Section 23 appears as under:

(1) Where any person (whether entitled to or interested in a registered design or an application for registration of a design or not) threatens any other person by circulars or advertisements, or by communication, oral or in writing addressed to that or any other person, with proceedings for infringement of a registered design, any person aggrieved thereby may bring a suit against him praying for following reliefs:

(a) a declaration to the effect that the threats are unjustifiable;

(c) an injunction against continuance of the threats; and

(d) such damages, if any, as he has sustained thereby. Unless in such suit the defendant proves that the acts in respect of which the proceedings were threatened constitute or, if done, would constitute infringement of registered design not shown by the plaintiff to be invalid the court may grant to the plaintiff all or any of the reliefs prayed for.

The purpose of the provision is to protect a plaintiff from superfluous threats by the defendant. If the defendant prima facie establishes that the acts in respect of which the proceedings were threatened constitute, or if done, would constitute infringement of his registered design, the provision cannot be brought into play unless the plaintiff is able to show that the registration is not valid.

By way of explanation it is clarified that, a mere notification of the existence of a registered design does not constitute a threat of proceeding.

ASSIGNMENT, TRANSMISSIONS, LICENCES ETC.

Right of proprietorship in design is considered to be movable property. Like any other movable right in design it can be assigned, transmitted and transferred by license.

Sub-Sections (1) to (5) of Section 30 state procedure for assignment of right in designs.

Section 30 (1)—Where a person becomes entitled by assignments, or other operation of law to the copyright in registered design, he may make an application in the Form 11 to the Controller to register his title, and the Controller shall on receipt of such application and on proof of title to his satisfaction, register him as the proprietor of such design, and shall cause an entry to be made in prescribed manner in the register of the assignment, transmission or other instrument affecting the title.

Section 30 (2)—Where a person becomes entitled as mortgagee, licensee or otherwise he may make an application in prescribed form to the Controller to register his title, and the Controller shall on receipt of such application and on proof of title to his satisfaction, register him as the proprietor of such design, and shall cause an entry to be made in prescribed manner in the register of the designs, with particulars of the instruments, if any creating such interest.

Section 30 (3)— For the purposes of both the sub-Sections, an assignment of a design or of share in a design, a mortgage, license or the creation of any other interest in a design shall not be valid unless the same were in writing and the agreement between the parties concerned is reduced to the form of an instrument embodying all the terms and conditions governing their rights and obligations and the application for registration of title under such instrument is filed in the prescribed manner with the Controller within six months from the execution of the instrument or within such further period not exceeding six months in the aggregate as the Controller on the application made in the prescribed manner allows.

Powers and Duties of Controller

Controller is the highest administrative authority under the Act exercising quasi-judicial powers. The Controller General of Patents, Designs and Trade Marks appointed under Trade and Merchandise Marks Act, 1958 shall be the Controller of Designs for the purpose of the Act. In the exercise of his quasi-judicial powers he is clothed with certain powers of Civil Court.

Powers of Controller in proceedings under the Act.

Under Section 32 the Controller in any proceedings before him shall have the powers of civil court for the purpose of:

1. receiving any evidence;
2. administering oath;
3. enforcing the attendance of witnesses;
4. compelling the discovery of documents;
5. issuing commissions for examination of witnesses and awarding costs and such award shall be executable in any court having jurisdiction as if it were a decree of that court.

Section 35 (1). Power to refuse registration of design— The Controller may refuse to register a design of which the use would, in his opinion be contrary to order and morality.

Discretionary Powers

1. Section 9 (2). Power to issue copy/copies of original certificate—the Controller may in case of loss of the original certificate, or in any other case where he deems necessary, furnish one or more copies of the certificate.

2. Section 19 (1). Cancellation of registration—The Controller may on presentation of a petition by any interested person cancel the registration of the design on any of the following grounds—

- (a) that the design has been previously registered in India; or

- (b) that it has been published in India or any other country prior to the date of reference; or
- (c) that the design is not new or original design; or
- (d) that the design is not registrable under the Act; or
- (e) that it is not a design as defined under clause (d) of Section 2.

