

To
The Secretary
Department for Promotion of Industry and Internal Trade
Ministry of Commerce and Industry, Government of India
Vanijya Bhawan, NewDelhi- 110001
Email: ipr4-dipp@nic.in;

Subject: Comments on the Draft Patents (2nd Amendment) Rules, 2024.

This submission presents comments on the “Draft Patent (2nd Amendment) Rules, 2024, (“Draft Rules” or “Proposed Rules”) released by the Department for Promotion of Industry and Internal Trade, (DPIIT) Ministry of Commerce and Industry.

The submission is divided into three parts- General Comments, Substantive Comments, and Procedural & Clarificatory Comments on the Draft Rules.

This submission is made by: Prahmarsh Gour, Pranav Aggarwal, and Swaraj Paul Barooah.¹ Views expressed here represent those of the authors’ alone. We are thankful for the opportunity to put forth our views.

This submission was made on 2nd February, 2024 as per deadline prescribed for comments i.e. thirty days from the publication of the Draft Rules in the Gazette of India (January 3, 2024).

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Part 1: General Comments

1. Inclusion and Participation

The Draft Patents (2nd Amendment) Rules, 2024 were published on January 3, 2024, with an open call for comments on the Proposed Rules within the next 30 days from the date of its publication in the Gazette of India, i.e., February 02, 2024. While the call for comments on the Proposed Rules is appreciated, the 30-day period given to the stakeholders to submit their responses is very limited to appropriately engage with this process. To realise the principles of Accountability, Transparency, and Openness, it is vital that a reasonable chance be given to the public to Deliberate, Respond and Interact with the legislative process for real inclusion and public participation. However, the same was not provided in the instant case.

Recommendation: It is recommended that an extension of 2-4 weeks be given to increase the ability for more stakeholders to participate in this process, and further enrich the outcome of the same.

2. Accountability, Transparency and Openness Related Concerns

It is noted that there have been no public calls for stakeholder consultations for the drafting of these Proposed Rules. There is also no stated information as to who has drafted the current Proposed Rules. This lack of information is concerning as this undermines the well expounded democratic principles of due process, transparency and openness. For example, the Supreme Court has held in *Global Energy Ltd. v. Central Electricity Regulatory Commission*² :

“ All law-making, be it in the context of delegated legislation or primary legislation, has to conform to the fundamental tenets of transparency and openness on one hand and responsiveness and accountability on the other. These are fundamental tenets flowing from due process requirement under Article 21, equal protection clause embodied in Article 14 and fundamental freedoms clause ingrained under Article 19. A modern deliberative democracy cannot function without these attributes.”

We have seen successful examples of implementation of these democratic principles in action vis-a-vis the consultation process adopted by the Telecom Regulatory Authority of India.³ Further, the importance of diverse and inclusive stakeholder consultations is well

² Global Energy Ltd. v. Central Electricity Regulatory Commission, AIR 2009 Supreme Court 3194
<<https://indiankanoon.org/doc/1695291/>>

³ ‘Consultation’, Telecom Regulatory Authority of India <<https://www.trai.gov.in/release-publication/consultation>>

recognised in the international context as well.⁴ Comparing this with the practice at home, no public consultation circular for any input from other research bodies and public stakeholders seems to have been released.

Recommendation: We recommend that the following information be shared with the Indian public via official notifications:

1. The authors of the draft rules.
2. Whether any stakeholder consultations were done, with or without a public notice for the same.
3. If such stakeholder consultations were done, then a copy of the minutes from those meetings, or a disclaimer that such minutes were not maintained.

Part 2: Substantive Comments

1. Mandate Public Hearings by the Authorities and Publication of the Orders passed by the Authorities for Public Access

Though the Rules mandate hearing of the parties, they lack a provision mandating that these hearings shall be public. Holding such hearings would legitimise the integrity of the authorities and will further transparency in these processes. Such hearings are also mandated for other disputes within the Act under Rule 139 of the Patent Rules, 2003 which states that hearings pertaining to any dispute related to a patent after the publication of the complete specification shall be held publicly.

