



सत्यमेव जयते



INTELLECTUAL
PROPERTY **INDIA**

THE PATENTS ACT, 1970

Notes and Disclaimers:

1. The e-Version incorporates all the amendments in the Patents Act, 1970 and the Patent Rules, 2003 and is updated till 23-06-2017.
2. For details of every amendment, please refer to the relevant Gazette available on website (<http://www.ipindia.gov.in>)
3. While every efforts has been made to ensure the correctness of the contents of e-version, any deviation(s) noted may be brought to the notice of Sh B P Singh, Deputy Controller of Patents and Designs, at "birendrap.singh@nic.in" for corrective measures. The contents of the Gazette(s) shall prevail on e-Version in case of any deviations.

bequest, any right or interest in any patent issued by that office.

76. Officers and employees not to furnish information, etc.—An officer or employee in the patent office shall not, except when required or authorised by this Act or under a direction in writing of the Central Government or Appellate Board or the Controller or by order of a court,—

- (a) furnish information on a matter which is being, or has been, dealt with under this Act ; or
- (b) prepare or assist in the preparation of a document required or permitted by or under this Act , to be lodged in the patent office; or
- (c) conduct a search in the records of the patent office.

CHAPTER XV

POWERS OF CONTROLLER GENERALLY

- 77. Controller to have certain powers of a civil court.**—(1) Subject to any rules made in this behalf, the Controller in any proceedings before him under this Act shall have the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908 (5 of 1908), in respect of the following matters, namely:—
- (a) summoning and enforcing the attendance of any person and examining him on oath;
 - (b) requiring the discovery and production of any document;
 - (c) receiving evidence on affidavits;
 - (d) issuing commissions for the examination of witnesses or documents;
 - (e) awarding costs;
 - (f) reviewing his own decision on application made within the prescribed time and in the prescribed manner;
 - (g) setting aside an order passed *ex- parte* on application made within the prescribed time and in the prescribed manner;
 - (h) any other matter which may be prescribed.
- (2) Any order for costs awarded by the Controller in exercise of the powers conferred upon him under sub-section (1) shall be executable as a decree of a civil court.
- 78. Power of Controller to correct clerical errors etc.**—(1) Without prejudice to the provisions contained in sections 57 and 59 as regards amendment of applications for patents or complete specifications or other documents related thereto and subject to the provisions of section 44, the Controller may, in accordance with the provisions of this section, correct any clerical error in any patent or in any specification or other document filed in pursuance of such application or in any application for a patent or any clerical error in any matter which is entered in the register.
- (2) A correction may be made in pursuance of this section either upon a request in writing made by any person interested and accompanied by the prescribed fee, or without such a request.
 - (3) Where the Controller proposes to make any such correction as aforesaid otherwise than

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in pursuance of a request made under this section, he shall give notice of the proposal to the patentee or the applicant for the patent, as the case may be, and to any other person who appears to him to be concerned, and shall give them an opportunity to be heard before making the correction.

- (4) Where a request is made under this section for the correction of any error in a patent or application for a patent or any document filed in pursuance of such an application, and it appears to the Controller that the correction would materially alter the meaning or scope of the document to which the request relates and ought not to be made without notice to persons affected thereby, he shall require notice of the nature of the proposed correction to be published in the prescribed manner.
- (5) Within the prescribed time after any such publication as aforesaid any person interested may give notice to the Controller of opposition to the request, and, where such notice of opposition is given, the Controller shall give notice thereof to the person by whom the request was made, and shall give to him and to the opponent an opportunity to be heard before he decides the case.

79. Evidence how to be given and powers of Controller in respect thereof.— Subject to any rules made in this behalf, in any proceeding under this Act before the Controller, evidence shall be given by affidavit in the absence of directions by the Controller to the contrary, but in any case in which the Controller thinks it right so to do, he may take oral evidence in lieu of, or in addition to, evidence by an affidavit, or may allow any party to be cross-examined on the contents of his affidavit.

80. Exercise of discretionary powers by Controller.—Without prejudice to any provision contained in this Act requiring the Controller to hear any party to the proceedings thereunder or to give any such party an opportunity to be heard, the Controller shall give to any applicant for a patent, or for amendment of a specification (if within the prescribed time the applicant so requires) an opportunity to be heard before exercising adversely to the applicant any discretion vested in the Controller by or under this Act.

Provided that the party desiring a hearing makes the request for such hearing to the Controller at least ten days in advance of the expiry of the time-limit specified in respect of the proceeding.

81. Disposal by Controller of applications for extension of time.—Where under the provisions of this Act or the rules made thereunder the Controller may extend the time for doing any act, nothing in this Act shall be deemed to require him to give notice to or hear the party interested in opposing the extension, nor shall any appeal lie from any order of the Controller granting such extension.

CHAPTER XVI

WORKING OF PATENTS, COMPULSORY LICENCES AND REVOCATION

82. Definition of "patented articles" and "patentee".—In this Chapter, unless the context otherwise requires,—

- (a) "patented article" includes any article made by a patented process; and
- (b) "patentee" includes an exclusive licensee.

83. General principles applicable to working of patented inventions.—Without prejudice to the other provisions contained in this Act, in exercising the powers conferred by this Chapter, regard shall be had to the following general considerations, namely;—

- (a) that 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;
- (b) that they are not granted merely to enable patentees to enjoy a monopoly for the importation of the patented article;
- (c) 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 manner conducive to social and economic welfare, and to a balance of rights and obligations;
- (d) that patents granted do not impede protection of public health and nutrition and should act as instrument to promote public interest specially in sectors of vital importance for socio-economic and technological development of India;
- (e) that patents granted do not in any way prohibit Central Government in taking measures to protect public health;
- (f) that the patent right is not abused by the patentee or person deriving title or interest on patent from the patentee, and the patentee or a person deriving title or interest on patent from the patentee does not resort to practices which unreasonably restrain trade or adversely affect the international transfer of

technology; and

- (g) that patents are granted to make the benefit of the patented invention available at reasonably affordable prices to the public.

84. Compulsory licences.—(1) At any time after the expiration of three years from the date of the grant of a patent, any person interested may make an application to the Controller for grant of compulsory licence on patent on any of the following grounds, namely:—

- (a) that the reasonable requirements of the public with respect to the patented invention have not been satisfied, or
 - (b) that the patented invention is not available to the public at a reasonably affordable price, or
 - (c) that the patented invention is not worked in the territory of India.
- (2) An application under this section may be made by any person notwithstanding that he is already the holder of a licence under the patent and no person shall be estopped from alleging that the reasonable requirements of the public with respect to the patented invention are not satisfied or that the patented invention is not worked in the territory of India or that the patented invention is not available to the public at a reasonably affordable price by reason of any admission made by him, whether in such a licence or otherwise or by reason of his having accepted such a licence.
- (3) Every application under sub-section (1) shall contain a statement setting out the nature of the applicant's interest together with such particulars as may be prescribed and the facts upon which the application is based.
- (4) The Controller, if satisfied that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that the patented invention is not worked in the territory of India or that the patented invention is not available to the public at a reasonably affordable price, may grant a licence upon such terms as he may deem fit.
- (5) Where the Controller directs the patentee to grant a licence he may, as incidental thereto, exercise the powers set out in section 88.
- (6) In considering the application filed under this section, the Controller shall take into account,—
- (i) the nature of the 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 the applicant to work the invention to the public advantage;

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- (iii) the capacity of the applicant to undertake the risk in providing capital and working the invention, if the application were granted;
- (iv) as to whether the applicant has made efforts to obtain a licence from the patentee on reasonable terms and conditions and such efforts have not been successful within a reasonable period as the Controller may deem fit:

Provided that this clause shall not be applicable in case of national emergency or other circumstances of extreme urgency or in case of public non-commercial use or on establishment of a ground of anticompetitive practices adopted by the patentee, but shall not be required to take into account matters subsequent to the making of the application.