3. Section 29. Power to correct clerical errors—The

Controller may, on request in writing accompanied by prescribed fee, correct any:

- (a) clerical error in the representation of a design, or
- (b) in the name or address of the proprietor of design, or
- (c) in any other matter which is entered upon the register of design.

4. Section 31. Power to rectify register—under sub-Section (1), the Controller may on the application in the prescribed manner of any person aggrieved by the non-insertion in or omission from the register of designs for any entry, or by any entry made in such register without sufficient cause, or by any entry wrongly remaining on such register, or by an error or defect in any entry in such register, make such order for making, expunging or varying such entry as he thinks fit and rectify the register accordingly.

5. Discretionary powers how exercised?—under Section 33 read with Rule 44 the Controller is not to exercise any power adversely to the applicant without, if so required by applicant within the time prescribed, giving the applicant an opportunity of being heard.

6. Power of amendment—the Controller has power to amend any document, or correct any irregularity in procedure without any detriment to the interest of any person upon such terms as he may think fit.

7. Power to grant extension of time—The Controller has power to extend the time prescribed by the rules for doing any act or taking proceeding thereunder.

8. Section 34. Power to take direction of the Central Government—The Controller may, in any case of doubt or difficulty arising in the administration of any of the provisions of the Act, seek direction from Central Government in the matter.

Part VI
Geographical Indications of
Goods (Registration and
Protection) Act, 1999

Geographical indication—the geographical indication is the sign that indicates the geographical region of the origin of goods.

Salient features of the Geographical Indications of Goods (Registration and Protection) Act, 1999;

- 1. Definitions of key terms**—the Act gives explicit definitions of key terms "geographical indication", "goods", "producers", "package", "registered proprietor".
- 2. Geographical Indications Registry**—the Act provides for establishment of Geographical Indications Registry.
- 3. Registrar of Geographical Indications**—the Controller of Patents, Designs, and Trade Marks appointed under Trade Marks Act, 1999 is designated as Registrar of Geographical Indications.
- 4. Prohibitions of registration of obnoxious geographical indications**—the Act prohibits registration of certain geographical indications.
- 5. Registration of homonymous geographical indications**—the Act provides for registration of homonymous geographical indications subject to satisfaction of Registrar.
- 6. Application for registration**—only a body representing the interests of producers of concerned goods is entitled to apply for registration of geographical indication.
- 7. Application for registration as authorized user**—any producer of goods in respect of which geographical indication has been registered on application by representing body is entitled to apply to register himself as authorized user of geographical indication.
- 8. Duration of registration**—registration of geographical indication shall be for a period of ten years with liberty to renew it from time to time.
- 9. Effect of registration**—no proceedings lie in respect of infringement of unregistered geographical indication but action for passing-off does tie.
- 10. Prohibition of assignment and transmission**—any right to a registered geographical indication is not to be made subject matter of assignment, transmission, licensing, pledge, mortgage or any other agreement. But the right of registered user of geographical indication shall devolve on the death of registered user on his legal heir.
- 11. Prohibition of registration of geographical indication as trade mark**—no geographical indication can be registered as trade mark.
- 12. Certain offences to be cognizable**—offence of applying false geographical indication and selling goods to which false geographical indication is applied is made cognizable offence.
- 13. Trade usage to be admissible in evidence**—evidence of usage of concerned trade and of any relevant geographical indication legitimately used by other persons is admissible in evidence before the Tribunal conducting proceedings relating to geographical indication.
- 14. Action for groundless threat for legal proceedings**— where any person is threatened with an action or proceedings for infringement of geographical indication, such person is entitled to obtain a declaration to the effect that the threats are unjustifiable.
- 15. Right of legal practitioner to appear before the Registrar**— a legal practitioner is entitled to appear before Registrar in proceeding on behalf of any party interested.
- 16. Binding nature of the Act**—the provisions of the Act are made binding on the Government.

