

60
989

CIPLA rides with them or CIPLA is its rival, whether CIPLA is a friend or foe. When the grounds of section 84(1)(a) and 84(1)(b) are raised, the appellant wants us to take into the reckoning CIPLA's presence. CIPLA is satisfying the reasonable requirement of the public and therefore, the Board should not look at the ground under sub-section (1)(a) and CIPLA's product is available to the public at a reasonably affordable price and so, the Board should not look at the ground under sub-section (1)(b). Therefore, for these two grounds of attack, the appellant takes the presence of CIPLA along with it, but for the ground of attack under section 84(1)(c), the appellant takes a stand that CIPLA is its enemy which prevented the appellant from entering the market. We cannot accept this mutually inconsistent stand.

28. CIPLA's presence in the first place may loosely be called a "litigious" presence. If injunction had been granted by the Hon'ble Delhi High Court, CIPLA will not be in the market. Though the appellant is fighting CIPLA tooth and nail before the Hon'ble Delhi High Court, it took great pains to urge before us that CIPLA's presence was a legal presence. The presence of CIPLA is subject to the outcome of the suit where the appellant alleges that CIPLA is infringing its invention. It is true that the Hon'ble Delhi High Court refused to grant injunction, but the issue of infringement by CIPLA will be decided at the end of trial. Further, CIPLA is not bound by any condition that is prescribed for the 3rd respondent NATCO by the Controller general under section 90. Tomorrow, CIPLA may withdraw its product, Soranib for commercial reasons of its own. The Controller General who has weighed the public interest in his mind rightly refused to reckon CIPLA's presence in arriving at his decision. It is for the appellant/patentee to show that it has fulfilled the obligation under the grant of patent and therefore, its right should be protected.

@
T/C

- 81
790

29. The powers of the Controller conferred by this Chapter must be viewed with the lens of section 83. Almost every sub-section in section 83 begins with the words, 'patents are granted' which means that it should be viewed only from patentee's angle. Section 83(a) indicates that the patentee must work the invention in India on a commercial scale to the fullest extent as is reasonable and practicable and without delay. Section 83(b) shows that patent is not granted to enable the inventor to enjoy monopoly for importation which means that after importing invention, the patentee cannot say that it has done what is required on them and rest with that. The patentee has a duty to make it available to the public at a price which the public can reasonably afford and in the manner that public need is satisfied. Section 83(c) says that the patentee's rights must be enforced in a manner conducive to socio and economic welfare and that there shall be a balance of rights and obligations. The words, 'rights and obligations' show clearly that what the Act is talking about is the patentee's rights and the corresponding obligations. The patentee cannot be heard to say that its duty is discharged because, the person whom the patentee attacks as its infringer, is fulfilling what the patentee is bound to do. Section 83(d) says that the patentee must not impede the protection of public health and good nutrition. Section 83(e) says that the patentee cannot counter any Governmental measures to protect public health. Section 83(f) bars abuse of patented rights by patentee. Section 83(g) clearly says that the patents are granted to make the benefit of patented invention available at reasonable affordable price to the public. This leaves us in no doubt that it is the appellant who should make the benefit of the patented invention available at reasonably affordable price to the public and it cannot take shelter under the sale by CIPLA.


T/C

62
791

30. Therefore, when we look at section 84 of the Act, having regard to section 83, as we are directed by that section, it is clear that it is the duty of patentee to show that the patentee by its own supply has satisfied the reasonable requirement of the public and by its supply, the drug is made available at a reasonably affordable price. The appellant cannot ride piggyback on CIPLA's sale, particularly when the appellant is fighting CIPLA before another forum regarding the same invention and the same drug.

31. Section 84(7) of the Act creates a legal fiction as to when the reasonable requirements of public shall be deemed not to be satisfied that is, the grounds under section 84(1)(a), and when we see section 84(7)(d), it reads as follows:

"if the patented invention is not being worked in the territory of Indian on a commercial scale to an adequate extent or is not being so worked to the fullest extent that is reasonably practicable."

Therefore, though section 84(1)(c) merely uses the words, 'not worked', the Act itself makes it clear that the grounds of section 84(1)(a) will arise if the working is not to the extent provided in section 84(7)(d).

32. We have already seen in the earlier paragraphs, how the words, 'reasonably affordable' must be understood. The term, 'reasonably affordable' is directly linked to the purchasing capacity of the public and therefore, while the cost burden of the appellant may have some relevance when the Controller General is fixing the percentage of royalty. What the Controller General is really guided by is that the patented article is made available to the public at reasonable affordable price. Learned senior counsel for the appellant at one juncture submitted that even Rs.8880/- may be out of reach for many patients. Then, selling the drug at Rs.2,80,000/- can by no stretch of imagination satisfy the reasonable requirement of the public, and as observed by us earlier on the basis of submissions made by both the counsel, HCC is more likely to hit the poor and lower income sections of population

B
T/C

because of the consumption of inferior liquor which is more harmful to the health. If so, the sale of drug at Rs.2,80,000/- per month is definitely not intended to satisfy the requirements of the public. The learned Controller General noted that even after the lapse of three years, the appellant had imported and made available only an insignificant number of reasonable requirement. According to the appellant, had the matter been adjourned by one year, it could have worked its invention at a greater scale. But, we have already held that this is not a ground for stay. We have also held above that the offer of the appellant to modify it under PAP programme at the rate of Rs.30,000/- per month is an offer that was made subsequent to the application and will not be a ground for stay. In any event, when the Controller General came to the conclusion that the licensee should sell the drug at a price not exceeding Rs.8800/- for a pack of 120 tables, this offer cannot be a ground for stay. The submission made by the appellant that CIPLA is now selling the drug at Rs.5400/- per month and therefore, this order will actually enable the licensee to sell the drug at higher price is also not relevant, since we have already explained why CIPLA's presence and its operations are not relevant factors for deciding the grounds on which the compulsory licence claimed by the 3rd respondent should be decided.

