Comments on The Draft Patents (Amendment) Rules, 2023

CIIPC
12 December 2023

Submission of Information Regarding Foreign Patent Applications

Context: In India patent applicants are required to submit information regarding foreign patent applications in respect of the same or substantially the same invention at the time of filling of a patent application in India and thereafter under Section 8 of the Patents Act, 1970. Section 8(1) imposes a duty on patent applicants to submit a statement[1] setting out detailed particulars of such foreign patent applications and an undertaking[2] to keep the Controller informed of detailed particulars of any other foreign patent application filed subsequently to the filing of the statement. As per clause 1A of Rule 12 of the Patents Rules, 2003, patent applicants must file the statement and undertaking within six months from the date of filling the application in India. Clause 2 of Rule 12 prescribes a time of six months within which the applicant needs to inform the Controller of detailed particulars of foreign patent applications filed subsequent to filing of the statement. This time limit of six months under Clause 2 of Rule 12 is reckoned from the date of filing of the foreign patent application.

Proposed Amendment: The draft Patents (Amendment) Rules, 2023 proposes to amend Clause 2 of the Rule 12 by changing point in time from where the time limit to file the detailed particulars is calculated. Under existing Clause 2 of the Rule 12 this time limit is six months from the date of filing of foreign patent application and under proposed amendment it is two months from the date of issuance of first statement of objections. Further, the draft rules also propose to substitute Clause 3 with new Clause 3, 4 and 5. Under existing Clause 3, the Controller may ask the applicant to furnish information relating to objections to the invention and other information including claims of the application. The proposed amendment to Clause 3 now requires the Controller to consider the information relating to processing of the application in a country outside India that is accessible using public databases.

Comments: The proposed amendment to Clause 2 includes two significant changes. First, it reduces the time limit to file the detailed particulars from six months to two months. This amendment appears to be a step taken towards expedited processing of patent applications which is a commendable step, although it gives patent applicants shorter time to submit required information. Second, it changes the starting point of the time limit to file the detailed particulars required under Section 8(1)(b) of the Patents Act, 1970. Under the proposed amendment an applicant is required to file the detailed particulars after issuance of first statement of objections. Some have raised concerns that the proposed amendment does not make it clear to which first statement of objections it is referring whether it is issued by a concerned foreign patent office or Indian patent office. According to us it would serve no purpose to link submission of information of foreign patent filings to issuance of statement of objections by the Indian Patent Office. In fact, information regarding foreign fillings would be useful for Indian patent examiners if the information is received by the examiner before the statement of objection/First Examination Report is issued in India. In the existing Clause 2, the applicant is required to submit the detailed particulars

within six months from the date of filing of foreign patent application. Thus, it would be appropriate to refer to the term as 'first statement of objections' issued by the foreign patent office.

An alternative suggestion for amending the Clause 2 is to not restrict filing of detailed particulars from the date of issuance of first statement of objections. Instead, the Clause 2 could be amended as follows-

"*(2) The time within which the applicant for a patent shall keep the Controller informed of the details in respect of other applications filed in any country in the undertaking to be given by him under clause (b) of sub-section (1) of section 8 shall be two months from the date of publications of such other applications.*"

The above suggested amendment can be supported by several reasons. The provision for submission of information regarding foreign patent applications was inserted at a time when the Indian patent office lacked resources to search and examine patent applications such as access to foreign patent specifications to assess novelty. It was suggested that patent applicants who are foreign nationals should be asked to submit information regarding any patent application made for the same or substantially the same invention as in India in any foreign country. Such information may include objections raised by foreign patent offices which would be advantageous to the Indian patent office. It must be noted that not all patent applications filed may be relevant for the Indian patent office. Generally patent applications are published after expiry of eighteen months from the date of filing of the patent application. During this eighteen-month period, patent offices are required to maintain secrecy of patent applications. It is only after a patent application is published patent offices and third parties can raise objections against the grant of patent. In some jurisdictions, such as the United Kingdom, after publication a patent application can face preliminary objections before it goes into substantive examination by a patent examiner. Also, it is possible that a patent application may face objections from third parties, on procedural or substantive grounds, even before a patent examiner examines it. Therefore, the detailed particulars of foreign patent applications with all information since the date of publication of such applications can assist Indian patent office in better examination of patent applications. Also, such implementation of Section 8 requirement is supported by the legislative intent behind the provision as discussed above. Further, the above suggested amendment will also filter those patent applications which an applicant after filing a patent application thought of not prosecuting further. Such applications may be withdrawn or abandoned applications without publication. Information related to such applications will not be relevant for IPO because such applications will not constitute prior art therefore there is no logic in asking for information regarding such applications from the date of filling of application because it will not hinge on criteria of patentability. Further, Section 13 deals with the manner in which the examiner needs to investigate whether a claimed invention has been anticipated. It emphasizes on anticipation by publication not on filing of the patent application. Further, obligations under international treaties should be taken into account. Article 4D(3) of the Paris Convention allows for seeking information regarding foreign patent filings where applicants claim priority in relation to foreign patent applications and only in such cases national patent offices can ask for information regarding foreign patent filings from the date of filing of the patent application. In other cases where no priority is claimed or where priority is not in issue, the applications would be governed by Article 29.2 of TRIPS which clearly states that national patent offices can ask for information concerning the applicant's corresponding foreign applications and grants. The drafters of the Art. 29.2 did not use the term 'from the date of filling' which signifies that only those patent applications' information which have been published including abandoned, rejected or granted can be asked by national offices.