Geographical indication, statutory definition—the definition of geographical indication given in Section 2 (2) of the Act is applicable only to goods. Services are impliedly excluded from the scope of definition. Goods to which the geographical indication can be applied may be natural or manmade, such goods are described as agricultural goods, natural goods or manufactured goods. For the purpose of indication the goods are categorized into (a) agricultural or natural and (b) manufactured goods. So far as the agricultural or natural goods are concerned, it is necessary that a given quality, reputation or other characteristic of such goods should necessarily be due to its geographical origin. As far as manufactured goods are concerned to acquire geographical indication, one of the activities of either the production or processing or preparation of the goods must have taken place in geographical region.

Register of geographical indications—the Act provides for register called "Register of Geographical Indications" kept at the Head Office of Geographical Indications Registry. The name, addresses and description of the proprietors, the names, addresses and description of authorized users and other matters relating to registered geographical indications shall be entered in this register.

Registrar of Geographical Indications—the Controller of Patents, Designs, and Trade Marks appointed under Trade Marks Act, 1999 is designated Registrar of Geographical Indications.

Prohibition of registration of certain geographical indications—the Act declares following geographical indications as not liable for registration-

- a) a geographical indication the use of which would be likely to deceive or cause confusion; or
- b) a geographical indication the use of which would be contrary to any law for the time being in force; or
- c) a geographical indication which comprises or contains scandalous or obscene matter; or
- d) a geographical indication which comprises or contains any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India; or
- e) a geographical indication which would otherwise be disentitled to protection in a Court of law; or
- f) geographical indications which are generic names or indications of goods and are, therefore, ceased to be protected in their country of origin, or which fallen into disuse in that country; or
- g) geographical indications which although literally true as to the territory, region or locality in which the goods originate, but falsely represent to the persons [hat the goods originate in another territory, region or locality.

The prohibition on registration of geographical indication mentioned under clause (g) can be explained by the following contrived example.

AUTHORITIES UNDER THE ACT

1. Registrar of Geographical Indications—the Controller of Patents, Designs, and Trade Marks appointed under Trade Marks Act, 1999 is designated Registrar of Geographical Indications.

Function of Registrar—Registrar is administrative and regulatory head of the office of geographical indications. The Registrar also performs judicial functions like conducting opposition proceedings and granting registration of geographical indications. Registrar has following functions:

(a) Receiving application—Every application for registration of geographical indication is to be made to the Registrar.

(b) Withdrawal of application—Where an application has been accepted in error or geographical indication applied for is not suitable for registration, the Registrar is required to withdraw the acceptance.

(c) Advertisement of application—when an application for registration of geographical indication has been accepted it shall cause the application to be advertised.

(d) Opposition proceedings—when an application for geographical indication is opposed, the Registrar conducts opposition proceeding in accordance with procedure laid down in Act and Rules.

(e) Correction and amendment of application—the Registrar is empowered to permit the correction of any error in the application or permit amendment of application before or after the acceptance of such application.

(f) Power of registration of geographical indication—the registrar has power and duty to register the geographical indication when an application for registration of geographical indication has been accepted.

(g) Renewal of geographical indication—on an application made in the prescribed manner by the registered proprietor or the authorized user within the prescribed period with payment of prescribed fee the Registrar shall renew the registration of geographical indication.

(h) Notice to registered proprietor or authority user— at the prescribed time before the expiration of the last registration of a geographical indication or the authorized user the Registrar is required to send a notice to the registered proprietor or the authorized user the date of expiration and the conditions as to payment of fees.

(i) Power to remove geographical indication or authorized user from register—if at the expiration of time prescribed for renewal of registration, registration is not renewed, the Registrar may remove the geographical indication or authorized user from register.

