Subject: Response to Call for Comments/Suggestions on Existing Manuals and Guidelines, or for Fresh Manuals and Guidelines

An open call was made on August 30 by the Office of the Controller General of Patents, Designs and Trademarks (CGPDTM) inviting comments for revising the existing manuals and guidelines or issuing fresh manuals and guidelines in respect of Patents, Designs, Trademarks, Geographical Indications and Copyrights.

This submission presents comments on Manuals and Guidelines concerning Patents, Copyright, Trademarks, Geographical Indications and Designs, against the public notice issued by the Office of Controller General of Patents, Designs and Trademarks. The submission is divided into two parts- General Comments and Specific Comments. This submission is made by: Swaraj Paul Barooah, Praharsh Gour, Tejaswini Kaushal and Yogesh Byadwal.[1] We are thankful for the opportunity to put forth our views. This submission was made on October 15, 2023 as per the deadline prescribed in the public notice.

Due to paucity of time, we are limiting our comments to General Comments on the process as well as the need for timely revisions to the Manuals and Guidelines and Specific Comments on the need for timely updating the Manuals and Guidelines, oppositions against patent applications, obligation to file the working statement, obligation to inform about the corresponding foreign applications, clarity on key concepts under Section 92, test to determine excluded subject matter relating to CRIs, AI and related guidelines on patentability. If given further time, we would be pleased to include more detailed comments.

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Part 1: General Comments

While it is good to see that the CGPDTM made a call for public engagement for suggestions on policies and frameworks of the CGPDTM[2], the scope of the current call is extremely vague and open-ended. There are several guidelines and manuals[3] and a general call for comments on all of them, inviting comments on the same date is concerning as there may not be sufficient time to give valuable comments on all the aspects of these documents.

It is also unclear as to the scope of what is being called upon for comments here. For example, the Department of Biotechnology (DBT) recently issued its own set of IPR Guidelines, that relate specifically to patent policies of public funded institutions. It is not clear whether patenting practices for public funded institutions come under the scope of the DPIIT (Department of Promotion of Industry and Internal Trade) or DBT, and thus it is not clear whether comments for them should

[2] Public Notice dated 30.08.2023, <https://ipindia.gov.in/writereaddata/Portal/Images/pdf/Public_Notice_Manual-Guidelines.pdf>.
[3] The resources section of the IP India website <https://ipindia.gov.in/resources.htm#Guidelines>.

be included here or not. Similarly, it is not clear whether AI regulations are separately considering patenting guidelines, or whether they are to be submitted here to CGPDTM / DPIIT. This lack of clarity reduces the effectiveness with which comments can be sent.

Secondly, it must be noted that the call for comments and suggestions came at a time when recently the DPIIT has sought comments on the proposed Draft Patent (Amendment) Rules, 2023.[4] It can be assumed that the finalized version of the Amendment Rules, 2023 will be published in the near future. Regardless, the CGPDTM has invited comments on all the manuals, including the Patent Manual, without knowledge of what the amendments to the Patent Rules might be. This severely impacts the ability of stakeholders to give valuable comments considering manuals and guidelines are interpretative tools for the Patent Act and the Patent Rules. It is to be re-emphasized that the proposed rules have the ability to radically change the functioning of the Indian Patent Office (IPO), giving all the more reason for having clear stakeholder feedback on interpretation and guidelines of these possible new rules.[5]

As mentioned above, While six weeks is a reasonable time period for comments on one set of significant guidelines or manuals, it becomes an extremely limited time period to comment on a plethora of unconnected but equally important subject matters like trademarks, patents, copyright, geographical indications and designs. The call for comments was published on August 30 and the deadline to file the comments and suggestions on the existing guidelines and manuals pertaining to regulation of five intellectual property rights along with suggestions for fresh manuals and guidelines is October 15 i.e. merely 45 days after the call. While the guidelines and manuals are extremely imperative in understanding some of the tricky concepts and overall about the functioning of the Indian IP regime, there

[4] The Draft Patents (Amendment), Rules, 2023, <https://ipindia.gov.in/writereaddata/Portal/Images/pdf/248296.pdf>.