Some have raised concerns about proposed amendments to Clause 3 of Rule 12 that the Clause as existing is interpreted by the Controller to ask the applicant to submit examination reports of foreign patent offices but under the proposed amendment, the Controller cannot seek such reports from patent applicants. In this regard it must be noted that Section 12 of the Patents Act, 1970 puts a burden on the

examiner to assess whether the application and the specification and other documents relating thereto are in accordance with the requirements of this Act and of any rules made thereunder. Therefore, it is upon the examiner to make sure that the application fulfills the requirements. In this sense, the proposed amendment rightly imposes a duty on the Controller to consider the information relating to processing of the application in a country outside India that is accessible using public databases.

Filing of Divisional Applications

Context: Section 16 of the Patents Act, 1970 deals with divisional patent applications carved out of a parent patent application. There are two situations in which divisional patent applications can arise. First, a patent applicant voluntarily can file a further/divisional application in respect of an invention disclosed in the provisional or complete specification already filed in respect of the parent patent application. Second, if the Controller objects that the claims of the complete specification relate to more than one invention then to remedy the objection a divisional application can be filed.

Proposed Amendments: The draft Patents (Amendment) Rules, 2023 proposes to insert a new sub-rule 2A in Rule 13 of the Patents Rules, 2003. This proposed sub-rule clarifies that a patent applicant if he so desires can also file a divisional application under Section 16 of the Act in respect an invention disclosed in the provisional specification.

Comments

Section 16 (1) itself provides that a further/divisional application can be filed in respect of an invention disclosed in the provisional or complete specification already filed with respect to the first or parent patent application. The proposed amendment is merely a clarificatory note as the proposed change is already addressed by Section 16(1) and the proposed amendment has been validated by a recent decision of the Division bench of Delhi High Court.

However, there are certain concerns that filing of divisional applications voluntarily can be misused by patent applicants. It is desirable to regulate such filing of divisional applications by putting some conditions on such applications. The addition of conditions to voluntary division of patent applications is also consistent with India's obligation under international treaties. Article 4G(2) of the Paris Convention provides that a country of the Union shall have the right to determine the conditions under which voluntary division of patent applications shall be authorized. One of such conditions can be a time framework to file voluntary divisional applications should be prescribed. In the European Union a divisional application can only be filed if the parent application is pending. Also, a divisional application must be filed by the applicant who is identical to the applicant for the parent patent application. Similarly, more such conditions can be taken from other jurisdictions such as Australia.

It is also suggested to amend sub-rule 2 of the Rule 13 to make it in consonance with Section 16(2) of the Patents Act, 1970. Section 16(2) of the Act requires that divisional or further applications under Section 16(1) shall be accompanied by a complete specification. The sub-rule 2 of the Rule 13 as in its current form reads as "*(2) A Specification in respect of a divisional application under section 16 shall contain specific reference to …*". It is not clear whether a specification to accompany the divisional application should be a provisional or complete specification. As per Ayyangar Committee report and Section 16(2) of the Act only complete specification should be allowed in respect of divisional applications. Therefore, it is suggested that word 'specification' in sub-rule 2 of the Rule 13 be substituted by 'complete specification' to remove any ambiguity that may arise on interpretation of the sub-rule 2.