(j) Power to restore the geographical indication or authorized user—the Registrar shall after six months and within one year from the expiration of last registration of the geographical indication or authorized user on receipt of the application in the prescribed form and with prescribed fee if satisfied that it is just to do so restore the geographical indication or authorized user to the register and renew the registration of geographical indication or authorized user.

APPELLATE BOARD

The Appellate Board appointed under Section 83 of the Trade Marks Act, 1999 is the Appellate Board under Geographical Indications of Goods (Registration and Protection) Act, 1999.

Power of Appellate Board

1. Power to hear appeal—appeals from the order and decision of the Registrar and against the rules under the Act can be preferred to Appellate Board.

2. Limitation for preferring appeal—limitation for preferring appeal to Appellate Board is three months from the date on which the order or decision sought to be appealed against is communicated to the person preferring the appeal.

3. Condonation of delay—an appeal may be admitted after the expiry of limitation if the appellant satisfied the Appellate Board that he had sufficient cause for not preferring the appeal within limitation.

4. Bar of jurisdiction of courts—no court or other authority has power or is entitled to exercise any jurisdiction, power or authority to hear appeals against the order or decision of Registrar or against rules under the Act.

Procedure for registration of geographical indication

1. Application for registration—unlike in other kinds of intellectual property, an application for registration of geographical indication can only be made by any association of persons or producers; or any organization or authority established by or under any law representing the interests of the producers of the concerned goods. Such application is to be made to the Registrar in the form prescribed accompanied by prescribed fee.

2. Advertisement of application—when an application for registration of geographical indication is accepted, it shall be advertised in the prescribed manner,

3. Opposition to registration—after advertisement of application, any person may within three months give notice of opposition to the registration. The Registrar shall serve a copy of notice of opposition on the applicant on which the applicant submit counter statement of the grounds on which he relies for his application. A copy of counter statement then shall be served on the opponent. The applicant and the opponent shall submit evidence on which they intend to rely. The Registrar shall thereafter hear both the parties and consider the evidence produced and then decide whether the registration is to be permitted.

4. Registration—when an application for registration has been accepted, the Registrar shall register the geographical indication.

5. Application for registration of authorized user—once registration of geographical indication has been granted on application by any association of persons or producers or any organization or authority established under law any person claiming to be the producer of the goods in respect of which a geographical indication has been registered may apply in writing to the Registrar for registering him as an authorized user of the geographical indication.

6. Duration of registration—registration of geographical indication shall be for the period of ten years with liberty to applicant to renew it from time to time.

EFFECT OF REGISTRATION

1. No action for infringement of unregistered geographical indication— no person is entitled to institute any proceeding to prevent, or to recover damages for the infringement of an unregistered geographical indication.

2. Right to relief for infringement of geographical indication—the registered proprietor or the authorized user or users acquire right to obtain relief for infringement of geographical indication,

3. Right to use geographical indication—the authorized user of geographical indication acquires exclusive right to use the geographical indication in relation to the goods in respect of which the geographical indication is registered.

INFRINGEMENT OF GEOGRAPHICAL INDICATION

Under Chapter IV the following acts in respect of registered geographical indication by person who is not an authorized user are

declared to be amounting to infringement of geographical indication:

1. Misleading use of geographical indication—using registered geographical indication in designations or presentations of goods that indicates or suggests that such goods originate in a geographical area other than true place of origin of such goods in a manner which misleads the persons as the geographical origin of such goods; or

2. Unfair competition-using geographical indication in such a manner that amounts to an act of competition contrary to honest practices in industrial or commercial matters including passing-off in respect of registered geographical indication.

ACTS OF UNFAIR TRADE COMPETITION Following acts are stated to amount to unfair trade practice:

- a) acts to create confusion by any means with the establishment, the goods or the industrial or commercial activities of competitor;
- b) false allegation in the course of trade to discredit the establishment, the goods or the industrial or commercial activities of competitor;
- c) use of geographical indication in the course of trade to mislead the persons as to nature, the manufacturing process, the characteristics, the suitability for their purpose or the quantity of goods;
- d) use of another geographical indication to the goods which, although literally true as to the territory, region or locality in which goods are originated falsely represents to the persons that the goods originate in the territory, region or locality in respect of which such registered geographical indication relates.