33. A miscellaneous petition has been filed by the appellant in M.P.No.108 of 2012 alleging that the 3rd respondent contrary to the terms and conditions of the licence is exporting the drug to Pakistan and China. This is denied by the 3rd respondent. In any event, we are not going into the merits of this miscellaneous petition which has to be decided on the basis of evidence on both the sides in the termination application filed by the appellant before the Controller and any observation by us will hamper the discretionary power of the Controller. M.P.108 of 2012 is therefore closed.

63
12/11/12


T/C

64
793

34. The appellant has not made out a prima facie case for the grant of stay, since even its own admission is that it is CIPLA which is supplying the drug to satisfy the needs of the public. It is not the case of the appellant that its supply is at a reasonably affordable price and satisfies the reasonable requirement of the public. As regards public interest, we have already concluded in the earlier paragraphs that CIPLA's presence is subject to litigation and CIPLA's supply cannot be taken note of. If stay is granted, it will definitely jeopardise the interest of the public who need the drug at the later stage of the disease, since it is admitted that this drug improves the quality of life. Therefore, the right of access to affordable medicine is as much a matter of right to dignity of the patients and to grant stay at this juncture would really affect them and further, it would in effect amount to deciding the main petition itself. Though this is not a reason why we are not granting stay, yet this is an additional factor. The licence is granted subject to certain conditions which the licensee is bound to comply with and the order does not deserve to be stayed.

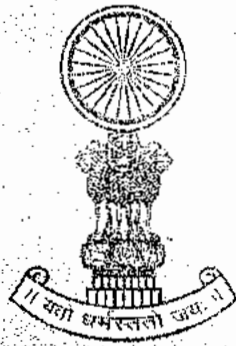
35. For all these reasons, the Interim stay prayed for is rejected and the stay petition in M.P.No.74 of 2012 stands dismissed. The documents filed along with M.P.No.76 of 2012 have been taken into consideration and hence, the said MP is ordered. Registry is directed to list the main matter, as early as possible after ascertaining the dates from both the parties. M.P.No.75 of 2012 filed to fix an early date is ordered and the main matter will soon be listed for hearing.

(D.P.S.PARMAR)
Technical Member (Patents)

(JUSTICE PRABHA SRIDEVAN)
Chairman

NN
TRUE COPY

65
ANNEXURE No. R-4/5



REPORT
ON THE
REVISION OF THE PATENTS LAW

by

Shri Justice N. Rajagopala Ayyangar

September, 1959

Digitised and typeset by SCC Online® (2013). The surest way to legal research™

N/A
TRUE COPY

Clause 94—Refusal or failure to supply information

814. There are two points to which I would advert in connection with this clause. The first is as regards the penalty imposed. The second is as to what other consequences which a failure to supply information or the supplying of false information ought to have upon the continuance of the patent; in other words, whether the penal consequences of a failure to obey the directions of the Controller should be confined merely to the punishment of the offender or whether it ought not to extend to affect the patent itself in connection with which this refusal was made or incorrect information furnished, or the interest, if any, of the offender in the Patent.

815. In regard to the first matter, namely, the punishment, I would draw a distinction between a mere refusal or failure to supply information without lawful excuse, and the supplying of information which is known or has reason to be believed to be false. Whatever justification there might be to impose a punishment of imprisonment in the latter case, I do not consider that a mere refusal or a mere failure to furnish information which is called for by the Controller ought to subject the offender to a punishment of imprisonment. In that class of cases, I would consider that the imposition of a fine not exceeding Rs.1,000 would be ample.

816. In cases, however, where information is disclosed but is deliberately false, a punishment of imprisonment would seem to be called for on the analogy of a false statement on oath. For this purpose, the rules might prescribe that the patentee or a licensee— exclusive or non-exclusive—who is called upon to furnish information and who does so, should affirm the truth of that statement by having an affidavit sworn to before an officer competent to administer an oath. The information furnished should be in the form of an annexure to the affidavit affirmed before such an officer.

817. The next point is as to whether the failure to disclose the information or the furnishing of false information should not have consequences upon the continuance in force of a patent or on the interest in the patent of the person failing to give information or giving false information. Having considered the matter carefully I have reached the conclusion that it is not practicable to devise a scheme which would confine the effect of such an added penalty to the party responsible and that there would have to be an elaborate provision for the protection of innocent persons. I have therefore considered it proper to confine the penalty to the fine and imprisonment as already indicated.

818. The clause may be redrafted to read:—

“94. Refusal or failure to supply information.—(1) Any person who refuses or fails to furnish to the Controller any information or statement which he is required to furnish under Section 105 shall be punishable with fine which may extend to Rs.1,000.

(2) Any person who being required to furnish information referred to in sub-section (1) furnishes such 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, shall be punishable with imprisonment which may extend to six months or with fine or with both”.

Clause 103—Publication of patented inventions

834. This clause is a reproduction of Section 36 of the Indian Patents and Designs Act, 1911 and corresponds to Section 94 (1) (d) of the U.K. Act, 1949 and Rule 145 of the U.K. Patent Rules, 1949. The provision corresponds to Section 175 of the Australian and Section 127 of the Canadian enactments.

835. In this connection, I would suggest that there might be as in the U.S.A. the publication of a combined journal for Patents, Designs and Trade marks as Government has now decided to amalgamate the Patent and Trade Marks Offices. (See section 4 of the Trade and Merchandise Marks Act, 1958). This official journal may contain all notifications, advertisements and other matters required to be published under the Patents Act, the Designs Act and the Trade and Merchandise Marks Act.

836. The following redraft of the clause seeks to give effect to this recommendation:—

“103. *Publication of patented inventions.*—(1) The Controller shall issue periodically a journal to be called the Patent Office Journal and shall publish therein all such particulars of applications for patents as are required by this Act to be published and all such other matters as are directed by this Act or the Rules made thereunder to be published therein and such other matter and information relating to Patents, Designs and Trade Marks as may appear to him to be useful to the public.

(2) The Controller may also prepare and publish in such form as he deems expedient indexes and abridgements of specifications, catalogues and other works relating to inventions and patents as may be prescribed or as he thinks fit.”

Clause 104—Powers of Controller to correct clerical errors

837. I have already discussed in my notes under Clause 69 the scope of the power to be vested in the Controller to correct clerical errors in connection with the application for a patent and other relevant documents. I have suggested a draft of the clause and it is numbered Clause 69A. In view of this, Clause 104 is unnecessary and may be deleted.