Additionally, the Proposed Rules should mandate that the orders passed by the Adjudicating Officer and the Appellate Authority shall be made available for public access and inspection. Section 43 of the Patent Act, 1970 mandates a similar provision that on the grant of a patent “*the Controller shall publish the fact that the patent has been granted and thereupon the application, specification and other documents related thereto shall be open*

⁴ Among international bodies, the Cybercrime Convention Committee (T-CY) of the Council of Europe invited stakeholders to submit written or participate in online meetings regarding the draft 2nd Additional Protocol to the Budapest Convention <<https://www.coe.int/en/web/cybercrime/protocol-consultations>> Among developed countries, stakeholder consultation is followed strictly, as in the United States, where it involves a consultation process when negotiating new trade agreements and making legislative changes <<https://ustr.gov/about-us/policy-offices/press-office/blog/2014/February/a-note-on-stakeholder-consultation>> The FDA in the US engaged in several Patient and Consumer Stakeholder Discussions on the Medical Device User Fee Amendments 2022 Reauthorization <<https://www.fda.gov/industry/medical-device-user-fee-amendments-mdufa/medical-device-user-fee-amendments-2022-mdufa-v>> The European Directorate for the Quality of Medicines & Healthcare (EDQM) sought the opinions of stakeholders on its Draft Guidelines for Medication Review in 2022 <<https://www.edqm.eu/en/-/stakeholder-consultation-draft-guidelines-for-medication-review>>

for public inspection.” It is advised that to maintain transparency and accountability with regard to the findings of such proceedings, these orders should be available in the public domain as well.

Recommendations:

- 1) The Proposed Rules should specify that the hearings by the Authorities under the Proposed Rule(s) 107D and 107H shall be public; and
- 2) Copies of the orders passed by the Adjudicating Officers and Appellate Authority should be published preferably on the **IP India** website⁵ for public access to improve transparency and accountability in such proceedings.

2. Limited Scope of Offences Falling under the Proposed Mechanism:

1. Include Offences Committed by a Company

The Adjudicating Officer is being appointed by virtue of the newly inserted Section 124A of the Patents Act⁶. The substantive provision empowers the Controller to appoint any officer to conduct an inquiry and impose penalties under the provisions of the Act. As per the Proposed Rule 107A, the role of the Adjudicating Officer shall be limited only to the offences committed by a “person” falling under Section 120⁷, 122⁸ and 123.⁹ However, this may exclude offences committed by a “Company”, which are listed under Section 124¹⁰. The provision starts with “*If the person committing an offence under this Act is a company, ...*” and therefore, explains how the liability shall be determined in a case where a company is accused of committing an offence under any provision of Chapter XX of the Act. Thus, the provision is explanatory in nature which would be read along with the main provision prescribing the punishment for an offence.

⁵ <<https://www.ipindia.gov.in/>>

⁶ Adjudication of Penalties, Section 124A, Patents Act, 1970. This provision was introduced by the Jan Vishwas (Amendment of the Provisions) Act. <<https://egazette.gov.in/WriteReadData/2023/248047.pdf>>

⁷ Unauthorised claim of patent rights, Section 120, Patents Act, 1970. This provision was amended by Jan Vishwas (Amendment of the Provisions) Act, 2023.

<<https://egazette.gov.in/WriteReadData/2023/248047.pdf>>

⁸ Refusal or failure to supply information, Section 122, Patents Act, 1970. This provision was amended by Jan Vishwas (Amendment of the Provisions) Act, 2023.

<<https://egazette.gov.in/WriteReadData/2023/248047.pdf>>

⁹ Practice by non-registered patent agents, Section 123, Patents Act, 1970. This provision was amended by Jan Vishwas (Amendment of the Provisions) Act, 2023.

<<https://egazette.gov.in/WriteReadData/2023/248047.pdf>>

¹⁰ Offences by companies, Section 124, Patents Act, 1970, <https://www.indiacode.nic.in/show-data?actid=AC_CEN_11_61_00002_197039_1517807321764§ionId=16001§ionno=124&orderno=137>

For instance, Section 120 imposes a punishment against a person wrongfully labelling their product as patented. However, chances are that those accused may not always be an individual and might also be a company. Thus, for such cases, the complaint would ideally be filed under Section 120 read with Section 124. Similarly, many entities that may default in submitting accurate information under Form 27s, (mandated under Section 146¹¹) could be companies.¹² The obligation of the patentee/ licensee to file the Working Statement is a key safeguard against monopoly rights without proportionate gains for the nations.¹³ Apart from the public interest involved in accessing this information, it is also important for the companies to routinely file Form 27s as courts have categorically refused to grant an interim injunction owing to non-working of the suit patent.¹⁴

It must be noted that despite there being a mechanism under Section 122 to punish those not complying with Section 146, it was accepted by the Indian Patent Office that Section 122 was never utilized by them.¹⁵ The Proposed Rules seek to introduce a mechanism that shall help in filling this void in the future. Furthermore, they give an avenue to any person to approach the authorities alleging violation of this important requirement. However, excluding Section 124 from the proposed mechanism may leave behind a grey area that may be susceptible to a misinterpretation that the mechanisms in the Proposed Rules will only apply to complaints filed against natural persons.