PROCEDURE FOR INSTITUTION OF SUIT FOR INFRINGEMENT

Section 66 (1) provides that:

- (a) no suit for infringement of registered geographical indication; or
- (b) relating to any right in a registered geographical indication; or
- (c) for passing-off arising out of the use by the defendant of any geographical indication which is identical with or deceptively similar to the geographical indication relating to the plaintiff, whether registered or unregistered shall be filed in any court inferior to the District Judge having jurisdiction to try the suit.

Relief in suit for infringement or passing-off

1. Relief of injunction etc.—The relief to which a court may grant in suit for infringement or passing-off includes injunction and at the option of the plaintiff either damages or accounts of profits with or without any order for delivery of the infringing labels and indications for destruction or erasure.

2. Ex parte injunction—the plaintiff in suitable cases may be grant order of injunction before the defendant makes his appearance. The injunction itself may be for the following orders:

- (a) for discovery of documents;
- (b) preserving of infringing goods, documents or other evidence which are related to the subject matter of the suit;
- (c) restraining the defendant from disposing of or dealing with his assets in a manner which may adversely affect the plaintiff's ability to recover damages, costs or other pecuniary remedies which may be finally awarded to the plaintiff.

3. Right to damages—a plaintiff in a suit for infringement or passing-off of geographical indication is not entitled to relief of damages, except nominal, on account of profits in any case where he satisfies the court:

- (a) that at time when he commenced to use the geographical indication he was unaware and had no reasonable ground for believing that the geographical indication was registered; and
- (b) that when he became aware of the existence and nature of the plaintiff's right in geographical indication he forthwith stopped to use the geographical indication.

OFFENCES AND PENALTIES

The following acts in relation to geographical indications and goods are stated to be offences under the Act:

1. Applying false geographical indication.
2. Selling goods to which false geographical indication is applied.
3. Falsely representing a geographical indication as registered.
4. Improperly describing a place of business as connected with the Geographical indication Registry.
5. Falsification of entries in Register of Geographical Indications. **Meaning of applying geographical indication**

Under Section 37, a person shall be deemed to apply geographical indication to goods who:

- a) applies it to the goods themselves; or
- b) applies it to any package in or with which the goods are sold, or exposed for sale, or had in possession for sale or for any purpose of trade or manufacture; or
- c) places, encloses or annexes any goods which are sold, or exposed for sale, or had in possession for sale or for any purpose of trade or manufacture, in or with any package or other thing to which a geographical indication has been applied; or
- d) uses a geographical indication in any manner reasonably likely to lead to the belief that the goods in connection with which it is used are designated or described by the geographical indication; or
- e) in relation to goods uses a geographical indication in any sign, advertisement, invoice, catalogue, business letter, business paper, price list or other commercial documents and goods are delivered to a person in pursuance of a request or order or made by reference to the geographical indication so used.

Falsifying geographical indication. Under Section 38 (1), a person shall be deemed to falsify a geographical indication who, either:

- (a) without the assent of authorized owner of the geographical indication makes that geographical indication or deceptively similar geographical indication; or
- (b) falsifies any genuine geographical indication, whether by alteration, addition, effacement or otherwise.

Falsely applying geographical indication

Under Section 38 (2), a person shall be deemed to falsely apply to goods a geographical indication who, without the assent to the authorized user of geographical indication:

- (a) applies the geographical indication or deceptively similar geographical indication to the goods or any package containing goods;
- (b) uses any package bearing a geographical indication which is identical with or deceptively similar to geographical indication of such authorized user, for the purpose of packing, filling or wrapping in it any goods, other than genuine goods of authorized user of geographical indication.

Penalty for applying false geographical indications Any person who has committed the below mentioned offence, unless he proves that he acted without intent to defraud shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees.