Explanation.—For the purposes of clause (iv), "reasonable period" shall be construed as a period not ordinarily exceeding a period of six months.

(7) For the purposes of this Chapter, the reasonable requirements of the public shall be deemed not to have been satisfied—

- (a) if, by reason of the refusal of the patentee to grant a licence or licences on reasonable terms,—
 - (i) an existing trade or industry or the development thereof or the establishment of any new trade or industry in India or the trade or industry of any person or class of persons trading or manufacturing 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 in India is not being supplied or developed; or
 - (iv) the establishment or development of commercial activities in India is prejudiced; or
- (b) if, by reason of conditions imposed by the patentee upon the grant of licences under the patent or upon the purchase, hire or use of the patented article or process, the manufacture, use 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 licences under the patent to provide exclusive grant back, prevention to 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; or

(e) if the working of the 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 whom the patentee is not taking or has not taken proceedings for infringement.

85. Revocation of patents by the Controller for non-working.—(1) Where, in respect of a patent, a compulsory licence has been granted, the Central Government or any person interested may, after the expiration of two years from the date of the order granting the first compulsory licence, apply to the Controller for an order revoking the patent on the ground that the patented invention has not been worked in the territory of India or that reasonable requirements of the public with respect to the patented invention has not been satisfied or that the patented invention is not available to the public at a reasonably affordable price.

- (2) Every application under sub-section (1) shall contain such particulars as may be prescribed, the facts upon which the application is based, and, in the case of an application other than by the Central Government, shall also set out the nature of the applicant's interest.
- (3) The Controller, if satisfied that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that patented invention has not been worked in the territory of India or that the patented invention is not available to the public at a reasonably affordable price, may make an order revoking the patent.
- (4) Every application under sub-section (1) shall ordinarily be decided within one year of its being presented to the Controller.

86. Power of Controller to adjourn applications for compulsory licences, etc., in certain cases.—(1) Where an application under section 84 or section 85, as the case may be, is made on the grounds that the patented invention has not been worked in the territory of India or on the ground mentioned in clause (d) of sub-section (7) of section 84 and the Controller is satisfied 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, he may, by order, adjourn the further hearing of the application for such period not exceeding twelve months in the aggregate as appears to him to be sufficient for the invention to be so worked:

Provided that in any case where the patentee establishes that the reason why a patented invention could not be worked as aforesaid before the date of the application was due to any State or Central Act or any rule or regulation made thereunder or any order of the Government imposed otherwise than by way of a condition for the working of the invention in the territory of India or for the disposal of the patented articles or of the articles made by the process or by the use of the patented plant, machinery, or apparatus, then, the period of adjournment ordered under this sub-section shall be reckoned from the date on which the period during which the working of the invention was prevented by such Act, rule or regulation or order of Government as computed from the date of the application, expires.

- (2) No adjournment under sub-section (1) shall be ordered unless the Controller is satisfied that the patentee has taken with promptitude adequate or reasonable steps to start the working of the invention in the territory of India on a commercial scale and to an adequate extent.

87. Procedure for dealing with applications under sections 84 and 85.— (1) Where the Controller is satisfied, upon consideration of an application under section 84, Or section 85, that a *prima facie* case has been made out for the making of an order, he shall direct the applicant to serve copies of the application upon the patentee and any other person appearing from the register to be interested in the patent in respect of which the application is made, and shall publish the application in the official journal.

- (2) The patentee or any other person desiring to oppose the application may, within such time as may be prescribed or within such further time as the Controller may on application (made either before or after the expiration of the prescribed time) allow, give to the Controller notice of opposition.
- (3) Any such notice of opposition shall contain a statement setting out the grounds on which the application is opposed.
- (4) Where any such notice of opposition is duly given, the Controller shall notify the applicant, and shall give to the applicant and the opponent an opportunity to be heard before deciding the case,

88. Powers of Controller in granting compulsory licences.—(1) Where the Controller is satisfied on an application made under section 84 that the manufacture, use or sale of materials not protected by the patent is prejudiced by reason of conditions imposed by the patentee upon the grant of licences under the patent, or upon the purchase, hire or use of the patented article or process, he may, subject to the provisions of that section, order the grant of licences under the patent to such customers of the applicant as he thinks fit as well as to the applicant.

(2) Where an application under section 84 is made by a person being the holder of a licence under the patent, the Controller may, if he makes an order for the grant of a licence to the applicant, order the existing licence to be cancelled, or may, if he thinks fit, instead of making an order for the grant of a licence to the applicant, order the existing licence to be amended.

(3) Where two or more patents are held by the same patentee and an applicant for a compulsory licence establishes that the reasonable requirements of the public have not been satisfied with respect to some only of the said patents, then, if the Controller is satisfied that the applicant cannot efficiently or satisfactorily work the licence granted to him under those patents without infringing the other patents held by the patentee and if those patents involve important technical advancement of considerable economic significance in relation to the other patents, he may, by order, direct the grant of a licence in respect of the other patents also to enable the licensee to work the patent or patents in regard to which a licence is granted under section 84.

(4) Where the terms and conditions of a licence have been settled by the Controller, the licensee may, at any time after he has worked the invention on a commercial scale for a period of not less than twelve months, make an application to the Controller for the revision of the terms and conditions on the ground that the terms and conditions settled have proved to be more onerous than originally expected and that in consequence thereof the licensee is unable to work the invention except at a loss:

Provided that no such application shall be entertained a second time.

89. General purposes for granting compulsory licences.—The powers of the Controller upon an application made under section 84 shall be exercised with a view to securing the following general purposes, that is to say,—

- (a) that 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) that the interests of any person for the time being working or developing an

invention in the territory of India under the protection of a patent are not unfairly prejudiced.

90. Terms and conditions of compulsory licences.—(1) In settling the terms and conditions of a licence under section 84, the Controller shall endeavour to secure—

- (i) that the royalty and other remuneration, if any, reserved to the patentee or other person beneficially entitled to the patent, is reasonable, having regard to the nature of the invention, the expenditure incurred by the patentee in making the invention or in developing it and obtaining a patent and keeping it in force and other relevant factors;
 - (ii) that the patented invention is worked to the fullest extent by the person to whom the licence 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 licence granted is a non-exclusive licence;
 - (v) that the right of the licensee is non-assignable;
 - (vi) that the licence is for the balance term of the patent unless a shorter term is consistent with public interest;
 - (vii) that the licence is granted with a predominant purpose of supply in the Indian market and that the licensee may also export the patented product if need be in accordance with the provisions of sub-clause (iii) of clause (a) of sub-section (7) of section 84;
 - (viii) that in the case of semi-conductor technology, the licence granted is to work the invention for public non-commercial use;
 - (ix) that in case the licence is granted to remedy a practice determined after judicial or administrative process to be anti-competitive, the licensee shall be permitted to export the patented product, if need be.
- (2) No licence granted by the Controller shall authorise the licensee to import the patented article or an article or substance made by a patented process from abroad where such importation would, but for such authorisation, constitute an infringement of the rights of the patentee.
- (3) Notwithstanding anything contained in sub-section (2), the Central Government may, if in its opinion it is necessary so to do, in the public interest, direct the Controller at any time to authorise any licensee in respect of a patent to import the patented article or an article or substance made by a patented process from abroad (subject to such conditions as it

considers necessary to impose relating among other matters to the royalty and other remuneration, if any, payable to the patentee, the quantum of import, the sale price of the imported article and the period of importation), and thereupon the Controller shall give effect to the directions.