II. Include Procedures to Adjudicate upon Other Offences

Apart from diluting Section 122, the Proposed Rules do not accommodate all the provisions on penalties within the Patents Act. The Proposed Rules only prescribe the mechanism of

¹¹ Power of Controller to call for information from patentees, Section 146, Patents Act, 1970,

https://www.indiacode.nic.in/show-data?actid=AC_CEN_11_61_00002_197039_1517807321764§ionId=16023§ionno=146&orderno=159

¹² See for instance the copies of the RTI application filed by Late Prof. Shamnad Basheer enquiring about the Form 27 filings of different companies (accessible from page no. 43- 50) here <https://spicyip.com/wp-content/uploads/2018/01/Writ-Petition-Part-III.pdf>; Not filing this information is punishable under Section 122 of the Patent Act.

¹³ The information provided in the working statement assists in utilizing other patent levers like compulsory licenses under Section 84 and seeking revocation of patents under Section 85. For instance, the information disclosed in this form proved very crucial in passing the first compulsory license of the country for the anti cancer drug Sorafenib/Nexavar (see Shamnad Basheer, Breaking News: India's First Compulsory License Granted!, at <https://spicyip.com/2012/03/breaking-news-indias-first-compulsory.html>)

¹⁴ For instance in Franz Xaver Huemer v. New Yash Engineers (AIR 1997 Delhi 7, <https://indiankanoon.org/doc/254672/>) the Delhi High Court had clearly stated that if a patent is not worked then an injunction cannot be granted against the respondent. Similarly, in FMC v. GSP Crop Science CS(COMM) 662/2022, <https://indiankanoon.org/doc/197664/> the Delhi High Court refused to grant an interim injunction over alleged infringement of a patent on Chlorantraniliprole due to non-working of the suit patent. Working of a patent was again stressed in Enconcore N.V v. Anjani Technoplast (CS(COMM) 382/2019 and CC(COMM) 27/2019 <https://indiankanoon.org/doc/82804251/>) where the Delhi High Court modified the earlier ex-parte interim injunction owing to non-working of the patent.

¹⁵ See the RTI Applications filed by Late Prof. Shamnad Basheer seeking this information and the response from the CPIO on page no 43-55 <https://spicyip.com/wp-content/uploads/2018/01/Writ-Petition-Part-III.pdf>

adjudicating complaints filed under Section(s) 120, 122, and 123 but leave out the complaints filed under Sections 118¹⁶ and 119.¹⁷ Under Section 118 if a person fails to comply with the direction for secrecy regarding inventions relevant to defence purposes, they can be punished with imprisonment or a fine. Similarly, a fine or imprisonment can be imposed on a person if they make a false entry in any Register maintained under the Patent Act, under Section 119. Thus, considering the nature of these offences, complaints against these offences can be filed on behalf of the government. However, important details about how these complaints will be filed and before whom these complaints will be filed have not been explained anywhere in the Patent Act and the Patent Rules.

Recommendations:

1) The proposed provision along with the proposed forms be amended to include adjudication over offences when committed by a company under Section 124 for certainty of the adjudicatory proceedings.

2) In addition to the above, it is also recommended that the procedure to approach the concerned authorities to prosecute the accused party under Section 118 (violating the secrecy provisions relating to certain inventions) and Section 119 (falsifying the entries in the register) of the Patents Act should be clarified under the Proposed Rules.

3. Onus on the Parties to keep the Other Relevant Parties Informed about the Necessary Submissions

The Proposed Rule 107G (2) requires the “Appellant” to convey any kind of written submission or application to the “other party”. However, it is unclear who this “other party” is. Will it only be the Adjudicating Officer passing the impugned order? Or will it also include the Appellant’s original adversary before the Adjudicating Officer? Furthermore, by imposing an obligation only on the “Appellant”, the Proposed Rule makes this an Appellant-specific provision, however, it is necessary that all the relevant parties are informed about the filings made by the other parties.

Recommendation: The Proposed Rule 107G (2) shall be amended to replace “Appellant” with “a party”. It is also recommended that the Proposed Rules be amended to specify who the “Other Party” shall be.