[5] Swaraj Barooah, Praharsh Gour, Draft Patent Amendment Rules – Increasing Efficiency of Granting Patent Monopolies While Forgetting the Reason for Allowing Them in the First Place *(SpicyIP)* <https://spicyip.com/2023/09/draft-patent-amendment-rules-increasing-efficiency-of-granting-patent-monopolies-while-forgetting-the-reason-for-allowing-them-in-the-first-place.html>.

have been many instances where the need for revision/ clarity within some of the crucial parts of these documents have been observed either directly or indirectly by the courts and commentators alike.[6] Therefore, for receiving more fruitful comments/ suggestions on these varied subject matters, it would have been prudent to systematically invite comments on specific manuals and guidelines every six weeks.

Recommendations:

1. We recommend that the exercise of amending the Patent Manual take place after the publication of the Patent (Amendment) Rules, 2023.
2. We recommend for a general extension of 6 weeks per guidelines and manual for comments on all the other pending documents.
3. We recommend that comments/suggestions are made publicly available to see which stakeholders are participating in this process and the extent of their
4. To serve the true purpose of inviting public participation, we request that CGPDTM organize open stakeholder consultation in two stages, on each of the manuals and guidelines against which comments are invited. The first stage of this open stakeholder consultation should be aimed at drafting concrete drafts of the proposed amendments to the existing documents as well as fresh guidelines and manuals wherever required. In the second stage of this open stakeholder consultation process, the CGPDTM should invite comments on the drafted proposed amendments or proposed fresh documents.

[6] Ibid; Shivam Kaushik 'Reengineering of the Requirement of Disclosure of Foreign Applications by the 2019 Patent Manual' (*SpicyIP*) <https://spicyip.com/2020/07/reengineering-of-the-requirement-of-disclosure-of-foreign-applications-by-the-2019-patent-manual.html>.

Part 2: Specific Comments

1. Routine Updates to Manuals and Guidelines and Need for Fixed Guidelines on Regular Stakeholder Participation

Currently there is no process or systematic method of maintaining updated guidelines and manuals. Though it is appreciated that the CGPDTM has invited comments for revamping the different guidelines and manuals, it is pertinent to note that substantive time has elapsed since these various documents were last revised. It has been observed that of all the manuals and guidelines, the Patent Manual seems to be the most recent document, with its last revision being in 2019.[7] Looking at the versions available on the IPIndia website[8], the "draft" Trademark Manual was introduced in 2015 and the website does not clearly state if there is another "final" version. Similarly, substantive time has passed since the introduction of different Copyright Manuals (2018) with no information on their update. There is no date of introduction or revision on the Design Manual but considering that it was introduced by the then Controller General P H Kurien, who served in this position till 2012, it can be assumed that the Manual was introduced before 2012. Similarly, the Geographical Indication Manual was last updated in 2011. Same is the case with important guidelines, for instance the Guidelines on Computer Related Inventions were last revised in 2017.

The above issue is leading to inconsistencies being caused by lack of updates on these documents and how they are to be interpreted or understood: These documents are imperative in understanding the functioning of the office of CGPDTM as well as provide key interpretative instruction within the Indian IP regime. Simultaneously, courts provide regular interpretative instruction on these areas as well, and sometimes these prove to be at odds with existing policy documents. Unless orders / commentaries are reflected within the guidelines, the

[7] Praharsh Gour, 'SpicyIP Tidbit: CGPDTM Calls for Comments and Suggestions on Different IP Manuals and Guidelines' (*Spicy IP*) <https://spicyip.com/2023/08/spicyip-tidbit-cgpdtm-calls-for-comments-and-suggestions-on-different-ip-manuals-and-guidelines.html>.

[8] *'Office of the Controller General of Patents, Designs and Trademarks*' <https://ipindia.gov.in/>.

patent office as well as the general public may continue to rely on the outdated information. It is pertinent to note that a similar issue was reported earlier when despite being passed in 2013, the landmark decision of the Supreme Court in Novartis v. Union of India took 6 years to be reflected in the Patent Manual, in its 2019 revision.[9] Looking at our international counterparts, the UK Intellectual Property Office (UKIPO) has a dedicated webpage where one can track all the changes introduced within its manual on patent practice and contributing reasons for these changes.[10] Taking a look at some of these changes, one can see that amendments/ clarifications have been made in the manuals merely 3-4 months after an order has been passed by a court in the UK.

