

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

Retains Section 3(d), which checks 'evergreening', despite US pressure

OUR BUREAU

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The national Intellectual Property Rights (IPR) policy approved by the Union Cabinet has proposed tax breaks to promote research and development, a loan guarantee scheme 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 lakh, the rate of commercialisa-

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
- Loan guarantee scheme to cover risk of failures in commercialisation
- Promote infusion of funds to public R&D units as a part of CSR
- US, EU demand of dropping Section 3(d) disallowing 'evergreening' ignored
- Strengthening enforcement mechanisms for better protection of IP rights
- Adjudicate IP disputes through commercial courts
- Making IPR an integral part of the curriculum in all legal, technical, medical and management educational institutions

tion 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 ma-

All about Patents & Trademarks

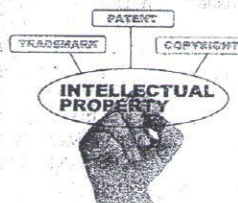
As many as 2,37,671 patent applications are pending with the country's four patent offices in Delhi, Mumbai, Chennai and Kolkata

The details of applications filed for grant of patents and registration of trademarks are as follows:

Year	Patents			Trademarks		
	Filed	Granted	Rejected	Filed	Granted	Rejected
2014-15	42,774	5,978	1,380	2,10,501	41,583	8,305
2015-16*	27,933	3,581	605	1,50,814	37,799	6,543

*31.10.2015

The Centre has taken several measures to clear the pending applications:



- 373 additional posts in the Patents Wing sanctioned
- 459 vacant posts of Examiners of Patents and Designs are being filled
- 108 additional posts in Trademarks Wing have been created
- E-Register of Patents with all information including renewals, assignments and other legal status available for public

jors 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.

Patent