¹⁶ Contravention of secrecy provisions relating to certain inventions, Section 118, Patents Act, 1970

<https://www.indiacode.nic.in/show-data?actid=AC_CEN_11_61_00002_197039_1517807321764§ionId=15995§ionno=118&orderno=131>

¹⁷ Falsification of entries in register, etc., Section 119, Patents Act, 1970, <https://www.indiacode.nic.in/show-data?actid=AC_CEN_11_61_00002_197039_1517807321764§ionId=15996§ionno=119&orderno=132>

4. Incorrect use of “Summary”

The Proposed Rule 107D provides for Summary Proceedings when a case is made out. Generally, the term “Summary” for proceeding connotes a situation where the court is convinced that the parties do not have succeeding claims and there is no compelling reason to not dispose of the matter after following all the otherwise applicable procedure.¹⁸ However, the Proposed Rules prescribe a detailed separate procedure to ensure that the competing parties are heard and are allowed to file relevant evidence under the Proposed Form 32 and 33. In light thereof, though the Proposed Rules seemingly aim to “expeditiously” dispose of the complaints, the same is not done “summarily” as understood from the procedural laws.

Recommendation: Therefore, the use of the term “summary proceedings” in the Proposed Rule seems like a misnomer and it is recommended that the title of the Proposed Rule be amended to “Proceedings when a case is made out”.

5. Clarity on the Deadline to File a Complaint

In Proposed Rule 107D (a), the phrase “one month from the date of commission of the contravention” imposes an undue restriction on the complainant to approach the adjudicatory authority within one month, which is not prescribed under any provision of Chapter XX of the Patent Act¹⁹, and essentially can mean that complaints filed after one month may not be admitted. The restriction to approach the authority within one month may also not be realistically possible in situations where the complaint is against acts falling under the ambit of Section 120 (punishment for unauthorised claim of patent rights) and Section 122 (punishment for not serving the information under Section 100 (5) and Section 146 of the Act.)²⁰ This is because chances are that the impugned products may be made available in the market after 1 month from the date of its production (and therefore, commission of the offence.) Similarly, the cause of action for Section 122 offences i.e. non or incomplete filings by the violator may not be readily available with the complainant so as to meet the deadline of 1 month within the date of its commission.

Recommendation: The duration of one month from the “date of commission of alleged contravention” in the Proposed Rule should be amended to “one month from the date of admission of the complaint”.

¹⁸ See also, Order XIII A, Rule 3, Code of Civil Procedure, 1908; Order XXXVII, Code of Civil Procedure, 1908
<<https://www.indiacode.nic.in/bitstream/123456789/2191/1/A1908-05.pdf>>

¹⁹ Penalties, Chapter XX of the Patent Act, 1970
<https://ipindia.gov.in/writereaddata/Portal/IPOAct/1_31_1_patent-act-1970-11march2015.pdf>

²⁰ Power of court to make declaration as to non-infringement, Section 100(5), Patents Act, 1970,
<https://www.indiacode.nic.in/show-data?actid=AC_CEN_11_61_00002_197039_1517807321764§ionId=15973§ionno=105&orderno=109>

6. Conflicting Timelines for Accepting a Complaint and Issuing the Notice

The Proposed Rule 107D (a) mandates service of notice to the alleged violator within a period of one month from the date of commission. It may conflict with the timeline in the Proposed Rule 107D which states that the order on the prima facie finding regarding the maintainability of the complaint must be issued within one month. While the date of reference to calculate the deadline for the latter is unclear (an issue dealt in detail below), one interpretation is that the order regarding the maintainability should be passed and the service of notice both should be done within one month from the date of commission of the contravention, thus imposing an undue restriction on the adjudicatory body as well.

Recommendation: The timeline for the service of notice should be kept separate and should be decided after duly considering the timeline reserved for making prima facie finding on maintainability.

7. Clarity on the Qualifications of Adjudicating Officers

The Proposed Rule 107B of the draft rules provides the mechanism for the appointment of an Adjudicating Officer. Under the said rule, the Controller shall give authorization to an officer as appointed under Section 73 of the Patents Act to act as an Adjudicating Officer. However, no specific qualification for the officer has been provided in the said rule.

Recommendation: The Proposed Rule should mention the designation or qualification for the Adjudicating Officer. Preferably, a Deputy or an Assistant Controller should be appointed as the Adjudicating Officer.

8. Appointment and Qualifications of Appellate Authority

Unlike the appointment of the Adjudicating Officer by the Controller under Section 124A r/w the Proposed Rule 107B, the appointment of the Appellate Authority is done by the “Central Government” under Section 124B (1)²¹. However, for the purpose of appointment of the Appellate Authority, it is unclear who shall be regarded as the “Central Government”. While Section 76 clearly states that the Controller is the appointing authority in the case of Adjudicating Officer, no specific office has been referred to here to fill in the shoes of “Central Government” for the appointment of the Appellate Authority.