While through suo motu endeavours, the office of CGPDTM can keep the manuals and guidelines up to date, an additional mechanism of regularly inviting the public to comment on the manuals and the guidelines has also shown to be useful in other parts of the world. For instance, the United States Patent and Trademark Office (USPTO)[11] offers a dedicated portal to people to participate in discussion and suggest changes within the chapters of their Patent Manual.[12] Inculcating such practices will not only bolster public participation on such crucial issues, but shall also reduce the burden on the CGPDTM to track all the changes themselves and incorporate them within the relevant manual.

Recommendations:

1. Systematic or routine calls for suggestions/ comments to update the guidelines and manuals should be made.

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[9] Achal Prabala, Feroz Ali et. al., 'Comments and Suggestions to the Draft Patent Manual March 2019 ' (*CIS*) <https://cis-india.org/a2k/blogs/comments-and-suggestions-to-the-draft-patent-manual-march-2019>.
[10] *Changes to Manual of Patent Practice* <https://www.gov.uk/guidance/manual-of-patent-practice-mopp/changes-to-the-manual-of-patent-practice>.
[11] *Discuss the Manual of Patent Examining Process* <https://uspto-mpep.ideascalegov.com/c/>.
[12] *Ibid.*

2. Taking a leaf from the USPTO, CGPDTM should offer an open online platform where any stakeholder can share their suggestion/ organize discussions on the revised or new guidelines and manuals, open for others to see and comment on as well.
3. Considering the important role public participation can play in timely updating the manuals and guidelines, we propose that fresh guidelines on the stakeholder consultations and processes related to comments as well as amendments of existing guidelines and manuals be issued by the CGPDTM.

2. Clarity on Oppositions

2.1. The Manuals and Guidelines Must Expressly Clarify that Pre-grant Oppositions can be Filed by "Any Person".

It is important to note that the Patent Act, in Section 25(1) specifically opens out the pre-grant opposition process to "any person", as opposed to those with qualified locus as mentioned in other parts of the patent prosecution process. It is recommended that a status quo be maintained in this position so as to keep the practice of the law in line with the legislation and intent of the law. This will help in ensuring patent offices can continue to be assisted by private parties through pre-grant oppositions, thus benefiting the country's socio-economic progress by warding off meritless patent applications. It is pertinent to note that the Ayyangar Committee Report[13], has emphasized that the [pre-grant] opposition is an extension of the investigation during the examination process.[14] A similar sentiment

[13] Report of Shri Justice N Rajagopala Ayyangar on Trademarks Law, 1955 <https://spicyip.com/wp-content/uploads/2015/02/Ayyangar_Committee_Report_Trademarks_2015.pdf>.
[14] Para 2010, Ayyangar Committee Report, access at <https://ipindia.gov.in/writereaddata/Portal/Images/pdf/1959-_Justice_N_R_Ayyangar_committee_report.pdf>.

was shared by the Delhi High Court in *UCB Farchim v. Cipla*[15] where the court had held that pre-grant opposition is for the aid of the examiner.

Recommendation:

1. Keeping Section 25 (1) and the nature of pre-grant opposition in mind, the Patent Manual in particular, but in general, anywhere in any manual or guideline as may be applicable, the concerned document must expressly clarify that the representation made by the "any person" should not be subjected to any unnecessary or unclear qualifiers and should be interpreted to mean "any person".

2.2. The Manuals and Guidelines Should Recommend Periodic Release of Official Data Concerning Important Details about the Pre-grant Oppositions.

There is little to no officially published data regarding the impact that pre-grant oppositions have had in the patent prosecution process. While some have expressed concerns about pre-grant oppositions delaying the examination process, there is no official data to show the average time-taken between the various stages of the examination process. Additionally, there are several instances where pre-grant oppositions have "coincided" with the abandonment of patent applications[16], as well as several instances where pre-grants have led to rejection of the grant, giving strong reason to investigate whether there is a need for incentivising more pre-grant oppositions. There have been attempts in the past to release some information on sector wise oppositions filed in a financial year and

[15] M/S UCB Farchim SA v. M/S Cipla Ltd. & Ors, W.P.(C) No. 332 of 2010.