Clause 105—Power of Controller to call for information from patentee

838. Opinion has been expressed that this provision enabling the Controller to call for periodical statements from the patentee or the exclusive licensee as to the commercial working of the invention in India might prove a burden rather than an advantage, and that for this reason this provision should be omitted. It is urged that the particulars as to the user submitted by the patentee or the exclusive licensee could not be the subject of scrutiny or cross-examination by the Controller so that one could not be sure that the statements furnished by the patentee or the exclusive licensee were correct. It was stated that it was possible that the patentee might furnish untrue or incorrect statements with a view to enable him to confront any applicant for compulsory licence with the incorrect statements when the time for this arose.

839. There were others who expressed the opinion that compliance with the provisions of this clause would compel manufacturers to disclose their trade secrets and that if this requirement were insisted upon, they would rather close down than to continue to work the patent.

68 727

I am not inclined to take this threat seriously. I am also not satisfied that the provision would be either useless or would be of disadvantage to the general public. Most of the industries in which patents are worked are covered by the requirements of the Industries (Development and Regulation) Act of 1951 under which manufacturers are bound to furnish to Government particulars as to the working and other details of manufacture. Besides, Clause 94 provides for a sufficiently deterrent punishment for furnishing false statements as to the working of the invention by a patentee or the licensee. I feel that this provision will enable the Controller to have detailed particulars as to the actual working of the invention. It would enable him to dispose of quickly and efficiently applications for compulsory licences and endorsements of "licences of right" under the relevant clauses of the Bill.

840. Further, particulars as to working of the invention would be useful for statistical purposes as at present no estimate can be made of the extent to which patents are being worked.

841. The latter objection seems to be rather exaggerated. The information which the Controller requires under this clause is as to the "extent to which the patent is commercially worked in India", and such information is generally disclosed in the Directors' Report and the balance sheets of the companies and do not involve the disclosure of any trade secrets. No legitimate exception could therefore be taken to any provision under Section 105.

842. On the clause as it stands the Controller might require information as to working only from a patentee or an exclusive licensee. I consider this insufficient to achieve the purpose of the clause. The patent may be worked not by the patentee but by a non-exclusive licensee. In such case, it is possible that the patentee might not be in a position to furnish particulars as to the extent to which the patent has been commercially worked in India. If in such a case the Controller cannot require the non-exclusive licensee to furnish information the purpose of the clause would fail. There does not appear to be any logical principle behind the exclusion of the non-exclusive licensee from the operation of this clause. After all, the clause is designed to find out the extent of commercial working of every patent and as a patent could be worked by exclusive as well as non-exclusive licensees, there is no reason why the latter should be excluded from the scope of this clause. I would, therefore, suggest that for the words "an exclusive licensee", the words "a licensee, exclusive or otherwise" may be substituted.

843. I would also suggest that for the words "the patent has been commercially worked", the words "the patented invention has been commercially worked" may be substituted.

844. I would accordingly recommend the retention of this clause with the modification I have suggested which is carried out in the following draft.

"105. *Power of Controller to call for information from patentee.*—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."

Clause 106—Service of notices, etc. by post

845. This clause is the same as Section 73 of the Indian Patents and Designs Act, 1911 and corresponds to Section 97 of the U.K. Patents Act of 1949.

T/C

792

(3) The remuneration, if any, to be paid to an assessor under this section shall in every case be determined by the High Court and be paid as part of the expenses of the execution of this Act.

(4) Save as otherwise provided in this section, the High Court may make rules consistent with this Act as to the procedure to be followed in respect of appeals made to it Under section 87.

CHAPTER XIX

Penalties

89. *Contravention of secrecy provisions relating to certain inventions.*—If any person fails to comply with any direction given under section 23 or makes or causes to be made an application for the grant of a patent in contravention of that section, he shall be punishable with imprisonment which may extend to two years, or with fine which may extend to one thousand rupees, or with both.

90. *Practice by non-registered patent agents.*—Any person who contravenes the provisions of section 76 shall be punishable with fine not exceeding two hundred rupees in the case of a first offence and five hundred rupees in the case of a second or subsequent offence.

91. *Falsification of entries in register.*—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 which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

92. *Unauthorised claim of patent rights.*—If any person falsely represents that any article sold by him is a patented article, he shall be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

93. *Wrongful use of words "Patent Office".*—If any person uses on his place of business or on any document issued by him, or otherwise, the words "Patent Office" or any other words suggesting that his place of business is, or is officially connected with, the Patent Office, he shall be punishable with fine which may extend to one thousand rupees, and, in the case of a continuing offence, with a further fine of fifty rupees for each day on which the offence is continued after conviction therefor.

94. *Refusal or failure to supply information.*—Any person who refuses or fails to furnish to the Controller any information or statement which he is required to furnish under section 105 or furnishes such information or statement which is false or which he either knows or has reason to believe to be false or does not believe to be true, shall be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

T/C

70
799

95. *Contravention of provisions of section 98 by officers and employees of the Patent Office.*—Any officer or employee of the Patent Office who contravenes the provisions of section 98 shall be punishable with imprisonment which may extend to six months, or with fine which may extend to two hundred rupees, or with both.

96. *Offences by Companies.*—(1) If the person committing an offence under this Act is a company, every person who, at the time the offence was committed, was in charge of, or was responsible to, the company, for the conduct of the business of the company, as well as the company 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 provided in this Act if he proves that the offence was committed without his knowledge or that he exercised due diligence to prevent the commission of such an 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 was committed with the consent or connivance of, or is attributable to any negligence 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 with and punished accordingly.

Explanation.—For the purposes of this section.—

- (a) 'company' means any body corporate and includes a firm or other association of persons, and
- (b) 'director' in relation to a firm means a partner in the firm.

CHAPTER XX Miscellaneous

97. *Restrictions on employees of Patent Office as to right or interest in patent.*—All officers and employees of the Patent Office shall be incapable, during the period for which they hold their appointments, to acquire or take, directly or indirectly, except by inheritance or bequest, any right or interest in any patent issued by that office.

