

January 22 2024 It's a(nother) wrap: IP round-up 2023 G&W Legal | Intellectual Property - India

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It's sequel time for last year's report on key changes in the IP landscape in India with a new 2023 round-up. As before, this article offers a summary of the changes and developments of significance that took place in 2023 in the field of IP law in India – or those that are currently in the pipeline – with the intention of giving readers an idea of what to expect in the coming year. Interpolated in the text are some (hopefully helpful) sidenotes for context and for readers to gain a more holistic understanding of the changes and any residual issues or lacunae that remain. For last year's round-up, please see "It's a wrap: IP round-up 2022".

Key policy changes

Draft Geographical Indications of Goods (Registration and Protection) (Amendment) Rules 2023

The Department for Promotion of Industry and Internal Trade under the Ministry of Commerce and Industry published the Draft Geographical Indications of Goods (Registration and Protection) (Amendment) Rules 2023⁽¹⁾ for public review and consultation. Under the draft rules, the government has proposed to reduce the fees for various actions. The draft rules, if approved, could be notified as law in the coming year.

Draft Patents (Amendment) Rules 2023

The Department for Promotion of Industry and Internal Trade under the Ministry of Commerce and Industry published the Geographical Indications of Goods (Registration and Protection) (Amendment) Rules 2023⁽²⁾ for public review and consultation. Under the draft rules, several significant changes have been proposed – including changes in opposition procedure. The draft rules, if approved, could be notified as law in the coming year.

New IP Division and rules at Madras and Calcutta High Courts

Following the footsteps of the High Court of Delhi (DHC), the Madras High Court (MHC) on 5 April 2023 notified the Madras High Court Intellectual Property Division Rules 2022.⁽³⁾ Then, just as this round-up was being finalised in December 2023, the Calcutta High Court (CHC) also published its draft Intellectual Property Rights Rules of The High Court at Calcutta 2023 for public consultation.⁽⁴⁾ With this, two IP Divisions are already active in the country with the third one likely to be up and running soon.

Context

After the dissolution of the Intellectual Property Appellate Board (IPAB) in mid-2021, the DHC had created the country's first ever IP Division. The DHC's IP Division proved to be the *ne plus ultra* of potential solutions to general backlogs at the courts, among other things. With the MHC and the CHC following suit, more developments and the conclusion of backlogs created with the IPAB's dissolution can be expected.

Remaining lacunae

Matters that were pending before the erstwhile IPAB, in jurisdictions other than Delhi and Madras (now Chennai) and Calcutta (now Kolkata) – soon, hopefully – continue to be in a state of limbo; similar developments are likely to take place in other courts or jurisdictions within India as well.

Jan Vishwas (Amendment of Provisions) Act 2023: IP statute penal provisions

The Jan Vishwas (Amendment of Provisions) Act 2023⁽⁵⁾ was notified and brought into effect in 2023. Through this, penal provisions of several existing statutes, including some IP statutes, have been amendment to – most significantly – alleviate or remove altogether "imprisonment" as a criminal remedy penalty.

Jurisprudence developments

While there have been several notable cases, this article presents a select few to give an indication as to the path jurisprudence is on with respect to IP matters in India.

Trademarks

Jurisdiction and powers of high courts

Issues on jurisdiction and inherent powers of the courts – particularly the newly created IP Divisions – have always been at the forefront of trademark disputes in India. Each year, new sub-issues emerge, which eventually lead to more clarity and add to the jurisprudence on the overarching issues. Recently, the DHC further clarified these issues specifically in relation to cancellation or rectification of trademarks:

• Allowing rectification against a trademark to be filed in a non-parent high court, the DHC held that cancellation or rectification petitions would be maintainable "not only before the High Courts within whose jurisdiction the offices of the Trade Mark Registry which granted the impugned registrations are situated, but also before the High Courts within whose jurisdiction the dynamic effect of the impugned registration is felt by the petitioner/applicant".⁽⁶⁾







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• The DHC clarified that the scope of its powers includes issuing interim reliefs (including stays on validity of registration under cancellation or rectification) in rectification and cancellation matters.⁽⁷⁾

Geographical names in trademarks

The DHC, overturning a refusal order passed by the Trade Marks Registry (TMR) in an appeal filed before it, gave pertinent commentary on the interpretation of absolute grounds for refusal under the Trade Marks Act 1999. In particular, the DHC held that composite marks, *ipso facto*, are excluded from the scope of the "descriptiveness" objection under the relevant laws – this is likely to be pivotal in how the TMR takes up marks for examination and scrutiny going forward.⁽⁸⁾

Use of trademarks as key words by competitors

In an appeal filed before the Division Bench of the DHC, an earlier order passed by the same Court (restraining use of competitors' trademarks as key words) was set aside. The Division Bench, among other things, relied on the existing reputation of the party allegedly using the trademarks as key words to conclude that such reputation would preclude likelihood of confusion.⁽⁹⁾ A further appeal to the order is possible – it would be interesting to see if the order passed by the Division Bench is appealed.