[16] Some examples include: Novartis' patent application no. 1972/DELNP/2010 against which a pre-grant opposition was filed by Natco; Takeda / Foresight's patent application no 7357/DELNP/2011 against which a pre-grant opposition was filed by Indian Pharmaceutical Alliance; AstraZeneca's patent application no. 6560/DELNP/2009 against which a pre-grant opposition was filed by Indian Pharmaceutical Alliance, Bristol Myers and Squibb's patent application no. 806/DELNP/2010 against which many pre grant oppositions were filed; Novartis' Patent Application no. 5209/DELNP/2010 against which a pre grant opposition was filed by the Indian Pharmaceutical Alliance, Astellas' patent application no 1871/DELNP/2005 against which a pre grant opposition was filed by the Indian Pharmaceutical Alliance.

though the patent office has shown willingness to engage with the public, there is no specific system or structure on this.

Recommendation:

1. We recommend that the Patent Manual in particular, but in general, anywhere in any manual or guideline as may be applicable, it is expressly stated that the office of CGPDTM will periodically release data on the time taken to dispose of an opposition from the date of its institution.

3. Clarity on the Information Expected to be Filed Within the Working Statement (Form 27)

After the amendments in the 2020 Patent Rules, the current Form 27 has diluted the language around how the working requirement can be shown as under Section 146 (2) r/w Rule 131.[17] The new Form 27 bypasses the necessity to declare any quantum, but instead focuses only on 'value'. The new Form 27 appears to consider the term 'value' to be synonymous with 'revenue'. These particulars require patent holders to state details of the approximate revenue/ value accrued in India and explain why the patent was not worked in unworked patents.

Section 146(2) requires patentees to furnish information , ".... *as to the extent to which the patented invention has been worked on a commercial scale in India"*. This obligation to provide a working statement is a key safeguard to keep patent misuse at bay and ensure that the patentees/ the licensees are forthcoming about the use of their patents in the country. It is pertinent to note that non-working of a patent is one of the grounds under which a compulsory license can be issued and

[17] Pankhuri Agarwal, 'Indian Government Significantly Dilutes Patent Working Disclosure Norms' *(SpicyIP)* <https://spicyip.com/2020/11/indian-government-significantly-dilutes-patent-working-disclosure-norms.html>.

the information filed under Form 27 is instrumental in using this safeguard.[18] Additionally, Section 84 requires that the 'reasonable requirements' of the public are fulfilled. Form 27 information, when filled with detail, are one of the primary ways of checking whether this condition has been adequately fulfilled or not.[19] Similarly, the question of the extent to which a product is worked is brought up frequently in cases where injunction orders are sought, with courts favouring the grant of injunctions only upon showing that the product in question is already being worked.[20] Owing to its importance in keeping a check against patent abuses, many countries have a working statement requirement.[21]

Presently, the Patent Manual states that such a statement has to be filed in Form-27, in respect of "every calendar year, within three months of the end of each year." However, it does not specify the information that the patentee/ licensee is obligated to file. It has been argued by scholars that post the 2020 amendment, terms specified within the newly amended Form-27 are susceptible to misinterpretation especially the part where "revenue" is treated synonymous to "value" and thus, concerned parties may end up giving incorrect information.[22]

Recommendation:

1. We recommend that in order to resolve this confusion, the Patent Manual in particular, but in general, anywhere in any manual or guideline as may

[18] As seen in Natco Pharma Ltd. v. Bayer Corporation (Compulsory License Application no. 1 of 2011).
[19] Swaraj Paul Barooah, Praharsh Gour and Anshuman Kar, Who's Filing These Patents, and Are They Working Alright? Looking at the Data from the IPO Annual Reports (*SpicyIP*) <https://spicyip.com/2023/07/whos-filing-them-patents-and-are-they-working-alright-looking-at-the-data-from-the-ipo-annual-reports.html>.
[20] Franz Xaver Huemer v. New Yash Engineers, AIR 1997 Delhi 79; FMC v. GSP Crop Science, CS(COMM) 662/2022; Enconcore N.V v. Anjani Technoplast, CS(COMM) 382/2019.
[21] Thomas Cottier, Shaheeza Lalani, Michelangelo Temmerma, 'Use It or Lose It: Assessing the Compatibility of the Paris Convention and TRIPS Agreement with Respect to Local Working Requirements' 2014 Journal of International Economic Law 17(2), 437–471, <https://academic.oup.com/jiel/article-abstract/17/2/437/2849603?redirectedFrom=fulltext>.
[22] Adarsh Ramanujan, 'The New Form 27 (Patent Working Statement): Heading in the Wrong Direction?' (*SpicyIP*) <https://spicyip.com/2020/11/the-new-form-27-patent-working-statement-heading-in-the-wrong-direction.html>.