Furthermore, the Proposed Rule 107E provides that the Appellate Authority shall be an officer at least one rank above the Adjudicating Officer thus, making the Qualification of the Appellate Authority relative to the Adjudicating Officer. However, for certainty, the last rank of officer eligible to be appointed as the Appellate Authority should be specified.

²¹ Appeal, Section 124B (1), Patents Act, 1970, <<https://egazette.gov.in/WriteReadData/2023/248047.pdf>>

Recommendations:

- 1) The Proposed Rule must clearly state the authorising authority for the Appellate Authority. If it is the Central Government, then the rule must define which authority should be considered as the “Central Government” to avoid any possible confusion.
- 2) The Proposed Rule should mention the designation or qualification for the Appellate Authority, preferably, deputing an officer not below the rank of a Joint Controller as the Appellate Authority.

9. Ambiguity over the definition of ‘Complainants’

Under the Proposed Rule 2(aae), a complainant has been defined as “*an aggrieved person who makes a complaint before the Adjudicating Officer*”. Form 32 is the relevant Form under which a complaint can be filed, and it specifies “Complainant” under the 1st particular (See below).

“FORM 32
THE PATENTS ACT, 1970
(39 OF 1970)
&
THE PATENTS RULES, 2003
COMPLAINT FOR CONTRAVENTION OR DEFAULT OF SECTIONS 120, 122, OR 123
[See section 124A, rule 107A]

1. Particulars of Complainant (mandatory):- a. Name: b. Address for service: c. Contact no.: d. Email (for service):	
2. Particulars of Complaint:- a. Date, time, and instance of commission of the alleged contravention or default: b. Statement of contravention or default setting out all relevant material particulars: c. Evidence in support of the statement:	
I/We....., the Complainant herein declare that the facts stated herein are correct to the best of my/our knowledge, information and belief.	
3. Signature of the Complainant:	Signature
4. Name of the natural person who has signed:	(.....)
	To, The Adjudicating Officer, The Patent Office, at

Note. - Strike out whichever is not applicable.

Under rule 107(A), ‘any person’ can file a complaint, using the proposed Form 32, against any contravention or default committed by any person. The condition of such a person to be “aggrieved” has not been mentioned in the Proposed Rule 107(A) and thus, the definition clause and the operating clause of the Proposed Rules conflict with each other. As per the Black’s law dictionary, “an aggrieved” is a person or entity having legal rights that are adversely affected or having been harmed by an infringement of legal rights.²²

²² Page 87, Black’s Law Dictionary, 4th ed. < <https://karnatakajudiciary.kar.nic.in/hcklibrary/PDF/Blacks-Law-Dictionary.pdf>>

However, for a complainant to file a complaint under the present mechanism they need not necessarily be “aggrieved” per se. It is pertinent to note that enabling “any person” to file a complaint under the Proposed Rules will be fruitful for the overall patent regime of India. It will enable the authorities (specifically the patent office) to keep a check on defaulters under the Act efficiently, which may otherwise go unnoticed. Also, such flexibility will further the principle enshrined under Section 83 ensuring that a patent granted is worked within the Indian territory. Furthermore, allowing “any person” to file a complaint under the Proposed Rules will ensure that public participation is not limited only to patent prosecution²³ but rather encourages public-spirited individuals to assist the Office in other areas like monitoring the working of a patent, curb spurious products etc.

Recommendation: In order to encourage public participation and considering its perks in building a robust patent regime, it is recommended that the definition of the term ‘complainant’ under the Proposed Rule 2(aae) should be amended to not just include an “aggrieved” person but “any person” as mentioned in the Proposed Rule 107A (1). A similar mechanism allowing “any person” to file a pre-grant opposition has been prescribed under Section 25(1) of the Patents Act.²⁴ Such flexibility will empower public-spirited individuals to complain against any default committed in contravention of the provisions of the Patents Act.

10. Ambiguity on the procedure to hold an inquiry by the Adjudicating Officer

The procedure described under Proposed Rule 107D (c) (1) lacks clarity in several aspects.

First, the Proposed Rule states the procedure regarding the issuance of notice by the Adjudicating Officer. However, this has already been covered under the Proposed Rule 107D (a) thus making this provision redundant.

Second, it mandates the alleged violator to “show cause”. However, it hasn't specified what should the alleged violator show cause to. Furthermore, this seems like an additional obligation on the violator who will anyway be contesting their case via filing a written submission, setting out the facts along with the necessary evidence.