98. *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 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 under the Indian Patents and Designs Act, 1911 (II of 1911); or
- (b) prepare or assist in the preparation of a document required or permitted by or under this Act or under the Indian Patents and Designs Act, 1911 (II of 1911), to be lodged in the Patent Office; or
- (c) conduct a search in the records of the Patent Office.

Digitised and typeset by SCC Online® (2013). The surest way to legal research!™

B
T/C

99. *Avoidance of certain restrictive conditions.*—(1) Subject to the provisions of this section, any conditions of a contract for the sale or lease of a patented article or of an article made by a patented process or for licence to use or work a patented article or process, or relating to any such sale, lease or licence, shall be void in so far as it purports.—

- (a) to require the purchaser, lessee or licensee to acquire from the vendor, lessor or licensor, or his nominees, or prohibit him from acquiring from any specified person or from acquiring except from the vendor, lessor or licensor, or his nominees, any articles other than the patented article or an article made by the patented process;
- (b) to prohibit the purchaser, lessee or licensee from using articles (whether patented or not) which are not supplied by, or any patented process which does not belong to, the vendor lessor or licensor, or his nominees or to restrict the right of the purchaser, lessee or licensee to use any such articles or process.

(2) In proceedings against any person for 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 made by or with the consent of the plaintiff and containing a condition void by virtue of this section.

(3) A condition of a contract shall not be void by virtue of this section, if—

- (a) at the time of the making of the contract the vendor, lessor or licensor was willing to sell or lease the article or grant a licence to use or work the article or process as the case may be, to the purchaser, lessee or licensee on reasonable terms specified in the contract and without any such condition as is mentioned in sub-section (1) of this section; and
- (b) the purchaser, lessee or licensee is entitled under the contract to relieve himself of his liability to observe the condition upon giving to the other party three months' notice in writing and subject to payment to him of such compensation (being in the case of a purchase a lump sum, and in the case of a lease or licence a rent or royalty for the residue of the term of the contract) as may be determined by an arbitrator appointed by the Central Government.

(4) If in any proceeding it is alleged that any condition of a contract is void by virtue of this section, it shall lie on the vendor, lessor or licensor to prove the matters set out in clause (a) of sub-section (3).

(5) A condition of a contract shall not be void by virtue of this section by reason only that it prohibits any person from selling goods other than those supplied by a specified person, or, in the case of a contract for the lease of or licence to use a patented article, that it reserves to the lessor or licensor or his nominees the right to supply such new parts of the patented article as may be required to put or keep it in repair.

100. *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, so however that the fees prescribed in respect of the instruments and matters mentioned in the First Schedule shall not exceed those specified therein.

72 801

(2) A proceeding in respect of which a fee is payable under this Act or the rules made thereunder shall be of no effect unless the fee has been paid.

101. *Privilege of reports of Controller.*—(1) Reports of or to the Controller made under this Act shall not in any case be published or be open to public inspection:

Provided that the Controller may on application made in the prescribed manner by any person disclose the result of any search made under section 12 in respect of any application for patent where the complete specification has been published.

102. *Restriction upon publication of specification.*—Subject to the provisions of sub-section (3) of section 82 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 or be open to public inspection at any time before the date of advertisement of acceptance of the application.

103. *Publication of patented inventions.*—The Controller shall issue periodically a publication of patented inventions containing such information as the Central Government may direct.

104. *Powers of Controller to correct clerical errors.*—The Controller may, on request in writing accompanied by the prescribed fee.—

- (a) correct any clerical error in or in connection with an application for a patent or in any patent or any specification,
- (b) correct any clerical error in the name or address of the proprietor of any patent or in any other matter which is entered upon the register of Patents.

105. *Power of Controller to call for information from patentee.*—The Controller may, at any time during the continuance of the patent by notice in writing require a patentee or an exclusive licensee 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 and such periodical statements as to the extent to which the patent has been commercially worked in India, as may be specified in the notice.

106. *Service of notices, etc., by post.*—Any notice required or authorised to be given by or under this Act, and any application or other document so authorised or required to be made or filed, may be given, made or filed by post.

107. *Declaration by infant, lunatic, etc.*—(1) If any person is, by reason of infancy or other disability, incapable of making any statement or doing anything required or permitted by or under this Act, the lawful guardian, committee or manager (if any) of the person subject to the disability, or if there be none, any person appointed by any court possessing jurisdiction in respect of his property, may make such statement or a statement as nearly corresponding thereto as circumstances permit, and do such thing in the name and on behalf of the person subject to the disability.

Manner of payment of compensation.

116. (1) The compensation in respect of acquisition of an invention or patent by the Central Government under section 102 of the Act shall be payable by that Government in a lump sum, if the amount of compensation does not exceed Rs. 10,000 and if such amount exceeds Rs. 10,000 the amount over and above the said amount of Rs. 10,000 shall be payable in five equal annual instalments.

(2) If the compensation payable in a lump sum or any of the instalments thereof referred to in sub-rule (1) is not paid within thirty days of the date on which the amount of instalment is due, if any, the Central Government shall be liable to pay simple interest at the rate of 9 per cent per annum reckoned from the day immediately following the date of expiry of the said period of thirty days.

Form and manner in which statements required under section 146 (2) to be furnished.

117. (1) The statements which shall be furnished by every patentee and every licensee under sub-section (2) of section 146 shall be in Form 58 duly verified by the patentee or the licensee or his authorised agent.

(2) The statements referred to in sub-rule (1) shall be furnished in respect of every calendar year within three months of the end of each year.

(3) The Controller may publish the information received by him under sub-section (1) or sub-section (2) of section 146 in the Official Gazette and such newspapers and trade journals as he may deem fit.

Form of application for the issue of a duplicate patent.

118. An application for the issue of a duplicate patent under section 154 shall be in Form 59 and shall contain a statement setting out the circumstances in which the patent was lost or destroyed or cannot be produced together with the fees as specified therefor in the First Schedule.

Supply of certified copies and certificates.

