



DELHI HIGH COURT INTELLECTUAL PROPERTY DIVISION RULES 2021

Stakeholder Suggestions on Draft Rules

The decision to set up of an Intellectual Property Division at the Delhi High Court is a welcome move. It will be a key step towards successfully resolving IPR issues, besides benefiting many appellants or applicants for revocation of patents whose petitions were pending before the now annulled IPAB. Although there is no international obligation under the World Trade Organization's TRIPS Agreement to do so, there is a global trend towards specialised courts for the resolution of different types of IP disputes. IP Divisions or IP Courts dedicated only to IPR disputes can also be found in countries such as the United Kingdom, Japan, Malaysia, Thailand, and China.

India has always acknowledged the importance of a robust IP system for the development of industry and commerce. This is evident from the various policy amendments undertaken to bring India at par with the modern-day world. In this backdrop, the creation of an exclusive IP Division further underlines the importance and value being extended to intellectual property for the emerging Indian economy. The IP Division, in addition to providing additional certainty of fair and timely disposal of IP cases, will also strengthen the trust of IP holders in the system and administration of IP cases in India.

FICCI's Submission

FICCI welcomes the opportunity given to the IP stakeholders to provide their comments on the proposed IPD Rules 2021, which aims to streamline the practice and procedure at the IPD to expedite the disposal of IP cases.

In this regard, followings are our suggestions being offered for consideration of the Hon'ble Delhi High Court:

1. In the Section on 'Definitions': *In these Rules, unless the context otherwise requires':*

(i) *"Intellectual Property Right (IPR)" for the purpose of these Rules, shall include:*

- Point 'ii' should read as: *rights under common law including passing off, acts of unfair competition, disparagement, comparative advertising etc.;*
- Points 'iv' should read as: *Tortious rights involving intellectual property, privacy and publicity rights;*

Reason: This section defines "Rights" and not actions seeking to enforce those rights.

(k) **"Intellectual Property Office (IPO)" shall mean-**

- (i) *in case of Trademarks - Office of 'Registrar of Trademarks';*
- (ii) *in case of Copyrights - Office of 'Registrar of Copyrights';*
- (iii) *in case of Patents - Office of 'Controller General of Patents and Designs';*
- (iv) *in case of Geographical indications.,-Office of 'Registrar of Geographical Indications';*
- (v) *in case of Semiconductor integrated circuits layout-designs - Office of the 'Registrar of the Semiconductor Integrated Circuits Layout-Design', as per Section 3 of 'The Semiconductor Integrated Circuits Layout- Design Act, 2000';*
- (vi) *in case of Designs - Office of 'Controller General of Patents, Designs and Trade Marks'.*

Comment: under sub-rule (k) of Rule 2 – inconsistency in reference to “Controller General” in (iii) and (vi). It should be Office of the Controller General of patents, Designs & Trade Marks in both.

Rule 2 (l): “IPR matters or cases or proceedings or disputes”

Comments: It is suggested that the words “breach of privacy” from Rule 2(l)(ii) be omitted for reasons stated below:

In Rule 2(i)(iii) use of two expressions i.e. trade secret as well as confidential information may lead to confusion as it recognizes two different sets of rights in relation to one’s confidential information. It is recommended to use one common expression to provide a remedy for protection of any undisclosed information in line with the TRIPS agreement (Article 39), information.

Comments: The term “confidential information” is a more appropriate expression to be used in the definition as it is wide enough to cover instances of both breach of business/commercially sensitive information and trade secrets.

Rule 2(i)(iv) Tortious actions involving intellectual property, privacy and publicity rights:

Comment: The word “privacy” may be deleted. It is a very wide term and may be misinterpreted by several persons. Every tort relating to privacy may not necessarily have elements of IP associated with it. Furthermore, right to privacy being a fundamental right under the Indian Constitution, will also be enforced under Article 226 and Article 32 of the Indian Constitution. Providing an additional forum for enforcement of such a right in the form of an IP Division may lead to overlap of remedies and may also raise various jurisdictional challenges.

6. Procedure for Appeals.

(iv) Documents that are not part of the record of the IPO shall generally not be accepted by the IPD except with the leave of the Court

Comment: Rule 6(iv) may be omitted. This is because sometimes, and especially in old cases, not all documents can be traced on the record of the IPO. Furthermore, not all communications exchanged are scanned and uploaded on the IP India website. In view thereof, documents ought to be allowed to be filed relating to the concerned IP Right, even if the same was not present in the IPO record. As long as the complete record of the IPO is present, additional documents also ought to be permitted. Otherwise, more often than not, Courts would be left with holding mini-trials simply for adjudication of those applications filed to place on record additional documents under Rule 6(v). The relevancy or not of a document can be decided at the final stage in an appeal.

(x) *Rejoinder to the reply, if so directed, shall be filed within the period prescribed by the Court or within 30 days from the date of service of reply upon the Appellant, whichever is earlier.*

Reason: To maintain consistency with the previous sub-rule (ix) which provides time for filing Reply - as time prescribed by court or 60 days – whichever is earlier

(xii) *Procedures applicable to Civil Appeals filed before the Single Judge: The Delhi High Court Rules and Orders as also the Practice directions issued from time to time, to the extent there is no inconsistency with these Rules, shall be applicable to appeals filed before the IPD.*

Comment: This sub-rule should expressly specify whether (or not) Commercial Courts Act is applicable to Appeals.