- 91. Licensing of related patents.**—(1) Notwithstanding anything contained in the other provisions of this Chapter, at any time after the sealing of a patent, any person who has the right to work any other patented invention either as patentee or as licensee thereof, exclusive or otherwise, may apply to the Controller for the 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 or to the best advantage possible.
- (2) No order under sub-section (1) shall be made unless the Controller is satisfied—
- (i) that the applicant is able and willing to grant, or procure the grant to the patentee and his licensees if they so desire, of a licence in respect of the other invention on reasonable terms; and
 - (ii) that the other invention has made a substantial contribution to the establishment or development of commercial or industrial activities in the territory of India.
- (3) When the Controller is satisfied that the conditions mentioned in sub-section (1) have been established by the applicant, he may make an order on such terms as he thinks fit granting a licence under the first mentioned patent and a similar order under the other patent if so requested by the proprietor of the first mentioned patent or his licensee:
- Provided that the licence granted by the Controller shall be non-assignable except with the assignment of the respective patents.
- (4) The provisions of sections 87, 88, 89 and 90 shall apply to licences granted under this section as they apply to licences granted under section 84.
- 92. Special provision for compulsory licences on notifications by Central Government.**—(1) If the Central Government is satisfied, in respect of any patent in force in circumstances of national emergency or in circumstances of extreme urgency or in case of public non-commercial use, that it is necessary that compulsory licenses should be granted at any time after the sealing thereof to work the invention, it may make a declaration to that effect, by notification in the Official Gazette, and thereupon the following provisions shall have effect, that is to say—
- (i) the Controller shall on application made at any time after the notification by any

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person interested, grant to the applicant a licence under the patent on such terms and conditions as he thinks fit;

(ii) in settling the terms and conditions of a licence granted under this section, the Controller shall endeavour to secure that the articles manufactured under the patent shall be available to the public at the lowest prices consistent with the patentees deriving a reasonable advantage from their patent rights.

(2) The provisions of sections 83, 87, 88, 89 and 90 shall apply in relation to the grant of licences under this section as they apply in relation to the grant of licences under section 84.

(3) Notwithstanding anything contained in sub-section (2), where the Controller is satisfied on consideration of the application referred to in clause (i) of sub-section (1) that it is necessary in—

- (i) a circumstance of national emergency; or
- (ii) a circumstance of extreme urgency; or
- (iii) a case of public non-commercial use,

which may arise or is required, as the case may be, including public health crises, relating to Acquired Immuno Deficiency Syndrome, Human Immuno Deficiency Virus, tuberculosis, malaria or other epidemics, he shall not apply any procedure specified in section 87 in relation to that application for grant of licence under this section:

Provided that the Controller shall, as soon as may be practicable, inform the patentee of the patent relating to the application for such non-application of section 87.

92A. Compulsory licence for export of patented pharmaceutical products in certain exceptional circumstances.—(1) Compulsory licence 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, provided compulsory licence has been granted by such country or such country has, by notification or otherwise, allowed importation of the patented pharmaceutical products from India.

(2) The Controller shall, on receipt of an application in the prescribed manner, grant a compulsory licence solely for manufacture and export of the concerned pharmaceutical product to such country under such terms and conditions as may be specified and published by him.

(3) The provisions of sub-sections (1) and (2) shall be without prejudice to the extent to

which pharmaceutical products produced under a compulsory license can be exported under any other provision of this Act.

Explanation.—For the purposes of this section, 'pharmaceutical products' means any patented product, or product manufactured through a patented process, of the pharmaceutical sector needed to address public health problems and shall be inclusive of ingredients necessary for their manufacture and diagnostic kits required for their use.

93. Order for licence to operate as a deed between parties concerned.—Any order for the grant of a licence under this Chapter shall operate as if it were a deed granting a licence executed by the patentee and all other necessary parties embodying the terms and conditions, if any, settled by the Controller.

94. Termination of compulsory licence.—(1) On an application made by the patentee or any other person deriving title or interest in the patent, a compulsory licence granted under section 84 may be terminated by the controller, if and when the circumstances that gave rise to the grant thereof no longer exist and such circumstances are unlikely to recur:

Provided that the holder of the compulsory licence shall have the right to object to such termination.

(2) While considering an application under section (1), the Controller shall take into account that the interest of the person who had previously been granted the licence is not unduly prejudiced.

95-98. [Omitted by the *Patents (Amendment) Act, 2002*]

CHAPTER XVII

USE OF INVENTIONS FOR PURPOSES OF GOVERNMENT AND ACQUISITION OF INVENTIONS BY CENTRAL GOVERNMENT

- 99. Meaning of use of invention for purposes of Government.**—(1) For the purposes of this Chapter, an invention is said to be used for the purposes of Government if it is made, used, exercised or vended for the purposes of the Central Government, a State Government or a Government undertaking.
- (2) [Omitted by the *Patents (Amendment) Act, 2002*]
- (3) Nothing contained in this Chapter shall apply in respect of any such importation, making or using of any machine, apparatus or other article or of any such using of any process or of any such importation, using or distribution of any medicine or drug, as may be made by virtue of one or more of the conditions specified in section 47.
- 100. Power of Central Government to use inventions for purposes of Government.**—(1) Notwithstanding anything contained in this Act, 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 authorised in writing by it, may use the invention for the purposes of Government in accordance with the provisions of this Chapter.
- (2) Where an invention has, before the priority date of the relevant claim of the complete specification, been duly recorded in a document, or tested or tried, by or on behalf of the Government or a Government undertaking, otherwise than in consequence of the communication of the invention directly or indirectly by the patentee or by a person from whom he derives title, any use of the invention by the 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.
- (3) If and so far as the invention has not been so recorded or tried or tested as aforesaid, any use of the invention made by the Central Government or any person authorised by it under sub-section (1), at any time after grant of the patent or in consequence of any such communication as aforesaid, 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

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sub-section (1) and the patentee, or, as may in default of agreement be determined by the High Court on a reference under section 103:

Provided that in case of any such use of any patent, the patentee shall be paid not more than adequate remuneration in the circumstances of each case, taking into account the economic value of the use of the patent.

- (4) The authorisation by the Central Government in respect of an invention may be given under this section, either before or after the patent is granted and either before or after the acts in respect of which such authorisation is given or done, and may be given to any person whether or not he is authorised 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.
- (5) Where an invention has been used by or with the authority of the Central Government for the purposes of Government under this section, then, except in case of national emergency or other circumstances of extreme urgency or for noncommercial use, 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 the invention as he may, from time to time, reasonably require; and where the invention has been used for the purposes of a Government undertaking, the Central Government may call for such information as may be necessary for this purpose from such undertaking.
- (6) The right to make, use, exercise and vend an invention for the purposes of Government under sub-section (1) shall include the right to sell on noncommercial basis, the goods have been made in exercise of that right, and a purchaser of goods so sold, and a person claiming through him, shall have the power to deal with the goods as if the Central Government or the person authorised under sub-section (1) were the patentee of the invention.
- (7) Where in respect of a patent which has been the subject of an authorisation under this section, there is an exclusive licensee as is referred to in sub-section (3) of section 101, or where such patent has been assigned to the patentee in consideration of royalties or other benefits determined by reference to the use of the invention (including payments by way of minimum royalty), the notice directed to be given under sub-section (5) shall also be given to such exclusive licensee or assignor, as the case may be, and the reference to the patentee in sub-section (3) shall be deemed to include a reference to such assignor or exclusive licensee.