Third, the Proposed Rule states that no inquiry can be made except upon receiving a complaint in writing by “*any officer authorised by a general or special order*”. However, this is contradictory to the Proposed Rule 2(aae) defining a complainant as “any aggrieved person” and thus restricts this definition to mean an officer authorised by general or special order. Furthermore, it is pertinent to note that the Patent Act does not restrict the scope of

²³ By the means of filing a pre-grant opposition under Section 25(1) of the Patent Act.

²⁴ Opposition to the Patent, Section 25(1), Patent Act, 1970

<<https://ipindia.gov.in/writereaddata/Portal/ev/sections/ps25.html>>

a person who can file a complaint against violations of the relevant provisions and thus, the Proposed Rule contradicts the provision of the substantive law as well.

Recommendations:

- 1) The provision for issuance of notice under the Proposed Rule 107D (c)(1) should be omitted as it exists in a separate rule, Rule 107(D) (a).
- 2) The mandate for “show cause” notice should be omitted to avoid unnecessary procedural barriers.
- 3) The Proposed Rule should not restrict the initiation of an inquiry just on the complaint of an authorised officer, rather should keep it open to ‘any person’ as under Proposed Rule 107A.

11. Authority to Grant Compensation

The Proposed Rule 107D (4) prescribes that “compensation” may be awarded by the Adjudicating Officer. Similarly, the Proposed Rule 107D (c)(2) prescribes the mode for determining “compensation” under the Act. However, it must be noted that the Proposed Rules 107D(4) has not stated wherefrom the Officer is deriving the authority to award such compensation. Furthermore, regarding the mechanism under the Proposed Rule 107D(c)(2) it must be noted that the Patent Act, under provisions of Chapter XX, only mandates the imposition of a penalty or imprisonment of the alleged violators.²⁵ Therefore, the Proposed Rule must specify the justification behind the power of the Adjudicating Officer to award compensation. Otherwise, the Proposed Rules may contravene the doctrine of *ultra vires* which prohibits supersession of a substantive provision by a delegated legislation. On this, the Supreme Court in *Kerala State Electricity Board v. Thomas Joseph*²⁶ clarified that :-

“ Ultra vires may arise in several ways; there may be simple excess of power over what is conferred by the parent Act; delegated legislation may be inconsistent with the provisions of the parent Act or statute law or the general law; there may be noncompliance with the procedural requirement as laid down in the parent Act. It is the function of the courts to keep all authorities within the confines of the law by supplying the doctrine of ultra vires.”

Recommendation: While the proposal to award compensation is appreciated, it is recommended that the Proposed Rules specify the provision where it is deriving the power

²⁵ A person can be imprisoned only for offences under Section (s) 118 and 119 as discussed above.

²⁶ Civil Appeal Nos. 9252-9253 of 2022

<https://main.sci.gov.in/supremecourt/2017/38292/38292_2017_15_1502_40642_Judgement_16-Dec-2022.pdf>

to award compensation. Alternatively, the Proposed Rules should be amended, removing the provisions awarding compensation.

Part 3: Procedural & Clarificatory Comments

1. Ambiguity in Timelines

Some of the deadlines to make submissions before the authorities under the Proposed Rules are unclear. We are listing the issues with these deadlines along with our recommendations below:-

I. Clarity regarding the time limit to make a prima facie finding by the Adjudicating Officer under Proposed Rule 107C)(1)

The Proposed Rule states that ‘*the Adjudicating Officer shall quash and dismiss the complaint summarily and pass a speaking order within a period of one month*’. However, the date from which the one month period is to be ascertained is not clear.

Recommendation: The Proposed Rule should be amended to clarify that the speaking order shall be passed within one month from the date of allocation of the complaint to the Adjudicating Officer (under the Proposed Rule 107B(2)) or within one month from the date of filing of the complaint by a complainant.

II. Clarity on the date of commencement of proceedings under Proposed Rule 107D

The Proposed Rule provides for the procedure of proceedings when a prima facie case on maintainability is made out. It states that proceedings under the Proposed Rule shall commence within one month. However, the date from which the one-month period is to be calculated has not been specified.

Recommendation: The Proposed Rule should be amended to clarify that the proceedings will commence within one month from the date of allocation of the complaint to the Adjudicating Officer (under the Proposed Rule 107B(2)) or within one month from the date of filing of the complaint by a complainant or one month from the date of prima facie finding on the maintainability of the complaint by the Adjudicating Officer.