7. Procedure for Original Petitions (Civil Original Petition)

vi) *Original petitions filed before the IPD under the respective statutes shall be filed in the formats/ forms prescribed in Schedule I of the present Rules [within the period of limitation as prescribed in the respective Act(s), if any] along with the requisite Court fees prescribed in Schedule II.*

Comments: Under the Trade Marks Act, no period of limitation is provided for initiation of rectification or cancellation proceedings. Therefore, addition of the words “if any” is suggested.

(xi) *Rejoinder to the reply, if so directed, shall be filed within the period prescribed by the Court or within 30 days from the date of service of reply upon the Petitioner, whichever is earlier.*

Reason: To maintain consistency with the previous sub-rule (x) which provides time for filing Reply - as time prescribed by court or 60 days – whichever is earlier

(xiii) *Procedures applicable to original petitions: The Delhi High Court (Original Side) Rules, 2018 and orders as also the practice directions issued from time to time, to the extent there is no inconsistency with these Rules, shall be applicable to original petitions filed in the IPD.*

Comment: This sub-rule should expressly specify whether (or not) Commercial Courts Act is applicable to Civil Original Petition.

8. Procedure for Writ Petitions (Civil).

(i) *Procedures applicable to Writ Petitions (Civil): The Delhi High Court Rules and orders as also the practice directions issued from time to time, to the extent there is no inconsistency with these Rules, shall be applicable to writ petitions filed in the IPD.*

Comment: This sub-rule should expressly specify whether (or not) Commercial Courts Act is applicable to Writ Petitions (Civil).

26. **Panel of Experts.**

The Court may, in any IPR matter, seek assistance of expert(s) relating to the subject matter of the dispute as may be necessary. The opinion of the expert shall be persuasive in nature and shall not be, binding on the Court. The IPD may maintain a panel of experts to assist the Court which panel may be reviewed from time to time. The remuneration of the expert(s) shall be decided by the IPD.

Comment: List of Experts should be published. The procedure and criteria for selection of experts should be specified. Separate experts for cases under separate Acts should be available at all times to the Court. The tenure of the experts should also be specified. (Procedure should be such to ensure repetition of mistakes made by IPAB and constant non-availability of technical experts therein).

Rule 6 (viii) mentions that *"Filing of a reply would be only upon specific directions of the Court, if the need arises. Respondents cannot claim as a matter of right, opportunity to file a reply to such appeal."*

In the event of a post-grant opposition filed against a patent, if the Judgement is not favorable to the opponent and the opponent files an appeal, then the Patentee would not have a right to file a reply. This seems strange and is a departure from the normal course of action in such proceedings. The rule further indicates that *"In exceptional circumstances, the Court may permit an opposite party to file a reply to such an appeal."*, which means that the patentee will be permitted to reply only with leave of Court.

Suggestion: Reply statement should be allowed as a matter of right.

Rule 16: Service of advance copy of any petition/plaint/appeal/writ etc. must be served on all opposite parties to the address for service, including IPO, at least 48 hours in advance. From this provision, it appears that the Court will not issue notice to the other side(s) and that burden has been shifted to the party initiating the matter.

However, in proceedings before IPO and IPAB, these authorities used to serve the notice to notify the affected party. From Rule no. 16 it is not clear that whether court will be serving the notice or not. Ideally it should be.

Suggestion: This provision should be clarified.

Rule 7- procedure for Civil Original Petition –should clarify if parties may seek interim stay order of operation of the certificate. The applicability of CPC and Evidence Act should also be explained. Currently, it only refers to applicability of DHC Original Side Rules. It should also clarify about stay or consolidation of the suit with CO to be decided together in view of Sec 124 & 125 of TM Act.

Rule 14 - Original suit- should clarify which part of IPD Rules will apply to original suit and in what manner.

Rule 2(o) & Rule 14 - Suits not defined- Reading of Rule 2 (o) would make it part of Civil Original Petition however, procedure for suits have been laid down in Rule 14.

Rule 16 - Advance Copy- should clarify if it would apply to suits. If so, then what happens to ex parte orders? Rule 16 should be clarified to be limited to cases of proceedings of CO (Rule 7) and Appeal (Rule 6) arising from orders passed by IPO only.

Rule 22 - Summary Judgement in Patent Cases- - It should be clarified whether the requirements are collective or any of them.

Rule 29 reads as *“Patents/Trade Mark Agents: Before the IPD, Agents who are registered as Patent agents or Trademark agents as also any professional having knowledge of the said subject matter of the dispute shall have a right of audience, to assist the Court along with the counsels/legal practitioners representing the parties.”*

As per the proposed Rule, Patent Agents (and any professional having knowledge of the subject matter) have been given a “right of audience” along with the Counsels that represent the parties to assist the court. This is a deviation from the proceedings that used to take place before IPAB where patent agents used to appear independently. It is not only a deviation, but also takes away the rights of Patent Agents which used to exist before the formation of the Intellectual Property Division.

Suggestion: Patent Agents should be allowed to appear in front of Intellectual Property Division independently, as used to happen before IPAB.

Other suggestions

The IPD rules provide a consolidated document to address the dynamic nature of Intellectual Property Rights suits and petitions. However, it does not address the issue of how to treat repetitive offenders or the procedures to impose penalties.

For Any Other Information, Contact

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