- 101. Rights of third parties in respect of use of invention for purposes of Government.**—(1) In relation to any use of a patented invention, or an invention in respect of which an application for a patent is pending, made for the purposes of Government—
- (a) by the Central Government or any person authorised by the Central Government under section 100; or
 - (b) by the patentee or applicant for the patent to the order made by the Central Government,
- the provisions of any licence, assignment or agreement granted or made, between the patentee or applicant for the patent (or any person who derives title for him or from whom he derives title) and any person other than the Central Government shall be of no effect so far as those provisions—
- (i) restrict or regulate the use for the purposes of Government of the invention, or of any model document or information relating thereto, or
 - (ii) provide for the making of payments in respect of any use of the invention or of the model, document or information relating thereto for the purposes of Government ,
- and the reproduction or publication of any model or document in connection with the said use for the purposes of Government shall not be deemed to be an infringement of any copyright subsisting in the model or document.
- (2) Where the patent, or the right to apply for or obtain the patent, has been assigned to the patentee in consideration of royalties or other benefits determined by reference to the use of the invention then, in relation to any use of the invention made for the purposes of Government by the patentee to the order of the Central Government, sub-section (3) of section 100 shall have effect as if that use were made by virtue of an authority given under that section; and use of the invention for the purposes of Government by virtue of sub-section (3) of that section shall have effect as if the reference to the patentee included a reference to the assignor of the patent, and any sum payable by virtue of that sub-section shall be divided between the patentee and the assignor in such proportion as may be agreed upon between them or as may in default of agreement be determined by the High Court on a reference under section 103.
- (3) Where by virtue of sub-section (3) of section 100, payments are required to be made by the Central Government or persons authorised under sub-section (1) of that section in respect of the use of an invention for the purposes of Government and where in respect of such patent there is an exclusive licensee authorised under his licence to use the invention for the purposes of Government, such sum shall be shared by the patentee and such licensee in such proportions, if any, as may be agreed upon between them or

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as may in default of agreement be determined by the High Court on a reference under section 103 to be just, having regard to any expenditure incurred by the licensee—

- (a) in developing the said invention; or
- (b) in making payments to the patentees other than royalties or other benefits determined by reference to the use of the invention in consideration of the licence.

102. Acquisition of inventions and patents by the Central Government.— (1) The Central Government may, if satisfied that it is necessary that an invention which is the subject of an application for a patent or a patent should be acquired from the applicant or the patentee 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, by force of this section, stand transferred to and be vested in the Central Government.

- (2) Notice of the acquisition shall be given to the applicant, and, where a patent has been granted, to the patentee and other persons, if any, appearing in the register as having an interest in the patent.
- (3) The Central Government shall pay to the applicant, or, as the case may be, the patentee and other persons appearing on the register as having an interest in the patent such compensation as may be agreed upon between the Central Government and the applicant, or the patentee and other persons; or, as may, in default of agreement, be determined by the High Court on a reference under section 103 to be just having regard to the expenditure incurred in connection with the invention and, in the case of a patent, the term thereof, the period during which and the manner in which it has already been worked (including the profits made during such period by the patentee or by his licensee whether exclusive or otherwise) and other relevant factors.

103. Reference to High Court of disputes as to use for purposes of Government.—(1) Any dispute as to the exercise by the Central Government or a person authorised by it of the powers conferred by section 100, or as to terms for the use of an invention for the purposes of Government thereunder or as to the right of any person to receive any part of a payment made in pursuance of sub-section (3) of that section or as to the amount of compensation payable for the acquisition of an invention or a patent under section 102, may be referred to the High Court by either party to the dispute in such manner as may be prescribed by the rules of the High Court.

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- (2) In any proceedings under this section to which the Central Government is a party, the Central Government may,—
- (a) if the patentee is a party to the proceedings, petition by way of counter-claim 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, put in issue the validity of the patent without petitioning for its revocation.
- (3) If in such proceedings as aforesaid any question arises whether an invention has been recorded, tested or tried as is mentioned in section 100, and the disclosure of any document regarding the invention, or of any evidence of the test or trial thereof, would, in the opinion of the Central Government, be prejudicial to the public interest, the disclosure may be made confidentially to the advocate of the other party or to an independent expert mutually agreed upon.
- (4) In determining under this section any dispute between the Central Government and any person as to terms for the use of an invention for the purposes of Government, the High Court shall have regard to any benefit or compensation which that person or any person from whom he derives title, may have received, or may be entitled to receive, directly or indirectly in respect of the use of the invention in question for the purposes of Government.
- (5) In any proceedings under this section, the High Court may at any time order the whole proceedings or any question or issue of fact arising therein to be referred to an official referee, commissioner or an arbitrator on such terms as the High Court may direct, and references to the High Court in the foregoing provisions of this section shall be construed accordingly.
- (6) Where the invention claimed in a patent was made by a person who at the time it was made was in the service of the Central Government or of a State Government or was an employee of a Government undertaking and the subject-matter of the invention is certified by the relevant Government or the principal officer of the Government undertaking to be connected with the work done in the course of the normal duties of the Government servant or employee of the Government undertaking, then, notwithstanding anything contained in this section, any dispute of the nature referred to in sub-section (1) relating to the invention shall be disposed of by the Central Government conformably to the provisions of this section so far as may be applicable, but before doing so the Central Government shall give an opportunity to the patentee and such other parties as it considers have an interest in the matter to be heard.

CHAPTER XVIII

SUITS CONCERNING INFRINGEMENT OF PATENTS

104. Jurisdiction.—No suit for a declaration under section 105 or for any relief under section 106 or for infringement of a patent shall be instituted in any court inferior to a district court having jurisdiction to try the suit:

Provided that where a counter-claim for revocation of the patent is made by the defendant, the suit, along with the counter-claim, shall be transferred to the High Court for decision.

104A. Burden of proof in case of suits concerning infringement.—(1) In any suit for infringement of a patent, where the subject matter of patent is a process for obtaining a product, the court may direct the defendant to prove that the process used by him to obtain the product, identical to the product of the patented process, is different from the patented process if,—

- (a) the subject matter of the patent is a process for obtaining a new product; or
- (b) there is a substantial likelihood that the identical product is made by the process, and the patentee or a person deriving title or interest in the patent from him, has been unable through reasonable efforts to determine the process actually used:

Provided that the patentee or a person deriving title or interest in the patent from him first proves that the product is identical to the product directly obtained by the patented process.

- (2) In considering whether a party has discharged the burden imposed upon him by subsection (1), the court shall not require him to disclose any manufacturing or commercial secrets, if it appears to the court that it would be unreasonable to do so.