III. Clarity on the dates of serving the notice and complaint to the alleged violator

The Proposed Rule 107D(a) states that the alleged violator shall be served with a copy of the notice within one month from the date of the alleged contravention. Further, the

Proposed Rule states that a copy of the complaint shall be served to the alleged violator within one week. The two deadlines for issuing the notice and the copy of the complaint are extremely ambiguous. Furthermore, the notice is required to be served within one month from the date of the alleged contravention, but as discussed above often a complainant may get to know about the contravention after one month from the date of commission, especially in the case of offences falling under Section 120. Additionally, this two deadline mode also interferes with the right of the alleged violator to file the written statement under Proposed Rules 107D(b).

Recommendation: For clarity and uniformity, the proposed amendment should be amended to state that the complaint shall be filed along with the notice of the complaint within one month from the date of prima facie finding on the maintainability of the complaint by the Adjudicating Officer.

IV. Inadequate time-limit to file the Written Statement

The time limit proposed to make the written submission against a complaint, under the Proposed Rule 107D (b), is 15 days from the date of issuance of the “notice”. However, the same is extremely inadequate, especially when as per the Proposed Rule 107D(a) the complaint will served separately by the Adjudicating Officer.

Recommendation: The Proposed Rule be amended to “15 days from the receipt of the complaint” instead of “15 days from the issuance of the notice”. Such a mechanism will also take into consideration the transit time in case the documents are shared via post and will enable the responding party to consider the allegations made in the complaint against it.

2. Amending Typographical Errors

There are three major typographical errors in the Proposed Rules.

I. Error in the Proposed Form 14

The proposed Form 14 adds a mechanism to file the written submission against the complaint filed before the Adjudicating Officer under Form 32. However, it incorrectly refers to “Form 31” instead of “Form 32”. (See the image below).

"FORM 14
THE PATENTS ACT, 1970
(39 of 1970)
&
THE PATENTS RULES, 2003

**NOTICE OF OPPOSITION TO AMENDMENT/RESTORATION / SURRENDER OF PATENT/GRANT OF
COMPULSORY LICENCE OR REVISION OF TERMS THEREOF OR TO CORRECTION OF CLERICAL
ERRORS / COMPLAINT OF CONTRAVENTION OR DEFAULT**

[See sections 57(4), 61(1), 63(3), 78(5) and 87(2), 120, 122, 123; rules 81(3)(b), 85(1), 87(2), 98(1), 101(3), 124, 107D]

1. State the name, address I, We¹
and nationality.
.....
.....

hereby give notice of opposition: -
to the amendment of the application/ specification with respect to application
for Patent No..... dated.....
OR
to the application for restoration of Patent No. dated.....
OR
to the offer to surrender the Patent No.....dated.....
OR
for the grant of compulsory licence, or revocation of Patent No.....
dated.....
OR
for the revision of the terms and conditions of licence in respect of Patent
No.....dated.....
OR
for correction of a clerical error in Patent No.....dated..... /Specification
No..... dated.....in respect of Patent No.....dated..... or Patent
application No.....dated.....
OR
to the Complaint made in **FORM 31**

The grounds in which the said opposition is made are as follows:
.....
.....

Recommendation: The typographical error should be rectified, and the proposed form should accurately refer to “Form 32” instead of “Form 31”.

II. Error regarding extension by Adjudicating Officer

The proviso of the Proposed Rule 107G (1) states that the ‘Appellant’ has to satisfy the Appellate authority for extending the time limit beyond 21 days for filing their reply. However, the said rule prescribes the procedure wherein the ‘Adjudicating Officer’ can file their reply to the appeal. The method to seek an extension as provided under the proviso, thus, should be limited to the “Adjudicating Officer” satisfying the Appellate Authority about the causes for the delay and not the “Appellant”.

Recommendation: The term ‘Appellant’ in the proviso to the Proposed Rule 107G (1) shall be replaced with ‘Adjudicating Officer’.

III. iii) Rephrase “Form 31” as “Proposed Form 31”

Presently, there is no Form 31 in the Patent Rules 2003. A new Form 31 has been proposed as a part of the Patent (Amendment) Rules 2023²⁷. However, the concerned Rules have not been notified. Still, the Proposed Rules refers to the proposed Form 31 under clause 5 in the following manner: -

5. In the principal rules, in the SECOND SCHEDULE, in the LIST OF FORMS, after 'Form No. 31', the following shall be inserted, namely:

“32.	Section 124A, rule 107A	Complaint for contravention or default of sections 120, 122, or 123.
33.	Appeal against an order passed by the adjudicating officer	Section 124B, rule 107E.

