

Pharma & Healthcare Update

September 25, 2003

FIRST EXCLUSIVE MARKETING RIGHTS GRANTED TO INDIAN PHARMACEUTICAL COMPANY

On September 5, 2003 India's Controller General of Patents, Designs and Trade Marks granted the first ever exclusive marketing right ('EMR') in India to United Phosphorous for sale of its fungicide, which is sold under the brand 'SAAF'. The few applications, which were filed earlier by various companies, were not approved by the Controller on various grounds.

EMR entitles the EMR holder to have the **exclusive** right by himself, his agents or licensees to **sell or distribute** in India the article or the substance on and from the date of approval granted by the Controller for a period of five years or till the date of grant or rejection of patent application, whichever is earlier.

The provisions for the grant of EMR were introduced in the Patents Act, 1970 by the Patents (**Amendment**) Act, 1999, to bring the Patents Act, 1970 in compliance with Agreement on Trade Related Aspects of Intellectual Property Rights (**TRIPS**). TRIPS required insertion of EMR provisions with effect from January 1, 1995, pending introduction of the product patent regime in the developing countries. The product patent regime is scheduled to come into effect on January 1, 2005.

EMR's can be granted in respect of substances intended for use or capable for being used as medicine or drug. However, no EMR can be granted in respect of chemical substances which are ordinarily used as intermediates in the preparation or manufacture of any of the medicines or substances.

By the amendment of 1999, Patent Offices were required to accept the product patent applications and keep them in, what is known as the "Black Box" till January 1, 2005, when such applications will be examined for the grant of patent. In the meantime, the applicant can apply for obtaining an EMR, which is granted if the following requirements are satisfied:

For inventions made in India or outside India if	For inventions made in India
Before filing Indian application, applicant has filed an application for the same invention in a convention country on or after January 1st, 1995	Before filing Indian application, applicant has filed an application on or after January 1st, 1995 for method or process of manufacture for that invention relating to identical article or substance and has been granted the patent on such application.
The approval to sell or distribute the article or substance in the basis of appropriate test conducted on or after January 1st, 1995 is granted in such convention country	
And has received the approval to sell or distribute the article from the authority specified in this behalf by the Central Government.	

United Phosphorous had already received a process patent for SAAF in 2001 while the product was introduced in the market and had been gaining market share. This first approval of an EMR, paves the way for more favorable EMR decisions till the start of 2005 when the 'black box' will be opened and pharmaceutical patents will gain momentum.

DELHI MAKES TRADE MARK SEARCH MANDATORY BEFORE GRANTING MANUFACTURING LICENSE

In a move to curb the spread and sale of counterfeit drugs, the Drugs Control Department of the National Territory of Delhi has made search reports from the Registrar of Trade Marks mandatory before approving any drug manufacturing license under a particular brand name.

This initiative by the Delhi Drugs Authority is in pursuance of the observations in the decisions of the Supreme Court on Cadila Health Care Ltd. vs. Cadila Pharmaceuticals Ltd. (decided on March 26, 2001). In paragraph 41 of the said judgment the Supreme Court has observed as follows:

"Keeping in view the provisions of Section 17-B of the Drugs and Cosmetics Act, 1940 which inter alia indicates an imitation or resemblance of another drug in a manner likely to deceive being regarded as a spurious drug it is but proper that before granting permission to manufacture a drug under a brand name the authority under that Act is satisfied that there will be no confusion or deception in the market. The authorities should consider requiring such an applicant to submit an official search report from the Trade Mark office pertaining to the trade mark in question which will enable the drug authority to arrive at a correct conclusion."

This provision of requiring search reports of trade marks if adopted in the other States in India will eliminate the chances of approval of a deceptively similar and look-alike brand of drugs. The Government of India has appointed Mashelkar Committee to study the various aspects of the growing threat from spurious drugs and give its report thereon. The committee has submitted its interim report. The drug regulatory officials have echoed their feelings and hope to get a positive response from the report in this regard.

Research Papers

New Age of Franchising

June 20, 2025

Life Sciences 2025

June 11, 2025

The Tour d'Horizon of Data Law Implications of Digital Twins

May 29, 2025

Research Articles

2025 Watchlist: Life Sciences Sector India

April 04, 2025

Re-Evaluating Press Note 3 Of 2020: Should India's Land Borders Still Define Foreign Investment Boundaries?

February 04, 2025

INDIA 2025: The Emerging Powerhouse for Private Equity and M&A Deals

January 15, 2025

Audio

CCI's Deal Value Test

February 22, 2025

Securities Market Regulator's Continued Quest Against "Unfiltered" Financial Advice

December 18, 2024

Digital Lending - Part 1 - What's New with NBFC P2Ps

November 19, 2024

NDA Connect

Connect with us at events, conferences and seminars.

NDA Hotline

Click here to view Hotline archives.

Video

Vyapak Desai speaking on the danger of deepfakes | Legally Speaking with Tarun Nangia | NewsX

April 01, 2025

DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.

Vaibhav Parikh, Partner, Nishith
Desai Associate on Tech, M&A, and
Ease of Doing Business
March 19, 2025

SIAC 2025 Rules: Key changes &
Implications
February 18, 2025