119. Certified copies of any entry in the register, or certificates of, or extracts from patents, specifications and other public documents in the patent office, or from registers and other records kept there, may be furnished by the Controller on a request therefor made to him in Form 60 and on payment of the fee specified therefor in the First Schedule.

Request for information under section 153.

120. (1) A request for information in respect of the following matters relating to any patent or application for a patent shall be made in Form 61 :-

- (a) as to when a complete specification following a provisional specification has been filed or an application for patent has been deemed to have been abandoned;
- (b) as to when a complete specification has been accepted or when an application for patent has been refused;
- (c) as to when a patent has been sealed, or when the time for requesting sealing has expired;
- (d) as to when a renewal fee has been paid;
- (e) as to when the term of a patent has expired or shall expire;
- (f) as to when an entry has been made in the register or application has been made for the making of such entry; or

NN
TRUE COPY

76
803

FORM 58

[See rule 117]

THE PATENTS ACT, 1970

Statement regarding the working of the patented invention on a commercial scale in India under section 146(2)

1. State the name (in full), address and nationality.
2. State the year to which the statement relates.
3. Give whatever details are available.
4. To be signed by person(s) giving the statement.

In the matter of Patent No..... of

I/We¹
the patentee(s) or licensee(s) under Patent No. hereby furnish the following statement regarding the working of the patented invention referred to above on a commercial scale in India for the year².....

- (i) the manner and the extent to which my/our patent has been worked;
- (ii) the licences and sub-licences granted during the year;
- (iii) details regarding the undertaking through, which my/our invention has been worked;
- (iv) difficulties faced in the working of the abovementioned invention.

The facts and matters stated above are true to the best of my/our knowledge, information and belief.

Dated this..... day of..... 19.....

(Signature)⁴.....

To
The Controller of Patents,
The Patent Office.

No Fee

Strike out whichever is inapplicable.

FORM 59

[See rule 118]

THE PATENTS ACT, 1970

Application for duplicate patent under section 154

1. Insert the name (in full), address and nationality.
2. Insert name of original grantee.
3. Insert the word 'lost' or 'destroyed', as the case may be, and state the circumstances under which it is lost or destroyed. If the patent cannot be produced, the reasons for its non-production should also be given. Also state the interest possessed by the applicant or applicants in the patent.

NW
TRUE COPY

Law Firm of Naren Thappeta

Sigma Soft Tech Park,
5th Floor, Beta Block, Whitefield Main Road
Opp to Varthur Lake, Varthur Kodi
Bangalore, India - 560 066

Patent, Copyright and Trademark Matters
nt@iphorizons.com
Telephone: +91.80.28541041/41529196/97
Fax: +91.80.28541043

25th November 2015

Shri. Rajiv Aggarwal,
The Secretary,
Ministry of Commerce and Industry,
Government of India,
Udyog Bahavan,
New Delhi-110011.

(via email: rajiv.aggarwal@nic.in)

Reg.: Draft of "The Patents (Amendment) Rules; 2015"
Published on: 26th October 2015

Respected Sir:

The Ministry of Commerce and Industry (hereafter "Ministry") is thanked at the outset for inviting objections and suggestions on the Draft of "The Patent (Amendment) Rules, 2015" (hereinafter 'DRAFT RULES'). The below comments are respectfully offered for consideration in finalizing the Patents Rules.

Point 2: Draft Rule 2 (ca)

2.1. It is suggested to further amend the draft rule to replace the word 'means' with 'includes' as shown below:

"electronic transmission duly authenticated" ~~means~~ **includes** authentication by digital signature including authentication as per section 5 of the Information Technology Act, 2000" (**suggested amendment highlighted**)

The above amendment is proposed in order to address the scenario wherein the e-filing services become unavailable due to situations such as the malfunctioning of e-filing website. The amendment leaves open other means of electronic transmissions for filing, particularly when there are legal deadlines for applicants.

Point 3: Draft Rule 5

3.1. First and foremost, the Ministry is thanked for introducing a provision to furnish an email address and a mobile number (along with a postal address for service in India) in Form-1.

3.2. Secondly, the Ministry is respectfully urged to provide for multiple email addresses (not just one) in Form-1, as this could be convenient for various practitioners. Similarly, the Ministry may consider provision for at least two mobile numbers.

Point 4: Draft Rule 6

4.1. Suggestion to retain the term "courier service" in sub-rules 1, 3, and 4:

We object to the omission of the term "courier service" in the rule 6 as a whole. We take this position at least in view of the following facts:

A. Most of the post offices close their recorded delivery services (e.g. registered post, speed post) at 3:00 P.M., while courier services offer services later into the evening. It is burdensome for an Applicant/ a law firm to process the filing

TRUE COPY

76
805

documents by 3 P.M. deadline.

B. In relation to the services offered by speed post, we have had several recent instances where the documents sent by the Patent Office were lost in course of transportation, or takes long time to deliver (e.g. four working days from Chennai to Bangalore by speed post) and is accordingly unreliable.

All the above noted scenarios are detrimental to the interest of the Applicant, and accordingly, it is urged that the "courier service" facility be retained in the rules.

4.2. With respect to draft rule 6 (1A), confirmation required on our understanding that original documents like POA and proof of right (under rule 10) are NOT required to be submitted:

Currently, we are submitting the Power of Authority (POA), in *original*, as required by the Circular No.12 of 2009 (NO.CG/PG/Circular/2009/205) dated 26 June 2009 (http://www.ipindia.nic.in/OfficeCircular/Circular_12_26June2009.pdf), published by the Ministry. It is our understanding that the drafts rule 6(1A) overrides the above noted circular, and accordingly, only submission of a scanned copy of the original document such as POA would be sufficient. The Ministry is called for to provide clarity/confirm our understanding.

Point 5: Draft Rule 7

5.1. Suggestion to retain the term "cheque":

We note that the term "cheque" is removed from the rule and the term "banker's cheque" is introduced. Cheque is an important emergency facility for organizations operating in fast-moving environments, particularly given that obtaining a banker's cheque entails a visit to the bank and filling up of forms (and the consequent delays/overhead). Accordingly, we urge that the facility of "cheque" be retained, as in existing rules.