Patents and design

SEP owner injunctive relief

The DHC has, in what can be termed as a landmark ruling, adjudicated upon a multitude of issues surrounding standard essential patents (SEPs) in India. The findings include availability of interim injunction as relief against "unwilling" licensees.⁽¹⁰⁾

Lack of novelty or originality

In one of the few cases involving designs, the DHC rejected the defence that a design lacks novelty merely because after its registration, the design is copied by several persons. The DHC emphasised that the plea of novelty of originality has to be urged and examined vis-à-vis the date of registration of the suit design. The copy of the design post registration does not become a ground to cancel the design. (11)

Refusal of grant of patent

The DHC, overturning the refusal of a patent by the Patent Office, stressed on the need for a reasoned decision properly adjudicating the claims of an application.⁽¹²⁾

Copyright

Separate copyright in underlying work

The Bombay High Court (BHC), in a landmark ruling, adjudicated upon the royalty rights of the authors of underlying literary and musical works, incorporated in cinematographic works.⁽¹³⁾ The BHC interpreted the relevant provision of the statute (which had been amended previously) and held that authors of the said underlying works – incorporated in a cinematographic work – continued to hold separate copyright for the underlying work. The BHC also reiterated that a copyright society, such as the Indian Performing Right Society Limited, is entitled to press for royalties for the benefit of its members.

Personality rights protection

Taking a cue from last year's case where the DHC protected the personality rights of Superstar Amitabh Bachchan, the DHC recently passed an *ex parte* interim order against multiple defendants at the interim stage in favour of actor Anil Kapoor.⁽¹⁴⁾ The case presented many new-age and pressing issues, including dark patterns, rampant deep-fakes doing rounds on the internet, and even use of attributes of "personality" in relation to GIFs, among other things. The courts also recognied the cross-play between personality rights with other rights, such as right to privacy and right to live with dignity.

Other observations

Likely issuance of new TM Manual

The Trade Marks Manual (TM Manual) is a compilation of ancillary practice-related material on the functioning of the TMR in India. The last version of the TM Manual – issued way back in 2015 – has now become obsolete. This year, comments and suggestions were invited from stakeholders for the issuance of an updated TM Manual. This would be helpful, as the TMR in India are in the process of making many practice-related changes; the new and updated TM Manual should, once published, act as the 'source' material of these currently up-in-the-air changing processes.

Assignment requests processing: disposal of well-known requests

On a positive and welcome note – and after years of post-covid backlog – the TMR have now picked up the pace in processing assignment (and other post-registration) requests. That said, while processing the requests, particularly ones filed a few years back, the TMR are issuing directions for fresh documents (particularly, any supporting affidavits that might be needed) to be filed before the requests are taken on record.

In the same vein, the TMR also picked up the pace in picking up and disposing applications for declaration of marks as well known.

Trademark filing modules maintenance and shift of servers

Almost the entire second half of 2023 went by in the online trademark filing modules and public database of the TMR being down for maintenance of shifting of servers. Owing to this, the filing and database systems were available only for a limited number of hours in the day. The maintenance work is expected to be completed in the coming months – but there's no certainty on when.

Likelihood of practice-related procedural changes

As discussed in the last year's round-up article, there have been a lot of practice-related changes at the IP Offices. The IP offices have tightened the noose on the notarisation requirement for documents like a power of attorney – and have also pressed on the requirement of witness signatures on certain conveyance documents. The TMR have also become stricter on the drafting of goods and services specifications in applications – leading to increased technical objections on this front. As before, these changes are not codified or notified in a formal intimation yet, but have been highlighted through different objections raised by the IP Offices.

In terms of expected changes, recently, the courts in India⁽¹⁵⁾ adjudicated on matters relating to the manner of service of documents by the IP Offices – and the maintenance of records of such service by the IP Offices. The courts did not find the evidence maintained by the

IP Offices of such service to be satisfactory – which could lead to a change in practice in relation to how documents are officially served by the IP Offices.

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Endnotes

- (1) Accessed here.
- (2) Accessed here.
- (3) Accessed here.
- (4) Accessed here.
- (5) Accessed here.
- (6) Dr Reddy's Laboratories Limited v Fast Cure Pharma [CO (COMM.IPD-TM) 8/2023].
- (7) Beast Holdings, LLC v Rebati Biswas & Anr [CO (COMM.IPD-TM) 180 / 2023].
- (8) Abu Dhabi Global Market v The Registrar Of Trademarks, Delhi [CA(COMM.IPD-TM) 10/2023].
- (9) Google LLC v MakeMyTrip (India) (P) Ltd, FAO(OS)(COMM) 147 of 2022.
- (10) Intex Technologies (India) Ltd v Telefonaktiebolaget L M Ericsson (PUBL), 2023/DHC/2243.
- (11) Casio Keisanki Kabushiki Kaisha D/B/A Casio Computer Co Ltd v Riddhi Siddhi Retail Venture [CS(COMM) 537/2022].
- (12) Dolby International Ab v The Assistant Controller of Patents and Designs [CA(COMM.IPD-PAT) 10/2021].
- (13) Indian Performing Right Society Limited v Rajasthan Patrika Pvt Ltd [COMMERCIAL IP SUIT NO.193 OF 2022].
- (14) Anil Kapoor v Simply Life India and Ors [CS(COMM) 652/2023].
- (15) Ramya S Moorthy v the Registrar of Trade Marks [WP(IPD) No. 3&4 of 2023].