be applicable it should be clarified the information that a patentee/ licensee has to furnish in Form 27, while keeping in mind the true intent behind this obligation (as under Section 146). The relevant document can explain that in the brief in respect of approximate revenue/ value accrued to India, the concerned party should explain how the sum was reached on; the quantum of product manufactured/ imported; license or sub-license granted within India.

4. Filing of Information Regarding Foreign Applications under Section 8

The Patent Manual explains the requirement to file the information about corresponding foreign applications as mandated under Section 8 read with Rule 12 and then lists out the "legal jurisprudence" on this mechanism. However, under the explanation provided under the "legal jurisprudence" the Patent Manual misses out in including observations on the importance of this provision to the patent system. While the manual presently explains that discretionary nature of the High Court's power to revoke a patent for non compliance of Section 8 obligation and the necessity to consider whether there was any wilful suppression of material information, it does not include any interpretation on the importance of the provision in the examination process. The importance of this provision has been underlined by the IPAB in *Fresenius Kabi Oncology Limited v. Glaxo Group Limited.*[23] Furthermore, recently the obligation under the provision proved to be material in the rejection of a secondary patent application for Bedaquiline.[24]

Recommendations*:*

1. We recommend that the Patent Manual in particular, but in general, anywhere in any manual or guideline as may be applicable, observations

[23] Fresenius Kabi Oncology Limited v. Glaxo Group Limited, ORA 22 of 2011/PT/KOL & M.P.No. 140 of 2012.
[24] Indian Patent Application No. 1220/MUMNP/2009

such as the above IPAB Order, where the court/ IPAB has reflected the usefulness of the information under Section 8, be included.

2. We recommend that the Patent Manual in particular, but in general, anywhere in any manual or guideline as may be applicable, the orders by the Controller where the patent application was rejected owing to the information under Section 8 be included.

5. Clarity on Key Concepts of Section 92, Patents Act

Section 92 of the Patents Act prescribes a special provision wherein the Central Government can issue a compulsory license in case of national emergency or extreme urgency or public non commercial use. However, no criteria or explanations have been given as to what shall constitute national or extreme emergency. The provision does prescribes an indicative list of contingencies[25] but these come into play when the Controller has to see if the obligation under Section 92 (2) has to be fulfilled or not.

Recommendation*:*

1. We recommend that the Patent Manual in particular, but in general, anywhere in any manual or guideline as may be applicable, CGPDTM should clearly explain or indicate more clearly the meaning of "National Emergency", "Extreme Urgency" and other relevant criteria that it shall consider while assessing an application under Section 92.

[25] Public health crises, relating to Acquired Immuno Deficiency Syndrome, Human Immuno Deficiency Virus, tuberculosis, malaria or other epidemics.

6. Clarity on the Test to Determine Excluded Subject Matter Relating to CRIs

Section 3(k), provides that 'a computer programme per se' is excluded from patent claim. The Patent Act, otherwise, does not provide any other recourse to interpret the said provision. In light of this, various Computer Related Invention (CRI) Guidelines have been released by the CGPDTM discussing the considerations that an examiner should pay heed to while considering a CRI patent application. These guidelines have undergone several alterations and revisions over the last decade.[26] However, the constant addition and subtraction of explanations within the guidelines, corresponding with the fluctuation in the number of software patents, provide evidence that clarity is required on the subject to maintain a consistent practice in tune with the law.[27]

It is crucial to note that the legislative intent behind the Section 3(k) was to ensure that computer programmes as such cannot be patented.[28] But the 2017 CRI Guidelines add a qualifier to this understanding by stating that the patent office has to examine whether the computer related invention is of a "*technical nature involving technical advancement as compared to the existing knowledge or having economic significance or both*." While the 2017 Guidelines under para 4.5.4 does specify that "*Claims which are directed towards computer programs per se are*

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[26] Swaraj Paul Barooah, The Ping-Ponging Paradigm of Patenting Computer Programmes in India ("Software Patenting" 1999-2020) *(SpicyIP)* <https://spicyip.com/2020/02/the-ping-ponging-paradigm-of-patenting-computer-programmes-in-india-software-patenting-1999-2020.html>.