5.2. Suggestion to introduce provision to pay online any shortfall in fees:

We also note that there is no option to pay online in respect of the responses to the Examination Report, for example to pay for the extra claims added or for the extra pages due to the addition of claims, or to pay the shortfall in the fees paid during filing of the application. Accordingly, we urge to provide a new option (e.g., in the form of proposed form-30) in the online services to pay extra fees for any case.


5.3. Amendment to proviso proposed as follows:

Provided that, if the Controller is satisfied that during due to errors in the online filing process, the fee has been paid more than once for the same proceeding, the additional fee shall be refunded; (suggested amendment highlighted)

The proposed amendment addresses a situation when the online payment fails and subsequently fees was paid offline (for example, by cheque). However, fees paid online was discovered to have been debited at a later point in time and even the cheque was encashed for the same application. Accordingly, it is urged to replace the term "during the online filing process" to "due to errors in online filing process", which is believed to address the above explained situation.

5.4. Objection to non-refund of excess fees:

With regard to the second proviso of draft rule 7(4), we object to the fees being not refunded in case any amount in excess of requisite fees is paid for any proceeding. Accordingly, we urge removal of the second proviso of draft rule 7(4).


T/C

77
806

To: Shri. Rajiv Aggarwal
India Patent Office

Submitted by: Law Firm of Naren Thappeta
25 Nov 2015

Point 6: Draft Rule 8

6.1. Firstly, we thank the Ministry for introducing FORM-30. It is our understanding that we are allowed to pay any fees not payable in respect of any other FORMs/ any shortfall in fees using this FORM-30. In this regard, we seek clarification if our understanding is correct.

6.2. We contemplate the online implementation on the FORM-30, which is believed to provide an option to pay fees online for any shortfall in fees/ any request not covered in any of the other FORMs specified in the second Schedule.

Point 7: Draft Rule 13

7.1. Suggestion for amendment as below:

(4) Where the invention requires explanation through drawings, such drawings shall be prepared in accordance with the provisions of rule 15 and shall be supplied with, and referred to in detail, in the ~~description and~~ claims and the features illustrated by a drawing shall be followed by the reference sign in parentheses used in that drawing: **(suggested amendment highlighted)**

This draft rule requires further clarification. However, the below observations are presented.

Although it is a good practice to require the reference numerals to be incorporated in the description also (in addition to the claims), the common global practice is to include reference numerals only in the claims.

By addition of the term "description" as reflected in the draft rule 13(4), it would be extremely burdensome to the *pro se* inventors. Accordingly, it is urged that the term "description and" shall be removed from the above noted draft rule 13(4).

7.2. Proposal to revert to the existing rule reproduced below:

(b) The abstract shall contain a concise summary of the matter contained in the specification. The summary shall indicate clearly the technical field to which the invention relates and the solution to the problem through the invention and principal use or uses of the invention. Where necessary, the abstract shall contain the chemical formula, which characterises the invention.

Reasons for proposing to revert to the existing rule are stated below:

A. The attention of the Ministry is drawn to the GENERAL GUIDELINES FOR THE PREPARATION OF ABSTRACTS OF PATENT DOCUMENTS dated April 1994, published by WIPO. The guidelines provide that an abstract merely serves the purpose of technical information and cannot be taken into account for any other purpose, particularly not for the purpose of interpreting the scope of the protection sought. (See point 5 of STANDARD ST.12/A, WIPO). On the other hand, the proposed draft rule 13(7)(b) requires the Applicant to summarize the technical advancement, ultimately leading to describe the scope of the invention. Accordingly, it is submitted that the proposed draft rule is contrary to the WIPO Guidelines noted above. In addition, it is submitted that technical advancement is often determined/changed based on the examination process at the patent office.


T/C

78
807

B. Additionally, it is unclear as to what is the meaning of the term "speculative use" in the absence of its definition in the Act/Rules/Manual of Patent Office Practice and Procedure/Guidelines.

In view of the above noted reasons, we propose to revert to the previous rule.

5

Point 8: Draft Rule 14(4)

8.1. Suggestion to amend to clarify that cancelled pages need not be sent to Patent Office:
In draft rule 14(4), it is unclear if there is no requirement to send the cancelled pages. Accordingly, amendment is suggested to clarify that there is no requirement to send the cancelled pages to the Ministry.

10

Point 9: Draft Rule 20

9.1. Clarity on fees calculation in case of PCT national phase:

It is submitted that there is no clarity on what is the fees to be paid when an international application is entered in India. In such an application, where the claims have been amended immediately/soon after filing in India, it is our understanding that the application enters India with less number of claims and consequently less number of claims would be examined. Hence, it would be fair to pay fees for only those claims that ought to be examined and not for all of the claims as filed in the PCT application. Accordingly, the Ministry is required to provide clarity to the formula for computation of fees in such situations.

15

20

Point 10: Draft Rule 24B

10.1. With respect to sub-rule 24B (1A) - Inclusion of definite time limit to file a request for withdrawal of Request for Examination:

We are unable to ascertain as to when an application is referred to an Examiner by the Controller. Accordingly, it is urged that a definite period be prescribed or any online indication as to when an application is being referred to an Examiner be provided.

25

10.2. With respect to Draft Rule 24B(4) - Suggestion for amendment as below:

(4) The time for putting an application in order and under section 21 shall be ~~four~~ **six** months from the date on which the first statement of examination is issued to the applicant to comply with the requirement and (*suggested amendment highlighted*)
It is submitted that the time for putting an application in order under section 21 is reduced drastically from twelve months to four months. This would be detrimental to the Applicant's interest in view of not having sufficient time to best represent his/her case before the Patent Office. It is noted that it takes 3 to 4 weeks for the First Examination Reports (FERs) to reach us. Only Mumbai (and to some extent Chennai and Delhi) emails the FERs. Other Patent Offices send it by Speed post. Therefore, it would be extremely burdensome for firms practicing large number of clients to meet the deadline of four months. Accordingly, it is submitted that the time period for putting an application in order under section 21 be revised to at least "six" months.