Pre-Grant Opposition: Maintainability and Other Issues

Context: Under the Patents Act, 1970 granted patents can be opposed via post-grant opposition mechanism. In addition to post-grant opposition, it also provides a pre-grant opposition mechanism which allows any person to file opposition against the grant of patent. Prior to 2005, pre-grant opposition could be filed only within four months from the date of acceptance of a complete specification. The 2005 amendment to Indian patent law extended the window to file pre-grant oppositions and now, any person can file a pre-grant opposition at any time after the patent application has been published by Indian Patent Office but before the grant of patent. There is no time limit within which the IPO needs to dispose of pre-grant oppositions. These opposition mechanisms are considered adversarial in nature requiring due compliance with principles of natural justice by IPO just like courts in India do. In practical terms and noted by several committees and reports, opposition mechanisms equipped with certain features of court proceedings delay the grant of patent due to time to be given to such proceedings and add on if opponents resort to dilatory tactics, then the process of patent grant can last longer. Recently, a division bench of Bombay High Court emphasized that the purpose of pre-grant opposition is to assist IPO in assessing patentability of patent applications, but it must not be abused. The court noted that there are cases of patent applications pending for eighteen years due to several reasons including Benami or frivolous pre-grant oppositions filed to prevent grant of certain patents. As a deterrence to such opponents from abusing the pre-grant opposition mechanism, the Court suggested imposing cost on them.

Proposed Amendments: The draft Patents (Amendment) Rules, 2023 proposes to amend sub-rule 3 of Rule 55 of the Patents Rules, 2003. As per existing sub-rule 3, once a request for examination of a patent application has been made the Controller is required to consider representation for opposition if any filed against the patent application. The draft amendment rules propose that before considering a representation the Controller should decide if the representation for opposition is maintainable or not. Further, it is proposed to amend sub-rule 4 of Rule 55 which currently provides for a time limit of three months to file reply to the notice issued by the Controller after considering the pre-grant opposition. This time limit now is proposed to be reduced to two months.

The draft amendment rules also propose to add three new rules (6), (7) and (8) to Rule 55. The proposed sub-rule 6 provides for a time limit within which the Controller needs to take a decision after completion of pre-grant opposition proceedings. The proposed sub-rule 7 makes procedure related to hearing of parties applicable to pre-grant opposition. The proposed sub-rule 8 provides for expedite examination of a patent application against which a representation for opposition is filed and found to be maintainable.

Comments

Maintainability of Representation for Opposition

The proposed amendment of sub-rule 3 of Rule 55 is a welcome step. It may contribute to reducing the time taken in processing of patent applications particularly in respect of those patent applications which are subjected to pre-grant oppositions. The pre-grant opposition by its inherent nature and further development of its judicial nature by courts is observed to cause delay in processing of patent applications. The requirement of maintainability will enable the Indian Patent Office to filter out those representations for opposition which for example are barred by any law, are repetitive or are barred by time limit etc. The courts have emphasized on considering maintainability of suits to avoid long delays in disposal of disputes. It is a rite of passage before a matter can be decided on merits. While processing patent applications the Indian Patent Office is acting as a quasi-judicial body and maintainability issues

such as principle of *res sub judicata* is also applicable to quasi-judicial proceedings. Thus in view of above the proposed amendment of the sub-rule 3 is in consonance with courts in India.

Some concerns have been raised regarding grounds on which the issue of maintainability will be decided by the Controller. It needs to be understood that while deciding the issue of maintainability the Controller is not touching upon the substantive grounds of pre-grant opposition mentioned under Section 25(1) of the Patents Act, 1970. Therefore, representations for oppositions which are worthy of being considered on the principle of maintainability shall be eligible for further consideration by the Controller. The maintainability of representation for opposition can be checked on several grounds such as if the representation is barred by time limit or is repetitive. There are some decisions of High Courts deciding maintainability of pre-grant oppositions in particular situations which can guide the Controller. It is suggested that the Manual of Patent Office should clearly define grounds on which the issue of maintainability can be raised by the Controller.

New Sub-Rules

The proposed amendment to the Rule 55 also includes insertion of new sub-rules 6,7 and 8. The proposed sub-rules 7 and 8 are welcomed steps towards attempts to reduce delay in processing of patent applications and make the pre-grant opposition procedure more transparent and fair. However, it is suggested that insertion of the proposed sub-rule 6 is substantially a repetition of sub-rule 5. Both sub-rules are similar with regard to the purpose they serve. The only difference between sub-rule 5 and the proposed sub-rule 6 is that the proposed sub-rule 6 provides for a time limit of three months within which the Controller needs to take a decision on the patent application and the representation after completion of pre-grant opposition proceedings whereas under the existing sub-rule 5 this time limit is of one month. In fact, the existing sub-rule 5 is as good as the proposed sub-rule 6. Therefore, it is suggested that instead of introducing the proposed sub-rule 6 to Rule 55, the existing sub-rule 5 of Rule 55 should be amended by changing the time limit within which the Controller needs to decide on the patent application and the representation. Currently as noted above this time limit is one month. This time limit can be changed to three months as proposed by the draft rules. The proposed amendment to extend the timeline to decide on the representation and the patent application is a welcome step. It will expand the time window to file pre-grant opposition between completion of pre-grant proceedings and release of the decision by the Controller. Thus, more pre-grant oppositions which are maintainable under Rule 55(3) could be filed.