105. Power of court to make declaration as to non-infringement.— (1) Notwithstanding anything contained in section 34 of the Specific Relief Act, 1963 (47 of 1963), any person may institute a suit for a declaration that the use by him of any process, or the making, use or sale of any article by him does not, or would not, constitute an infringement of a claim of a patent against the patentee or the holder of an exclusive licence under the

patent, notwithstanding that no assertion to the contrary has been made by the patentee or the licensee, if it is shown—

- (a) that the plaintiff has applied in writing to the patentee or exclusive licensee for a written acknowledgements to the effect of the declaration claimed and has furnished him with full particulars in writing of the process or article in question; and
 - (b) that the patentee or licensee has refused or neglected to give such an acknowledgement.
- (2) The costs of all parties in a suit for a declaration brought by virtue of this section shall, unless for special reasons the court thinks fit to order otherwise, be paid by the plaintiff.
 - (3) The validity of a claim of the specification of a patent shall not be called in question in a suit for a declaration brought by virtue of this section, and accordingly the making or refusal of such a declaration in the case of a patent shall not be deemed to imply that the patent is valid or invalid.
 - (4) A suit for a declaration may be brought by virtue of this section at any time after the publication of grant of a patent, and references in this section to the patentee shall be construed accordingly.

106. Power of court to grant relief in cases of groundless threats of infringement proceedings.—

- (1) Where any person (whether entitled to or interested in a patent or an application for patent or not) 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 thereby may bring a suit against him praying for the following reliefs, that is to say—
- (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, as he has sustained thereby.
- (2) Unless in such suit the defendant proves that the acts in respect of which the proceedings were threatened constitute or, if done, would constitute, an infringement of a patent or of rights arising from the publication of a complete specification in respect of a claim of the specification not shown by the plaintiff to be invalid the court may grant to the plaintiff all or any of the reliefs prayed for.

Explanation.—A mere notification of the existence of a patent does not constitute a threat of proceeding within the meaning of this section.

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- 107. Defences, etc., in suits for infringement.**—(1) In any suit for infringement of a patent every ground on which it may be revoked under section 64 shall be available as a ground for defence.
- (2) In any suit for infringement of a patent by the making, using or importation of any machine, apparatus of other article or by the using of any process or by the importation, use or distribution of any medicine or drug, it shall be a ground for defence that such making, using, importation or distribution is in accordance with any one or more of the conditions specified in section 47.
- 107A. Certain acts not to be considered as infringement.**—For the purposes of this Act,—
- (a) any act of making, constructing, using, selling or importing a patented invention solely for uses reasonably related to the development and submission of information required under any law for the time being in force, in India, or in a country other than India, that regulates the manufacture, construction, use, sale or import of any product;
- (b) importation of patented products by any person from a person who is duly authorised under the law to produce and sell or distribute the product,
- shall not be considered as an infringement of patent rights.
- 108. Reliefs in suit for infringement.**—(1) The reliefs which a court may grant in any suit for infringement include an injunction (subject to such terms, if any, as the court thinks fit) and, at the option of the plaintiff, either damages or an account of profits.
- (2) The court may also order that the goods which are found to be infringing and materials and implements, the predominant use of which is in the creation of infringing goods shall be seized, forfeited or destroyed, as the court deems fit under the circumstances of the case without payment of any compensation.
- 109. Right of exclusive licensee to take proceedings against infringement.**—(1) The holder of an exclusive licence shall have the like right as the patentee to institute a suit in respect of any infringement of the patent committed after the date of the licence, and in awarding damages or an account of profits or granting any other relief in any such suit the court shall take into consideration any loss suffered or likely to be suffered by the exclusive licensee as such or, as the case may be, the profits earned by means of the infringement so far as it constitutes an infringement of the rights of the exclusive

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licensee as such.

- (2) In any suit for infringement of a patent by the holder of an exclusive licence under subsection (1), the patentee shall, unless he has joined as a plaintiff in the suit, be added as a defendant, but a patentee so added as defendant shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

110. Right of licensee under section 84 to take proceedings against infringement.—Any person to whom a licence has been granted under section 84 shall be entitled to call upon the patentee to take proceedings to prevent any infringement of the patent, and, if the patentee refuses or neglects to do so within two months after being so called upon, the licensee may institute proceedings for the infringement in his own name as though he were the patentee, making the patentee a defendant; but a patentee so added as defendant shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

111. Restriction on power of court to grant damages or account of profits for infringement.—

(1) In a suit for infringement of patent, damages or an account of profits shall not be granted against the defendant who proves that at the date of the infringement he was not aware and had no reasonable grounds for believing that the patent existed.

Explanation.—A person shall not be deemed to have been aware or to have had reasonable grounds for believing that a patent exists by reason only of the application to an article of the word "patent", "patented" or any word or words expressing or implying that a patent has been obtained for the article, unless the number of the patent accompanies the word or words in question.

- (2) In any suit for infringement of a patent the court may, if it thinks fit, refuse to grant any damages or an account of profits in respect of any infringement committed after a failure to pay any renewal fee with the prescribed period and before any extension of that period.
- (3) Where an amendment of a specification by way of disclaimer, correction or explanation has been allowed under this Act after the publication of the specification, no damages or account of profits shall be granted in any proceeding in respect of the use of the invention before the date of the decision allowing the amendment, unless the court is satisfied that the specification as originally published was framed in good faith and with reasonable skill and knowledge.

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- (4) Nothing in this section shall affect the power of the court to grant an injunction in any suit for infringement of a patent.

112. Restriction on power of court to grant injunction in certain cases.— [Omitted by the *Patents (Amendment) Act, 2002*]

113. Certificate of validity of specification and costs of subsequent suits for infringement thereof.—(1) If in any proceedings before the Appellate Board or a High Court for the revocation of a patent under section 64 and section 104, as the case may be, the validity of any claim of a specification is contested and that claim is found by the Appellate Board or the High Court to be valid, the Appellate Board or the High Court may certify that the validity of that claim was contested in those proceedings and was upheld.

- (2) Where any such certificate has been granted, then, if in any subsequent suit before a court for infringement of that claim of the patent or in any subsequent proceeding for revocation of the patent in so far as it relates to that claim, the patentee or other person relying on the validity of the claim obtains a final order or judgment in his favour, he shall be entitled to an order for the payment of his full costs, charges and expenses of and incidental to any such suit or proceeding properly incurred so far as they concern the claim in respect of which the certificate was granted, unless the court trying the suit or proceeding otherwise directs:

Provided that the costs as specific in this sub-section shall not be ordered when the party disputing the validity of the claim satisfies the court that he was not aware of the grant of the certificate when he raised the dispute and withdrew forthwith such defence when he became aware of such a certificate.

- (3) Nothing contained in this section shall be construed as authorising the courts or the Appellate Board hearing appeals from decrees or orders in suits for infringement or petitions for revocation, as the case may be, to pass orders for costs on the scale referred to therein.

114. Relief for infringement of partially valid specification.—(1) If in proceedings for infringement of a patent it is found that any claim of the specification, being a claim in respect of which infringement is alleged, is valid, but that any other claim is invalid, the court may grant relief in respect of any valid claim which is infringed:

Provided that the court shall not grant relief except by way of injunction save in the

circumstances mentioned in sub-section (2).

- (2) Where the plaintiff proves that the invalid claim was framed in good faith and with reasonable skill and knowledge, the court shall grant relief in respect of any valid claim which is infringed subject to the discretion of the court as to costs and as to the date from which damages or an account of profits should be reckoned, and in exercising such discretion the court may take into consideration the conduct of the parties in inserting such invalid claims in the specification or permitting them to remain there.