30

35

40

45

Point 15: Draft Rule 71(2)

15.1. Suggestion to provide stricter timelines for grant of written permission under section 39:

Current rule 71(2) provides that the Controller shall ordinarily dispose of the request for written permission within a period of 21 days from the date of filing of such request. The

B
T/C

79
808

practitioners have many times experienced delays of substantially more days to the detriment of India resident inventors. It is a suggestion that the rule be amended to set 21 days as a definitive outer limit for grant of the written permissions.

5 Alternatively, akin to operation of section 39(1)(a) (in case of first filing in India), rule 71 also be amended such that in the absence of any communication from the Patent Office within 21 days, it shall be deemed that such permission is automatically granted by operation of the (amended) rules.

10 15.2. Provision for expedited foreign filing requests:

In addition, it is urged that there shall be provision for procuring expedited foreign filing license, at least with requirement to pay higher fees. It would be appreciated if such expedited requests be processed within 1 or 2 days.

Point 24: Draft Rule 129A

15 24.1. Suggestion for removal of fees for adjournment of hearing under Entry 52 under Table-I of First Schedule:

It is submitted that in the present situation, we are receiving Hearing Notices after a week or ten days from its issuance. It is also noted that the Hearing Notice is not accessible online. In such a situation, without requesting for adjourning the Hearing, there would be insufficient time to obtain inputs from the Applicant and to best represent the case. Accordingly, it would be unfair and against the principles of natural justice to collect fees merely for a request for adjournment of hearing, at least in such situations. Accordingly, it is submitted that the fees be removed from the draft rule.

20 25 24.2. Provision for online notifications on issuances of Hearing Notices/ Second Examination Reports:

It is urged that there shall be provision for automatic online notification of issuances of Hearing Notice or examination reports (appreciable if integrated also with SMS service) as accessible to the agent of the Applicant.

30 Point 26: Draft Rule 135

35 26.1. Suggestion to amend as below:

(1) The authorization of an agent for the purposes of the Act and these rules shall be filed in Form 26 or in the form of a power of attorney at the time of filing of the application/documents or within a period of ~~three~~ six months from the date of filing of such application/document, ~~failing which no action shall be taken on such application/documents for further processing.~~ (suggested amendment highlighted)

40 Proposed amendment is to avoid misapplication of the rule to the detriment of the Applicant's interest. Also, it is noted that it is difficult to meet the stringent deadline of three months since procuring the executed Power of Attorney/FORM-26 would be burdensome (especially when execution is from outside India, or from multiple inventors residing in various countries across the globe).

45 Point 27: Draft Rule 138

50 27.1. Suggestion to amend as below:

"(1) Except for the time prescribed in the sub-rule (6) of rule 13, ~~clause (1) of sub-rule (4) of rule 20~~, rule 24B, rule 24C, sub-rule (4) of rule 55, sub-rule (1) of rule 130, sub-rule (2) of rule 130 and sub-rule (1A) of rule 80, the time prescribed in

8
TC

To: Shri. Rajiv Aggarwal
India Patent Office

Submitted by: Law Firm of Naren Thappeta
25 Nov 2015

809
80

other rules for doing of any act or the taking of any proceeding thereunder may be extended by the Controller for a period of one month, If he thinks it fit to do so and upon such terms as he may direct". (*suggested amendment highlighted*)

- 5 The suggestion is to provide Applicants the option to enter national phase in India beyond the 31 month deadline, if the circumstances justify. Without the proposed amendment, the Applicants had the option to extend the national phase entry by a month (to 32 months from the priority date). See Decision of the High Court of Madras in Nokia Corporation vs. Deputy Controller of Patents and Designs, 2011(46)PTC70(Mad)
- 10 (MANU/TN/0171/2011) decision dated 24 January, 2011. As the extension according to law does not cause detriment to anyone else, it is a suggestion to remove clause (i) of sub-rule (4) of rule 20 from the above list (as shown with strikethrough line).

B
TC

81
013

SECOND SCHEDULE

DRAFT FORM-1

- 5 A. **Field 1. Applicant's Reference/Identification No. (as allotted by Office):**
Clarification required on what this field means and how the Office proposes to allot the number. It appears Applicant would specify her/his reference number, instead of the Office providing it.
- 10 B. **Field 8. Authorised Registered Patent Agent(s):**
Suggestion to remove the field of "Authorised Registered Patent Agent(s)" in case of e-filing:
It appears to require listing of all the agents of the Firm. Therefore, it would be extremely burdensome for a firm handling large number of clients to enter all the authorized registered patent agents. Additionally, in case of e-filing, the Agent name appears automatically in the filings. Accordingly, it is submitted that in case of online filing, field 8 be removed; and in case of physical filing, a field to include the name of Authorised Registered Patent Agent (the one filing the application) be retained.
- 15
- 20 C. **Field 10 with one of the fields as "IPC":**
Suggestion to make the field of "IPC" as optional:
It is submitted that IPC may not be known at the time of filing of the application in India. Accordingly, the Ministry is requested to ensure that the field of IPC is an optional field, in case of online filings.
- 25 D. **Field 14 Declarations:**
Clarification required on declaration as true and first inventor in case of first filing in India
It is submitted that it is our understanding that in case of first filing in India, if the inventor signs the declaration under field 9(i) of the current FORM-1 in force, then it would serve two purposes:
30 a. declaration that the inventors are true and first inventors; **and**
b. assignment from the inventors to the Applicant.
Whereas in the draft FORM-1, the phrases in parentheses under field 14(i) indicates that one of the following requires to be done:
35 i. the inventors may sign under 14(i); **OR**
ii. Applicant may upload the assignment; **OR**
iii. Applicant may enclose the assignment with the application; **OR**
iv. Applicant may send the assignment by post/electronic transmission duly authenticated.
40 Accordingly, it is unclear that in case of first filing in India, if the inventor does *not* sign under 14(i) but if the Applicant complies with any one of the (ii), (iii) or (iv) steps noted above, then whether the requirement of declaration as true and first inventor is met under India Laws. Appropriate clarification and/or correction is respectfully requested.
- 45 E. **Field 15. Attachments with the Application:**
Clarification required on DAS facility:
Sub-point (e) contemplates that a priority document of a convention country can be transmitted to India under DAS facility. However, no FORM appears to provide for a first filed India application to be transmitted to external convention countries as

8
T/C

82

811

To: Shri. Rajiv Aggarwal
India Patent Office

Submitted by: Law Firm of Naren Thappeta
25 Nov 2015

corresponding priority document under DAS facility. Clarification or appropriate correction is respectfully requested.