[27] As per a study by SFLC.in a total of 331 software patents were granted in the financial year 2016-17. However, this number witnessed a sudden surge to 842 in the financial year 2017-18. As per SFLC, this surge can presumably be because of the removal of three part test within the CRI Guidelines 2016, 'further technical effect' test, and the treatment of software at par with other general inventions under the 2017 CRI Guidelines. See SFLC.in, Software Patents in India: Law and Practice *<https://sflc.in/software-patents-in-india-law-and-practice/>.*

[28] Joint Parliamentary Committee on the Patents Second (Amendment) Bill,1999 <https://spicyip.com/wp-content/uploads/2020/02/Patents-Act-REPORT-OF-THE-JOINT-COMMITTEE-19-Dec-2001.pdf> also see Swaraj Paul Barooah, *T*he Ping-Ponging Paradigm of Patenting Computer Programmes in India ("Software Patenting" 1999-2020) (*SpicyIP*)<https://spicyip.com/2020/02/madras-hc-no-right-to-demand-mandatory-sharing-of-sports-broadcasts-over-the-internet.html>.

excluded from patentability", by adding the above qualifiers it has led to a chain of successive orders by the courts with broad interpretations.[29] These interpretations can effectively remove the bar on the purely software based patent claims and allow them as long as they involve a "technical advancement" and provide a "technical solution to the technical problem" which goes against the legislative intent and substantive provision in the Patent Act. Furthermore, it is pertinent to note that the guidelines are merely persuasive in nature and as mentioned in its preface, in case of conflict between the Patent Act and the guidelines, the former shall prevail.

The earlier interpretation under the 2016 Guidelines had relatively clearer terms on how these applications have to be assessed wherein the examiner had to (i) properly identify the actual contribution, (ii) deny outright if the contribution was a mathematical or business model or algorithm, (iii) assess the novel hardware, or contribution in both the computer programme as well as hardware before proceeding to other steps of patentability.[30] However, no such boundaries have been laid within the present guidelines.

This diluted interpretation allows patents to be granted to a large number computer programmes which might not have been granted a patent earlier.[31]

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[29] Ferid Allani v. Union of India, W.P.(C) 7/2014; Microsoft Technology Licensing v. Asst. Controller of Patent and Designs, C.A.(COMM.IPD-PAT) 29/2022; Raytheon Company vs Controller General Of Patents And Designs, C.A.(COMM.IPD-PAT) 121/2022.

[30] Guidelines for Examination of Computer Related Inventions, 2016 <https://ipindia.gov.in/writereaddata/Portal/IPOGuidelinesManuals/1_83_1_Guidelines-for-Examination-of-CRIs-19-2-2016.pdf>; Also, Even the European Patent Office, for such inventions, requires presence of a hardware in the claims of the application. However, this requirement under the EU is not as well laid out as the one mentioned in the 2016 Guidelines and can be sufficed by merely reciting the concerned "hardware" in the claims. See Giovanni Zelioli, Securing software patents through the EPO (*iam*); <https://www.iam-media.com/regionindustry-guide/patents-in-europe/2019/article/securing-software-patents-through-the-epo>; Larry A. DiMatteo, Cristina Poncibo and Michel Cannarsa (ed.) *The Cambridge Handbook of Artificial Intelligence: Global Perspective on Law and Ethics;* Rajiv Choudhry, European Decision on Patentability of Simulations and Implications for India (*SpicyIP*)<*https://spicyip.com/2021/04/european-decision-on-patentability-of-simulations-and-implications-for-india.html*>.