115. Scientific advisers.—(1) In any suit for infringement or in any proceeding before a court under this Act, the court may at any time, and whether or not an application has been made by any party for that purpose, appoint an independent scientific adviser, to assist the court or to inquire and report upon any such question of fact or of opinion (not involving a question of interpretation of law) as it may formulate for the purpose.

- (2) The remuneration of the scientific adviser shall be fixed by the court and shall include the costs of making a report and a proper daily fee for any day on which the scientific adviser may be required to attend before the court, and such remuneration shall be defrayed out of moneys provided by Parliament by law for the purpose.

CHAPTER XIX

APPEALS TO THE APPELLATE BOARD

116. Appellate Board.—(1) Subject to the provisions of this Act, the Appellate Board established under section 83 of the Trade Marks Act, 1999 shall be the Appellate Board for the purposes of this Act and the said Appellate Board shall exercise the jurisdiction, power and authority conferred on it by or under this Act:

Provided that the Technical Member of the Appellate Board for the purposes of this Act shall have the qualifications specified in sub-section (2).

- (2) A person shall not be qualified for appointment as a Technical Member for the purposes of this Act unless he—
- (a) has, at least five years held the post of Controller under this Act or has exercised the functions of the Controller under this Act for at least five years; or
 - (b) has, for at least ten years functioned as a Registered Patent Agent and possesses a degree in engineering or technology or a masters degree in science from any University established under law for the time being in force or equivalent; or
 - (c) [Omitted by the *Patents (Amendment) Act, 2005*]

117. Staff of Appellate Board.—(1) The Central Government shall determine the nature and categories of the officers and other employees required to assist the Appellate Board in the discharge of its functions under this Act and provide the Appellate Board with such officers and other employees as it may think fit.

- (2) The salaries and allowances and conditions of service of the officers and other employees of the Appellate Board shall be such as may be prescribed.
- (3) The officers and other employees of the Appellate Board shall discharge their functions under the general superintendence of the Chairman of the Appellate Board in the manner as may be prescribed.

117A. Appeals to Appellate Board.—(1) Save as otherwise expressly provided in sub-section (2), no appeal shall lie from any decision, order or direction made or issued under this Act by the Central Government, or from any act or order of the Controller for the

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purpose of giving effect to any such decision, order or direction.

- (2) An appeal shall lie to the Appellate Board from any decision, order or direction of the Controller or Central Government under section 15, section 16, section 17, section 18, section 19, section 20, sub-section (4) of section 25, section 28, section 51, section 54, section 57, section 60, section 61, section 63, section 66, sub-section (3) of section 69, section 78, sub-sections (1) to (5) of section 84, section 85, section 88, section 91, section 92 and section 94.
- (3) Every appeal under this section shall be in the prescribed form and shall be verified in such manner as may be prescribed and shall be accompanied by a copy of the decision, order or direction appealed against and by such fees as may be prescribed.
- (4) Every appeal shall be made within three months from the date of the decision, order or direction, as the case may be, of the Controller or the Central Government or within such further time as the Appellate Board may, in accordance with the rules made by it allow.

117B. Procedure and powers of Appellate Board.—The provisions of subsections (2) to (6) of section 84, section 87, section 92, section 95 and section 96 of the Trade Marks Act, 1999 (47 of 1999) shall apply to the Appellate Board in the discharge of its functions under this Act as they apply to it in the discharge of its functions under the Trade Marks Act, 1999.

117C. Bar of jurisdiction of courts, etc.—No court or other authority shall have or, be entitled to, exercise any jurisdiction, powers or authority in relation to the matters referred to in sub-section (2) of section 117A or section 117D.

117D. Procedure for application for rectification, etc., before Appellate Board.—(1) An application for revocation of a patent before the Appellate Board under section 64 and an application for rectification of the register made to the Appellate Board under section 71 shall be in such form as may be prescribed.

- (2) A certified copy of every order or judgment of the Appellate Board relating to a patent under this Act shall be communicated to the Controller by the Board and the Controller shall give effect to the order of the Board and shall, when so directed, amend the entries in, or rectify, the register in accordance with such order.

117E. Appearance of Controller in legal proceedings.—(1) The Controller shall have the right to

appear and be heard—

- (a) in any legal proceedings before the Appellate Board in which the relief sought includes alteration or rectification of the register or in which any question relating to the practice of the patent office is raised;
 - (b) in any appeal to the Appellate Board from an order of the Controller on an application for grant of a 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 his appearance is necessary in the public interest,and the Controller shall appear in any case if so directed by the Appellate Board.
- (2) Unless the Appellate Board otherwise directs, the Controller may, in lieu 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 of the grounds of any decision given by him or of the practice of the patent office in like cases, or of other matters relevant to the issues and within his knowledge as the Controller may deem it necessary, and such statement shall be evidence in the proceeding.

117F. Costs of Controller in proceedings before Appellate Board.—In all proceedings under this Act before the Appellate Board, the costs of the Controller shall be in the discretion of the Board, but the Controller shall not be ordered to pay the costs of any of the parties.

117G. Transfer of pending proceedings to Appellate Board.—All cases of appeals against any order or decision of the Controller and all cases pertaining to revocation of patent other than on a counter-claim in a suit for infringement and rectification of register pending before any High Court, shall be transferred to the Appellate Board from such date as may be notified by the Central Government in the Official Gazette and the Appellate Board may proceed with the matter either *de novo* or from the stage it was so transferred.

117H. Power of Appellate Board to make rules.—The Appellate Board may make rules consistent with this Act as to the conduct and procedure in respect of all proceedings before it under this Act.

CHAPTER XX

PENALTIES

118. Contravention of secrecy provisions relating to certain inventions.—If any person fails to comply with any direction given under section 35 or makes or causes to be made an application for the grant of a patent in contravention of section 39 he shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.

119. Falsification of entries in register, etc.—If any person makes, or causes to be made, a false entry in any register kept under this Act, or a writing falsely purporting to be a copy of an entry in such a 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.

120. Unauthorised claim of patent rights.—If any person falsely represents that any article sold by him is patented in India or is the subject of an application for a patent in India, he shall be punishable with fine which may extend to one lakh rupees.

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

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

Explanation 2.—The use of words "patent", "patented", "patent applied for", "patent pending" or other words expressing or implying that an article is patented or

that a patent has been applied for shall be deemed to refer to a patent in force in India, or to a pending application for a patent in India, as the case may be, unless there is an accompanying indication that the patent has been obtained or applied for in any country outside India.

- 121. 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 a term which may extend to six months, or with fine, or with both.
- 122. Refusal or failure to supply information.**—(1) If any person refuses or fails to furnish—
- (a) to the Central Government any information which he is required to furnish under sub-section (5) of section 100;
 - (b) to the Controller any information or statement which he is required to furnish by or under section 146,
- he shall be punishable with fine which may extend to ten lakh rupees.
- (2) If any person, being required to furnish any such information as is referred to in sub-section (1), furnishes information or statement which is false, and which he either knows or has reason to believe to be false or does not believe to be true, he shall be punishable with imprisonment which may extend to six months, or with fine, or with both.
- 123. Practice by non-registered patent agents.**—If any person contravenes the provisions of section 129, he shall be punishable with fine which may extend to one lakh rupees in the case of a first offence and five lakh rupees in the case of a second or subsequent offence.
- 124. Offences by companies.**—(1) If the person committing an offence under this Act 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 of the offence shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:
- Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such

offence.

- (2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or that the commission of the offence is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

- (a) "company" means anybody corporate and includes a firm or other association of individuals; and
- (b) "director", in relation to a firm, means a partner in the firm.

