National IPR policy favours tax breaks, loan guarantee to promote patents creation

Innovation push

**National IPR Policy: Main proposals**
- Tax breaks to promote R&D; simpler procedures to get benefits
- Create a cell to facilitate promotion, creation and commercialisation of IP assets
- Ensure a mechanism to cover risk of failure of IPRs, and a dedicated cell to promote the creation and commercialisation of IP assets.

The policy also suggests the establishment of a mechanism for implementation, monitoring and review of IPR laws, faster clearance of patent applications and a stronger enforcement regime with better coordination with States.

"The policy aims to create and exploit synergies between all forms of intellectual property; statutes concerned and agencies," Finance Ministry Arun Jaitley said at a press conference on Friday. In India, not only is the number of patent applications pending clearance high at over 2 lakhs, the rate of commercialisation of patents, too, is abysmally low, at below 3 per cent of total patents granted.

The policy keeps intact Section 3(d) of the IPR Act (which does not allow patents to be issued for incremental innovations), which the US and the EU have been pushing to get changed.

The Indian Patents Office has rejected a number of patent applications from American and European pharmaceutical majors based on Section 3(d), which discourages so-called "evergreening" of patents.

"...we believe that our existing IPR laws are all WTO-compliant, and as and when global trends move forward, a continuous evolution of these laws will always be required," the policy said.

Pharma sector 'not happy'
The Indian pharmaceutical industry, however, is not too happy about the 'evolution' part. "Unless the government is ready with funding and programmes to ensure access to medicine for all, any change in the legislative framework will hurt not only the generic industry, but the people of India," said DG Shah of Indian Pharmaceuticals Alliance.

The policy makes the Department of Industrial Policy and Promotion the nodal point for all IPR related matters.