Statements Regarding Working of Patented Inventions

Context: Section 146 of the Patents Act, 1970 gives powers to the Controller to call for information or statements regarding working of patented inventions from patentees. At any time during the continuance of the patent the Controller has discretionary power to ask a patentee or a licensee to furnish information or periodical statements about the extent to which the patented invention has been commercially worked in India. In addition to this a patentee has a duty to furnish statements at regular intervals as to the extent to which the patented invention has been worked on a commercial scale in a prescribed format and duration. Rule 131 of the Patents Rules, 2003 prescribes the manner in which a patentee needs to submit statements required under the section 146(2). As of now under sub-rule (2) of the Rule 131, after the grant of patent a patentee is required to annually submit statements regarding working of the patented invention in Form 27 as described in the Second Schedule. Form 27 seeks from a patentee or its licensee details such as whether the patented invention has been worked or not, how it is worked through manufacturing or importation in India, reasons for not working the patented invention and steps taken for working of the invention etc.

Proposed Amendments: The draft Patents (Amendment) Rules, 2023 proposes to amend sub-rule (2) of Rule 131 of the Patents Rules, 2003. Currently under the sub-rule (2) a patentee needs to submit statements regarding working of the patented invention every financial year. Under the proposed draft amendment Rules a patentee is required to submit the statements once in every period of three financial years, starting from the financial year commencing immediately after the financial year in which the patent was granted. Also, the proposed amendment provides for condonation of delay in filing of such statements by a patentee or its licensee.

There is also a proposal to amend Form 27 under which a patentee or its licensee only need to inform whether the patented invention has been worked or not. The particulars regarding how the patented invention is worked and reasons for not working have been removed from the Form. Further a clarificatory note has been added at the bottom of the Form which states that a patented invention shall not be considered as 'not worked' merely on the ground that the patented product has been imported in India.

Comments

Working of Patented Inventions

Section 83 of the Patents Act, 1970 sets out general principles applicable to working of patented inventions. These principles are without prejudice to other provisions of the act therefore other provisions of the act prevails over these principles in case there is a conflict between any other provision of the Act and Section 83. However, if there is no such conflict, the principles must be given due consideration by the Controller while dealing with an application for compulsory license or revocation on the ground of non-working of the patented invention. One such principle as laid down in Section 83(b) is that patents should not be granted merely to enable patentees to enjoy a monopoly for the importation of the patented article. This principle has been interpreted by the erstwhile Intellectual Property Appellate Board and courts in India to decide whether importation of a patented product can be considered as a part of working. The Bombay High Court's division bench in an appeal upholding the order of IPAB ruled that whether a patented invention is being worked in India has to be decided as per the legislative guidelines mentioned in Section 83 of the Act. With emphasis on Form 27 and other provisions of the Act the court was of view that a patented invention can be worked in India either through manufacturing or importation. However, Section 83(b) requires a patentee to put some effort into manufacture in India and if it is not possible to manufacture then the patent holder is required to establish reasons which makes manufacturing impossible or prohibitive in India. If the authorities are satisfied with the reasons, then in such cases importation of patented products can be considered as working in India.

The proposed amendments to Form 27 prescribes that a patented invention cannot be considered not worked merely because it is imported and removes particulars from Form 27 which requires details as to how the patented invention is worked whether through manufacturing or importation. There would be two possible implications of these amendments. First, that mere importation of patented products would suffice to the requirement of working unless otherwise established. Second, that a patentee or licensee does not have to establish reasons which makes manufacturing impossible or prohibitive in India. Such implementation of the requirement of working would be contrary to Section 83(b) of the Patents Act, 1970 and rulings of IPAB and Bombay High Court. The proposed amendments to Form 27 can be justified only if Section 83 (b) of the Act is amended through Parliament which has not been done so far. In view of above it is suggested that the proposed Note 2 in Form 27 can be inserted on this basis of IPAB and Bombay High Court ruling in following manner:

The word 'worked' has a flexible meaning. The 'working' could mean local manufacture entirely and 'working' in some cases could mean only importation. It would depend on the facts and evidence of each case. The patentee must show why it could not be locally manufactured.