CHAPTER XXI

PATENT AGENTS

125. Register of patent agents.—(1) The Controller shall maintain a register to be called the register of patent agents in which shall be entered the names, addresses and other relevant particulars, as may be prescribed, of all persons qualified to have their names so entered under section 126.

(2) Notwithstanding anything contained in sub-section (1), it shall be lawful for the Controller to keep the register of patent agents in computer floppies, diskettes or any other electronic form subject to such safeguards as may be prescribed.

126. Qualifications for registration as patent agents.—(1) A person shall be qualified to have his name entered in the register of patent agents if he fulfills the following conditions, namely:—

(a) he is a 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 established under law for the time being in force in the territory of India or possesses such other equivalent qualifications as the Central Government may specify in this behalf, and, in addition,—

(i) [Omitted by the *Patents (Amendment) Act, 2005*]

(ii) has passed the qualifying examination prescribed for the purpose; or

(iii) has, for a total period of not less than ten years, functioned either as an examiner or discharged the functions of the Controller under section 73 or both, but ceased to hold any such capacity at the time of making the application for registration;

(d) he has paid such fee as may be prescribed.

(2) Notwithstanding anything contained in sub-section (1), a person who has been registered as a patent agent before the commencement of the Patents (Amendment) Act, 2005 shall be entitled to continue to be, or when required to be re-registered, as a

patent agent, on payment of the fees as may be prescribed.

127. Rights of patent agents.—Subject to the provisions contained in this Act and in any rules made thereunder, every patent agent whose name is entered in the register shall be entitled—

- (a) to practice before the Controller; and
- (b) to prepare all documents, transact all business and discharge such other functions as may be prescribed in connection with any proceeding before the Controller under this Act.

128. Subscription and verification of certain documents by patent agents.—(1) all applications and communications to the Controller under this Act may be signed by a patent agent authorised in writing in this behalf by the person concerned.

Provided that if such person is absent from India, they may be signed and verified on his behalf by a patent agent authorised by him in writing in that behalf.

(2) [Omitted by the *Patents (Amendment) Act, 2002*]

129. Restrictions on practice as patent agents.—(1) No person, either alone or in partnership with any other person, shall practise, describe or hold himself out as a patent agent, or permit himself to be so described or held out, unless he is registered as a patent agent or, as the case may be, unless he and all his partners are so registered.

(2) No company or other body corporate shall practise, describe itself or hold itself out as patent agents or permit itself to be so described or held out.

Explanation.— For the purposes of this section, practise as a patent agent includes any of the following acts, namely:—

- (a) applying for or obtaining patents in India or elsewhere;
- (b) preparing specifications or other documents for the purposes of this Act or of the patent law of any other country;
- (c) giving advice other than of a scientific or technical nature as to the validity of patents or their infringement.

130. Removal from register of patent agents and restoration.—(1) The Controller may remove the name of any person from the register when he is satisfied, after giving that person a reasonable opportunity of being heard and after such further inquiry, if any, as he thinks fit to make—

- (i) that his name has been entered in the register by error or on account of misrepresentation or suppression of material fact;
- (ii) 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.

(2) The Controller may, on application and on sufficient cause being shown, restore to the register the name of any person removed therefrom.

131. Power of Controller to refuse to deal with certain agents.—(1) Subject to any rules made in this behalf, the Controller may refuse to recognise as agent in respect of any business under this Act—

- (a) any individual whose name has been removed from, and not restored to, the register;
- (b) any person who has been convicted of an offence under section 123;
- (c) any person, not being registered as a patent agent, who in the opinion of the Controller is engaged wholly 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 recognise as agent in respect of any business under this Act, is acting as a director or manager of the company or is a partner in the firm.

(2) The Controller shall refuse to recognise as agent in respect of any business under this Act any person who neither resides nor has a place of business in India.

132. Savings in respect of other persons authorised to act as agents.—Nothing in the Chapter shall be deemed to prohibit—

- (a) the applicant for a patent from drafting any specification or appearing or acting before the Controller, or
- (b) an advocate, not being a patent agent, from taking part in any hearing before the Controller on behalf of a party who is taking part in any proceeding under this Act.

CHAPTER XXII

INTERNATIONAL ARRANGEMENTS

133. Convention countries.—Any country, which is a signatory or party or a group of countries, union of countries or intergovernmental organisations which are signatories or parties to an international, regional or bi-lateral treaty, convention or arrangement to which India is also a signatory or party and which affords to the applicants for patents in India or to citizens of India similar privileges as are granted to their own citizens or citizens to their member countries in respect of the grant of patents and protection of patent rights shall be a convention country or convention countries for the purposes of this Act.

134. Notification as to countries not providing for reciprocity.—Where any country specified by the Central Government in this behalf by notification in the Official Gazette does not accord to citizens of India the same rights in respect of the grant of patents and the protection of patent rights as it accords to its own nationals, no national of such country shall be entitled, either solely or jointly with any other person,—

- (a) to apply for the grant of a patent or be registered as the proprietor of a patent;
- (b) to be registered as the assignee of the proprietor of a patent; or
- (c) to apply for a licence or hold any licence under a patent granted under this Act.

135. Convention applications.—(1) Without prejudice to the provisions contained in section 6, where a person has made an application for a patent in respect of an invention in a convention country (hereinafter referred to as the "basic application"), and that person or the legal representative or assignee of that person makes an application under this Act for a patent within twelve months after the date on which the basic application was made, the priority date of a claim of the complete specification, being a claim based on matter disclosed in the basic application, is the date of making of the basic application.

Explanation.—Where applications have been made for similar protection in respect of an invention in two or more convention countries, the period of twelve months

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referred to in this sub-section shall be reckoned from the date on which the earlier or earliest of the said applications was made.

- (2) Where applications for protection have been made in one or more convention countries in respect of two or more inventions which are cognate or of which one is a modification of another, a single convention application may, subject to the provisions contained in section 10, be made in respect of those inventions at any time within twelve months from the date of the earliest of the said applications for protection:

Provided that the fee payable on the making of any such application shall be the same as if separate applications have been made in respect of each of the said inventions, and the requirements of clause (b) of sub-section (1) of section 136 shall, in the case of any such application, apply separately to the applications for protection in respect of each of the said inventions.

- (3) In case of an application filed under the Patent Cooperation Treaty designating India and claiming priority from a previously filed application in India, the provisions of sub-sections (1) and (2) shall apply as if the previously filed application were the basic application:

Provided that a request for examination under section 11B shall be made only for one of the applications filed in India.

136. Special provisions relating to convention application.—(1) Every convention application shall—

- (a) be accompanied by a complete specification; and
 - (b) specify the date on which and the convention country in which the application for protection, or as the case may be, the first of such applications was made; and
 - (c) state that no application for protection in respect of the invention had been made in a convention country before that date by the applicant or by any person from whom he derives title.
- (2) Subject to the provisions contained in section 10, a complete specification filed with a convention application may include claims in respect of developments of, or additions to, the invention in respect of which the application for protection was made in a convention country, being developments or additions in respect of which the applicant would be entitled under the provisions of section 6 to make a separate application for a patent.
- (3) A convention application shall not be post-dated under sub-section (1) of section 17 to a date later than the date on which under the provisions of this Act the application could have been made.