[31] While there are several factors that connect to this, some information pertinent to this can be seen in the number of software patents granted in the financial year 2016-17 (331 patents) and the financial year 2017-18 (842 patents) See SFLC.in, Software Patents in India: Law and Practice *<https://sflc.in/software-patents-in-india-law-and-practice/>.*

Another issue with such a broad reading of the provision is that it may impact the growth of up and coming small start ups in the IT sector and make them vulnerable to patent litigations. This apprehension gets further amplified in the contextual background that a majority of patents in general, as well as software patents in particular, have been granted to foreign applicants, who tend to be larger corporations.[32]

Recommendations*:*

1. We recommend that the CGPDTM should not rely on the "Technicality considerations" and should not include these as relevant factors while assessing a patent application on a CRI. We also recommend deletion of these considerations from the Patent Manual, any other guidelines or document as relevant, in light of the express provisions of the law and intent thereof.
2. We recommend that the CGPDTM provide clarification in the documents that, even passing the "Technical effect" threshold, no patent claims will be allowed for Computer Program *per se*.
3. We recommend that the CGPDTM incorporate similar factors in the documents for patentability of CRI as given under the 2016 guidelines.

7. Need for a Separate Stakeholder Consultation on AI and Related Guidelines on Patentability

Artificial intelligence, especially modern AI, has started to throw challenges to the current regime of patent law around the globe. The UK faced this in form of Thaler v Commissioner of Patents[33] case wherein the court had to decide whether an artificial intelligence (AI) system could be an inventor for the grant of a patent or

[32] See Annual Reports 2005-2020 from the office of CGPDTM. See also SFLC.in, *S*oftware Patents in India: Law and Practice <*https://sflc.in/software-patents-in-india-law-and-practice/*>
[33] Thaler v. Commissioner of Patents [2021] FCA 879.

not. Similarly the European Patent Office has been dealing with the issue of AI and its patentability as a CRI which has compelled the Board to come up with various guidelines, most recent in 2021.[34]

However, despite these efforts and deliberations, patent claims of AI have also started to face certain problems owing to the standards prescribed to regulate such applications. For instance in the EU for AI patent claims in fields not recognised as 'technical', the board is more likely to reject them even if the same was sufficient to give rise to 'technical effect'.[35]

However, no specific guidelines on AI and related issues of patentability have been framed by the Indian Patent Office as such.[36] Considering the discussion around this area on the impact that AI may have, it is imperative that an inclusive approach to frame policy/ guidelines in this regard is adopted. Furthermore, such guidelines should be framed after considering the legislative framework, undertaking exercises to gather empirical evidence, organize open stakeholder consultations allowing not only the big tech industries to partake but also other stakeholders which may include small and medium enterprises, academia, and inviting comments on the consequent draft guidelines.

AI is mushrooming in India as elsewhere in the world. More and more of such technology will substantially consist of software components and algorithms. It cannot also be denied that they will hold a very crucial importance in our everyday lives in the upcoming future. As a result, we need a framework which enables innovations in a manner that ensures incentives with the highest social benefits.[37] If exclusion rights provide the most benefit in certain situations, they should be allowed for in those situations and with appropriate limitations to ensure that other

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[34] Artificial Intelligence and Machine Learning', Guidelines 2021(G-II, 3.3.1)<https://www.epo.org/en/legal/guidelines-epc/2023/g_ii_3_3_1.html>
[35] Larry A. DiMatteo, Cristina Poncibo and Michel Cannarsa (ed.) *The Cambridge Handbook of Artificial Intelligence: Global Perspective on Law and Ethics*
[36] See Yashna Walia, *Artificial Intelligence and IP: A Literature Review,* <https://spicyip.com/2023/07/artificial-intelligence-and-ip-a-literature-review.html>
[37] See Swaraj Barooh, *Looking at the Farid Allani order on Software Patents,* <*https://spicyip.com/2020/01/ferid_allani_software_patents.html*>

innovators and creators are not barred from they're own creations by patent rights with overbroad claims. Any framework must be decided upon hard evidence, data and best practices and should not be merely imported from a foreign jurisdiction without considering the peculiarities of the system in place.

Recommendation:

1. We recommend that the CGPDTM should undertake open public consultations with stakeholders in two stages. The first stage of this open stakeholder consultation should be aimed at drafting concrete drafts of documents on AI and related guidelines on patentability. In the second stage of this open stakeholder consultation process, the CGPDTM should invite comments on the above drafted documents.