Submission of Statements Regarding Working of Patented Inventions

As noted above under the proposed draft amendment Rules a patentee is required to submit the statements once in every period of three financial years instead of every financial year. It is a welcome step to lessen the administrative burden of the Indian Patent Office and patentees. Certain concerns have been raised that while dealing with compulsory licensing or revocation applications on the ground of non-working and not meeting reasonable requirements of the public, the Controller may need information regarding price, manner of working the patented inventions. The Controller whenever required can ask for such information from patentees or licensees by exercising the power under Section 146 of the Act.

Submission made by Dr. Yogesh Pai, In-Charge DPIIT IPR Chair, National Law University, Delhi and Mr. Virender Chandel, Research Assistant, DPIIT IPR Chair, National Law University, Delhi

Section 8(1)(a) of the Patents Act, 1970

Section 8(1)(b) of the Patents Act, 1970

Swaraj Paul and Praharsh Gour, *Comments on the Draft Patent (Amendment) Rules, 2023* (*SpicyIP* Sep 2023) Available at

<https://spicyip.com/wp-content/uploads/2023/09/220923-Draft_Comments_Patent_Amendment_Rules_2023_SPB_PG_TK_Submission_final-1.pdf>

Report- *Committee on the Revision of Patent Law, 1957* (Sep, 1959) at para 350.

Prashant Reddy, *A 'Captured' Patent Office*, The India Forum (Oct. 12, 2003) Available at

< https://www.theindiaforum.in/law/captured-patent-office>

Syngenta Limited v. Controller of Patents and Designs C.A.(COMM.IPD-PAT) 471/2022 Dated 25th Sep 2023

Swaraj Paul and Praharsh Gour, *Draft Patent Amendments Rules- Increasing Efficiency of Granting Patent Monopolies While Forgetting the Reason for Allowing Them in the First Place* (*Spicyip* 15 Sep 2023) Available at <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>

Chapter 6A of Patents Act, 1990

Committee on the Revision of Patent Law, 1957 at para 388.

Committee on the Revision of Patent Law, 1957 at para 213.

Report- *Patent Opposition System* Jan. 6, 2023 (Hidayatullah National Law University, Raipur) Available at < https://hnlu.ac.in/wp-content/uploads/2023/01/Patent-Opposition-System-Report.pdf>

Dhaval Diyora v. Union of India 2020 SCC OnLine Bom 2550

S. Narahari v. S. R. Kumar Supreme Court of India (Diary No. 23775 of 2022)

Indian Network for People Living with HIV/AIDS v. Union of India Writ Petition No. 24904 of 2008 Madras HC; *Synthes Gmbh v. Controller General of Patents* C.A. (COMM.IPD-PAT) 88/2022 Delhi HC (May 12, 2023); *Indian National Congress v. Institute of Social Welfare* AIR 2002 SC 2158; *Intellectual Property Appellate Board v. Union of India* W.P.(C) No. 3679/2014 & CM No. 7455/2014 Delhi High Court (Oct 9, 2014)

Abdul Kuddus v. Union of India 2019 SCC OnLine SC 733; *Sulochana Amma v. Narayanan Nair* 1994 SCC (2) 14

Indian Drug Manufacturers Association, *Objections/Suggestions on The Draft Patents (Amendments) Rules, 2023* Available at

<https://spicyip.com/wp-content/uploads/2023/10/IDMA_objections_on_Draft_Patent_Amendment_rules-1.pdf>

Dhaval Diyora v. Union of India 2020 SCC OnLine Bom 2550; *Pfizer Products v. Controller of Patents and Designs* 2020 SCC OnLine IPAB 19; Snehlata Gupte v. Union of India (Division Bench of Delhi High Court)

Section 146(1) of the Patents Act, 1970

Section 146(2) of the Patents Act, 1970

Bayer Corporation v. Union of India (IPAB) OA/35/2012/PT/MUM March 4, 2013

Bayer Corporation v. Union of India AIR 2014 Bom 178 at para 15

Cite as (OSCOLA, 5th ed.): CIIPC, 'Comments on The Draft Patents (Amendment) Rules, 2023' (*The Innovation Brief*, 12 December 2023) <https://innovationbrief.nludelhi.ac.in/essays/comments-on-the-draft-patents-amendment-rules-2023> accessed 19 November 2026.

The opinions expressed in the Blog are personal to the author/writer. The University does not subscribe to the views expressed in the article / blog and does not take any responsibility for the same.

Published by the Centre for Innovation, Intellectual Property and Competition, National Law University Delhi. Read online at https://innovationbrief.nludelhi.ac.in/essays/comments-on-the-draft-patents-amendment-rules-2023.