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- 137. Multiple priorities.**—(1) Where two or more applications for patents in respect of inventions have been made in one or more convention countries and those inventions are so related as to constitute one invention, one application may be made by any or all of the persons referred to in sub-section (1) of section 135 within twelve months from the date on which the earlier or earliest of those applications was made, in respect of the inventions disclosed in the specifications which accompanied the basic applications.
- (2) The priority date of a claim of the complete specification, being a claim based on matters disclosed in one or more of the basic applications, is the date on which that matter was first so disclosed.
- (3) For the purposes of this Act, a matter shall be deemed to have been disclosed in a basic application for protection in a convention country if it was claimed or disclosed (otherwise than by way of disclaimer or acknowledgement of a prior art) in that application, or any documents submitted by the applicant for protection in support of and at the same time as that application but no account shall be taken of any disclosure effected by any such document unless a copy of the documents is filed at the patent office with the convention application or within such period as may be prescribed after the filing of that application.
- 138. Supplementary provisions as to convention applications.**—(1) Where a convention application is made in accordance with the provisions of this Chapter, the applicant shall furnish, when required by the Controller, in addition to the complete specification, copies of the specifications or corresponding documents filed or deposited by the applicant in the patent office of the convention country as referred to in section 133 verified to the satisfaction of the Controller, within the prescribed period from the date of communication by the Controller.
- (2) If any such specification or other document is in a foreign language, a translation into English of the specification or document, verified by affidavit or otherwise to the satisfaction of the Controller, shall be furnished when required by the Controller.
- (3) For the purposes of this Act, the date on which an application was made in a convention country is such date as the Controller is satisfied, by certificate of the official chief or head of the patent office of the convention country or otherwise, is the date on which the application was made in that convention country.
- (4) An international application filed under the Patent Co-operation Treaty designating India shall have effect of filing an application for patent under section 7, section 54 and section 135, as the case may be, and the title, description, claim and abstract and drawings, if any,

filed in the international application shall be taken as complete specification for the purposes of this Act.

- (5) The filing date of application for patent and its complete specification processed by the patent office as designated office shall be the international filing date accorded under the Patent Cooperation Treaty.
- (6) Amendment, if any, proposed by the applicant for an international application designating India or designating and electing India before international searching authority or preliminary examination authority shall, if the applicant so desires, be taken as an amendment made before the patent office.

139. Other provisions of Act to apply to convention applications.—Save as otherwise provided in this Chapter, all the provisions of this Act shall apply in relation to a convention application and a patent granted in pursuance thereof as they apply in relation to an ordinary application and a patent granted in pursuance thereof.

CHAPTER XXIII

MISCELLANEOUS

- 140. Avoidance of certain restrictive conditions.**—(1) It shall not be lawful to insert—
- (i) in any contract for or in relation to the sale or lease of a patented article or an article made by a patented process; or
 - (ii) in licence to manufacture or use a patented article; or
 - (iii) in a licence to work any process protected by a patent, a condition the effect of which may be—
 - (a) to require the purchaser, lessee, or licensee to acquire from the vendor, lessor, or licensor or his nominees, or to prohibit from acquiring or to restrict in any manner or to any extent his right to acquire from any person or to prohibit him from acquiring except from the vendor, lessor, or licensor or his nominees any article other than the patented article or an article other than that made by the patented process; or
 - (b) to prohibit the purchaser, lessee or licensee from using or to restrict in any manner or to any extent the right of the purchaser, lessee or licensee, to use an article other than the patented article or an article other than that made by the patented process, which is not supplied by the vendor, lessor or licensor or his nominee; or
 - (c) to prohibit the purchaser, lessee or licensee from using or to restrict in any manner or to any extent the right of the purchaser, lessee or licensee to use any process other than the patented process,
 - (d) to provide exclusive grant back, prevention to challenges to validity of Patent & Coercive package licensing,and any such condition shall be void.
- (2) A condition of the nature referred to in clause (a) or clause (b) or clause (c) of sub-section (1) shall not cease to be a condition falling within that sub-section merely by reason of the fact that the agreement containing it has been entered into separately, whether before or after the contract relating to the sale, lease or licence of the patented article or process.
- (3) In proceedings against any person for the infringement of a patent, it shall be a defence to

prove that at the time of the infringement there was in force a contract relating to the patent and containing a condition declared unlawful by this section:

Provided that this sub-section shall not apply if the plaintiff is not a party to the contract and proves to the satisfaction of the court that the restrictive condition was inserted in the contract without his knowledge and consent, express or implied.

(4) Nothing in this section shall—

- (a) affect a condition in a contract by which a person is prohibited from selling goods other than those of a particular person;
- (b) validate a contract which, but for this section, would be invalid;
- (c) affect a condition in a contract for the lease of, or licence to use a patented article, by which the lessor or licensor reserves to himself or his nominee the right to supply such new parts of the patented article as may be required or to put or keep it in repair.

(5) [Omitted by the *Patents (Amendment) Act, 2002*]

141. Determination of certain contracts.—(1) Any contract for the sale or lease of a patented article or for licence to manufacture, use or work a patented article or process, or relating to any such sale, lease or licence, may at any time after the patent or all the patents by which the article or process was protected at the time of the making of the contract has or have ceased to be in force, and notwithstanding anything to the contrary in the contract or in any other contract, be determined by the purchaser, lessee, or licensee, as the case may be, of the patent on giving three months notice in writing to the other party.

(2) The provisions of this section shall be without prejudice to any right of determining a contract exercisable apart from this section.

142. Fees.—(1) There shall be paid in respect of the grant of patents and applications therefor, and in respect of other matters in relation to the grant of patents under this Act, such fees as may be prescribed by the Central Government.

(2) Where a fee is payable in respect of the doing of an act by the Controller, the Controller shall not do that act until the fee has been paid.

(3) Where a fee is payable in respect of the filing of a document at the patent office, the fee shall be paid along with the document or within the prescribed time and the document shall be deemed not to have been filed at the office if the fee has not been paid within

such time.

- (4) Where a principal patent is granted later than two years from the date of the filing of the application, the fees which have become due in the meantime may be paid within a term of three months from the date of the recording of the patent in the register or within the extended period not later than nine months from the date of recording.

143. Restrictions upon publication of specification.—Subject to the provisions of Chapter VII, an application for a patent, and any specification filed in pursuance thereof, shall not, except with the consent of the applicant, be published by the Controller before the expiration of the period prescribed under sub-section (1) of section 11A or before the same is open to public inspection in pursuance of sub-section (3) of section 11A or section 43.

144. Reports of examiners to be confidential.—The reports of examiners to the Controller under this Act shall not be open to public inspection or be published by the Controller; and such reports shall not be liable to production or inspection in any legal proceeding unless the court certifies that the production or inspection is desirable in the interests of justice, and ought to be allowed.

145. Publication of official journal.—The Controller shall publish periodically an official journal which shall contain such information as may be required to be published by or under the provisions of this Act or any rule made thereunder.

146. Power of Controller to call for information from patentees.—(1) The Controller may, at any time during the continuance of the patent, by notice in writing, require a patentee or a licensee, exclusive or otherwise, to furnish to him within two months from the date of such notice or within such further time as the Controller may allow, such information or such periodical statements as to the extent to which the patented invention has been commercially worked in India as may be specified in the notice.

- (2) Without prejudice to the provisions of sub-section (1), every patentee and every licensee (whether exclusive or otherwise) shall furnish in such manner and form and at such intervals (not being less than six months) as may be prescribed statements as to the extent to which the patented invention has been worked on a commercial scale in India.
- (3) The Controller may publish the information received by him under subsection (1) or sub-