Recommendation: Therefore, in light of the interim period, clause 5 of the Proposed Rule shall be amended to state “In the principal rules, in the SECOND SCHEDULE, in the LIST OF FORMS, after the “proposed” Form No. 31, the following shall be inserted, namely:”.

3. Define “Endorsement” under the Proposed Rule 107F(1)

The Proposed Rule 107F(1) states that “*the Appellate Authority shall endorse the date on such appeal and shall sign such endorsement*”. However, the term ‘endorsement’ has not been defined anywhere in the Proposed Rules. The term creates ambiguity when read with the following Proposed Rule 107F(2) which prescribes the obligation of the Appellate Authority to “register” the appeal after scrutinising it. Thus, clarifying what endorsement means would also help in differentiating it from “registering” the appeal.

Recommendation: The Proposed Rule 107F (1) should define/ explain what “endorsement” shall mean. Alternatively, the Proposed sub-Rule can also be deleted, effectively making the Proposed Rule 107F(2) the only clause for registration of an appeal.

4. Clarity Regarding the Arrangement of the Procedure under Rule 107D

The Proposed Rule 107D prescribes the mechanism that the Adjudicating Officer has to follow after being satisfied with the maintainability of a complaint filed under the Proposed Rule 107A. However, the provision has been arranged in a very unclear manner. For instance, the Proposed Rule prescribing the power to hold an inquiry has wrongly been placed as sub-rule (2) under the subheading for “extension” under the Proposed Rule 107D(2)(d).

Recommendation: It is suggested that the Proposed Rule 107D be re-arranged properly with clear subheadings and order of the proposed provisions.

²⁷ Clause 14 (vi) Draft Patent (Amendment) Rules, 2023
<<https://www.ipindia.gov.in/writereaddata/Portal/Images/pdf/248296.pdf>>

5. Clarity on Speaking order passed under the Proposed Rule 107D (2)(d)(1)

The Proposed Rule pertains to the extension of time period and states that the Adjudicating Officer shall hear the parties and pass a speaking order. However, it is not clear if this speaking order is only with reference to the request for an extension or generally for the procedure under the Proposed Rule 107D.

Recommendation: Clarity should be provided as to whether the speaking order passed under the Proposed Rule 107D(2)(d)(1) is with reference to the request for an extension or generally for the entire procedure under the Proposed Rule.

6. Clarity on the mode of service of Notice and Complaint under the Proposed Rule 107D (a)

The Proposed Rule states an obligation to serve a notice regarding the proceedings of the alleged violators. However, the mode of service of the notice and complaint (physical or electronic) is not clear.

Recommendation: The mode of service should be specified. Preferably, it should be stated that ordinarily, the service shall take place via email and only in extraordinary situations, the notice and the complaint shall be served via post. Additionally, the Proposed Rule should also specify the contents of the notice that will be served to the alleged violator, clearly stating the allegations levelled against them.

7. Opportunity to be heard before a prima facie finding on maintainability is made by the Adjudicating Officer under the Proposed Rule 107C(1)

The Proposed Rule does not specify whether the complainant will be provided with an opportunity to be heard before the prima facie finding on the complaint's maintainability is made by the Adjudicating Officer.

Recommendation: An opportunity to be heard shall be granted to a complainant before a finding is passed by the Adjudicating Officer on its maintainability.

8. Clarification in the Proposed Form 14

The Proposed Rule 107D (b) states that an alleged violator can file their statement with relevant facts and evidence against the complaint under the proposed Form 14. However, there are no columns or sections in the proposed Form 14 (unlike the proposed Forms 32 and 33) wherein such a statement/ submission can be made.

Recommendation: The proposed Form 14 should have a section/ entry to accommodate "relevant facts" and "evidence in support of opposition".

9. Clarity on the “Certified Copy”

The Proposed Rule 107E(2) states that the appeal shall be accompanied by a certified copy of the impugned order. However, the method of deriving the certified copy has not been mentioned under the Proposed Rule.

Recommendation: The Proposed Rule 107E (2) should be amended to state the method of deriving the certified copy of the impugned order passed by the Adjudicating Officer. For reference, the Proposed Rule can refer to Section 76 of the Indian Evidence Act²⁸ or specify a similar mechanism.

²⁸ Certified copies of public documents, Section 76, Indian Evidence Act, 1872,
<https://www.indiacode.nic.in/show-data?actid=AC_CEN_3_20_00034_187201_1523268871700§ionId=38878§ionno=76&orderno=84>