- (a) falsifies any geographical indication; or
- (b) falsely applies to goods any geographical indication; or
- (c) makes, disposes of, or has in his possession any die, block, machine, plate or other instrument for the purpose of falsifying or of being used for falsifying, a geographical indication; or
- (d) applies to any goods to which an indication of the country or place in which they were made or produced or the name and the address of manufacturer or person for whom the goods are

manufactured is required to be applied under Section 71 a false indication of such country, place, name or address; or

(e) tampers with, alters or effaces an indication which has been applied to any goods to which it is required to be applied under Section 72; or

(f) causes any of the above mentioned things to be done. c

Penalty for selling goods to which false geographical indication is applied.

Any person who sells, lets for hire or exposes for sale, or hires or has in his possession for sale, goods or things to which any false geographical indication is applied or which being required under Section 71 to have applied to them as an indication of the country or place in which they were made or produced or name and address of the manufacturer or person for whom the goods are manufactured or without the indication so required shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine shall which not be less than fifty thousand rupees but which may extend to two lakh rupees, unless such person proves:

(a) that having taken all reasonable precaution against committing that offence he had at the time of commission of the alleged offence no reason to suspect the genuineness of the geographical indication or that any offence had been committed in respect of the goods; or

(b) on demand by or on behalf of prosecutor he gave all the information in his power with respect of the person from whom he obtained such goods or things; or

(c) that otherwise he has acted innocently. **Enhanced penalty on second or subsequent offence**
Section 40 prescribes enhanced penalty with imprisonment for a term which shall not be less than one year but which may extend to three years with fine which shall not be less than one lakh rupees but which may extend to two lakh rupees for second or subsequent offence of applying false geographical indication or selling goods to which false geographical indication is applied.

Offence of falsely representing a geographical indication as registered.

Under Section 42 (1), making any representation: (a) with respect to geographical indication not being a registered geographical indication, to the effect that it is a registered geographical indication; or

(b) to the effect that a registered geographical indication is registered in respect of any goods in respect of which it is not registered; or

(c) to the effect that a geographical indication given an exclusive right to the use of in any circumstances in which having regard to limitation entered on the register the registration does not give that right is declared to be an offence and is made punishable with imprisonment which may extend to three years or with fine or with both.

Penalty for improperly describing a place of business as connected with Geographical Indication Registry—if any person uses on his place of business, or on any document issued by

him or otherwise, words which would reasonably lead to the belief that his place of business is or is officially connected with the Geographical Indication Registry he shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.

Penalty for falsification of entries in the register—if any person makes, or causes to be made, a false entry in the register, or a writing falsely purporting to be a copy of an entry in the register or produces or tenders or causes to be produced or tendered in evidence any such writing knowing the entry or writing to be false he shall be punishable with imprisonment for a term which may extend to two years or with fine or with both.

When person committing offences is a company.

If the person committing offence is a company the company as well as every person in charge and responsible to the company for the conduct of its business at the time of the commission of the offence shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished as per the Act.

PROCEDURE FOR PROSECUTION

Cognizance—except for the offence under Sections 39.40 and 41 all offences under the Act are non-cognizable.

Jurisdiction—the Court of Metropolitan Magistrate or Judicial Magistrate of the First Class is empowered to try offences under **the Act**.

Power of police officer to search and seize -any police officer not below the rank of deputy superintendent of police or equivalent may if he satisfied that any of the offences of:

- (a) applying false geographical indications; or
- (b) selling goods to which false geographical indication is applied; or
- (c) Commission of above offences subsequently is being or likely to be committed search and seize without warrant the goods, die, block, machine, plate, other instruments or things involved in committing the offence wherever found and all articles so seized shall as soon as practicable be produced before the Judicial Magistrate of the first class or Metropolitan Magistrate.

Limitation of prosecution—no prosecution of an offence can be commenced after three years of the commission of the offence charged or two years after the discovery of offence by the prosecutor.