DRAFT FORM-2

- 5 A. Suggestion to remove "family name" and introduce "Last Name":
Note under FORM-2 states that "Name of the Applicant should be given in full, family name in the beginning". It is first noted that many Applicants may be legal entities, which do not have first and last names. Accordingly, form-2 needs to be amended to require family name only in case of natural persons.

DRAFT FORM-3

- 10 A. Suggestion to provide option for importing from Excel:
In case of numerous entries present in FORM-3, it is tedious to enter each entry piecewise in case of e-filing. It would be more convenient if there is an option to import the data filled in the Excel to the format implemented along the lines of FORM-3. We could provide a J-Query for importing the same. Also, there should be an option to verify the data after such importing before its submission.

DRAFT FORM-13

- 15 A. Clarification required on which FORM to use to amend a patent (granted application):
It is our understanding that the amendment in the title of the draft FORM to include "any document related thereto", amendment to patent is also covered. Accordingly, it is submitted that the Ministry to confirm our understanding or to address the issue of amendment of Patent (especially for amending the address of service in the patent).

DRAFT FORM-27

- 20 A. Suggestion to dilute/abolish annual working statements practice for semiconductor circuit based technologies/ to revert to pre-2003 version of FORM-27:
It is respectfully urged that the working statements practice under section 146(2) be diluted or abolished for semiconductor circuit based technologies (including software) by specifying the 'intervals' to be very long in rule 131(2). Applicants suggestion is based on the understanding that there is limited public interest in related inventions, as clearly recognized by statute (see section 90(1)(viii)) and also in cases (See Bayer Corporation v. Union of India &Ors, Order No.223/2012, paragraph 14 in particular). The reasons for such a position are noted in the attached intervenor application filed by Narendra Reddy Thappeta in WRIT PETITION (C) NO. 5590 OF 2015, SHAMNAD BASHEER (PETITIONER) VERSUS UNION OF INDIA & OTHERS (RESPONDENTS) at THE HIGH COURT OF DELHI.

25
30
35
40 However, if annual working statements practice is retained, we urge to revert to pre-2003 version FORM (appended below) since it is general and can be answered for any technology. In sharp contrast, the present FORM-27 and also proposed FORM-27 often place 'impossible' burden on Applicants as explained in the intervenor application.

8
7/c

83
812

To: Shri. Rajiv Aggarwal
India Patent Office

Submitted by: Law Firm of Naren Thappeta
25 Nov 2015

343

FORMS

Sch. II

FORM 58
[See rule 117]
THE PATENTS ACT, 1970

Statement regarding the working of the patented invention on a commercial scale in India under section 146(2)

1. State the name (in full), address and nationality.
2. State the year to which the statement relates.
3. Give whatever details are available.
4. To be signed by person(s) giving the statement.

In the matter of Patent No. of

I/We' hereby furnish the following statement regarding the working of the patented invention referred to above on a commercial scale in India for the year'.....

- (i) the manner and the extent to which my/our patent has been worked;
- (ii) the licences and sub-licences granted during the year;
- (iii) details regarding the undertaking through which my/our invention has been worked;
- (iv) difficulties faced in the working of the abovementioned invention.

The facts and matters stated above are true to the best of my/our knowledge, information and belief.

Dated this..... day of..... 19.....

(Signature).....

To
The Controller of Patents,
The Patent Office

No Fee

DRAFT FORM-30

- 5 A. Firstly, the Ministry is thanked for bringing the (new) FORM-30, which we believe can be used for payment of any fees towards any case, including before allocation of application number if possible.
- B. Secondly, we respectfully urge that the (new) FORM-30 be implemented online.

MISCELLANEOUS Suggestions on Topics not Addressed in the Draft Rules

- 10 The following suggestions are respectfully provided on topics not addressed in the draft rules.
 1. Deposit account facility: The Ministry is respectfully urged to consider the facility of 'deposit accounts' to which money can be deposited in advance by law firms and/or Applicants, and various fees of an application can be debited from or credited into. The practice is prevalent in US, Europe type jurisdictions already.
 - 15 2. Customer number Practice: The Ministry is also urged to provide the facility of 'Customer Number' practice, under which an Applicant can assign several applications to the same customer number. The customer number can thereafter be used to specify any common task such as change of address for service, appointment of patent agent,
 - 20

CB
T/C

To: Shri. Rajiv Aggarwal
India Patent Office

Submitted by: Law Firm of Naren Thappeta
25 Nov 2015

84
813

designate the renewal fee address for a patent, etc. The practice is prevalent in jurisdictions such as USA.

3. Online Provision for consolidated view of communications from Patent Offices:

5 Currently, the Patent Office sends all communications (including Examination Reports, Hearing Notices, Controller's decisions, Permission Orders) through Speed Post. Mumbai Patent office -sends Examination Reports and Hearing Notices by email. Delhi and Chennai Patent Office sends some Examination Reports by email, but not Hearing Notices. Kolkata Patent Office does not send any communication by email. None of the four Patent Offices send Controller's decisions and Permission Orders under section 39 by email.

10 The Delhi Patent Office publishes a Cause List For Hearing Cases, which is neither searchable nor can be sorted (by, say, Applicant). Anybody who wants to search for their applications has to scrutinise each and every entry manually.

15 In this scenario, it would be extremely helpful if the Patent Offices were to provide a facility to Law Firms/Patent Agents to access all communications addressed to them by logging into the Patent Office website. Law Firms/Agents (identified by the Patent Agent number, for example) may be allowed access to communications and information after due authentication (Example: by way of an additional feature in the e-filing portal, which already authenticates the Agent).

20

The undersigned may be contacted if there are any questions or comments.

Respectfully submitted,

25

Anand VS
Patent Agent
Registration Number: IN/PA-1399
For: Law firm of Naren Thappeta

MU
TRUE COPY