

NOTICE

The High Court of Delhi is in the process of framing Rules under Section 158 of the Patents Act, 1970. A draft of the proposed “*The High Court of Delhi Rules Governing Patent Suits, 2020*” is enclosed with this notice. All the members of the Bar are requested to go through the same and to send their comments / suggestions if any, within four weeks, to the office of the Registrar General of this Court by e-mail at jr-rules.dhc@gov.in.

Registrar General
High Court of Delhi
09.10.2020

HIGH COURT OF DELHI RULES GOVERNING PATENT SUITS, 2020

Introduction:

By virtue of powers conferred on the High Court under Section 158 of the Patents Act, 1970, the following Rules are framed.

BACKGROUND:

In the last 10-15 years, the Delhi High Court has witnessed a high growth in the number of patent infringement actions filed before it related to various scientific and technological fields including pharmaceuticals, diagnostics, mechanical engineering, telecommunications, electrical/electronics, wind technology etc. The need for the present Rules has been felt due to the complexities that have arisen in dealing with patent suits and actions.

The Delhi High Court Patent Rules, 2020 shall govern the procedure for adjudication of all patent suits. The substantive provisions governing patent suits are contained in The Patents Act, 1970. Patent suits being civil in nature are also governed by The Code of Civil Procedure, 1908 (CPC) as amended by The Commercial Courts Act, 2015.

Under Section 129 of the CPC, the High Court is empowered to make Rules to regulate the exercise of original civil jurisdiction. In exercise of the said power, the Delhi High Court has notified the Delhi High Court (Original Side) Rules, 2018 which apply to all original side suits. The present Rules are in addition to and not in derogation to the provisions of Code of Civil Procedure, 1908 and the Commercial Courts Act, 2015 as may be applicable to Patent suits and actions.

The present Rules shall govern all patent suits and actions and the procedure set out in these Rules shall prevail over the Delhi High Court (Original Side) Rules, 2018, insofar as they are inconsistent with the Delhi High Court (Original Side) Rules, 2018.

Short title and commencement:

1. (i) The present Rules are 'The High Court of Delhi Rules Governing Patent Suits, 2020'.
- (ii) The Rules shall apply from such date as maybe specified and to such Courts on and from the date as the High Court may notify in this behalf.

2. Definitions:

For the purposes of these Rules, unless otherwise specified, references and meanings to the following terms are as follows:

- (1) **Act:-** The 'Act' shall mean The Patents Act, 1970.
- (2) **Patent Suit:-** All suits which seek reliefs as provided for under Section 48, Sections 105/106 including counter claims under Section 64 and all reliefs claimed there under.
- (3) **Claim construction brief:-** A brief which would enumerate all the claims relied upon, break down the construction of each of the terms contained in the claims, their meaning thereof, as also the overall scope and effect of all the claims relied upon, as per the party filing the brief.
- (4) **Invalidity brief:-**
 - i) Invalidity brief shall contain the precise prior art with its date, country of origin, reference number and the specific portion of the prior art which anticipates or renders the claim obvious.
 - ii) If the Defendant relies on prior publication/prior use of the patented product/process, the brief shall be specifically referenced along with the date, title of publication, country of origin, and or

the source of the product / process to show use including reference to any inspection reports.

iii) Invalidity brief shall contain a conclusion on how each item of the prior art and/or combination thereof renders the patent invalid, due to lack of novelty/inventive step. If lack of inventive step is pleaded, the brief shall clearly explain how the invention would have been obvious to the notional person skilled in the art, who did not have the benefit of the invention, to combine the teachings of the prior art and arrive at the invention.

iv) If invalidity is pleaded on any of the grounds contained in Section 3 as being non-patentable, an explanation for the same along with scientific reasoning and case law relied upon shall be mentioned.

(5) Infringement brief:-

Brief to be filed by the Plaintiff, along with the claim construction brief, to compare the claims, and the manner in which the Defendant's product / process infringes the claims relied upon.

(6) Non-infringement brief:

Brief to be filed by the Defendant comparing the suit patent claims with the Defendant's product/process to establish non-infringement.

(7) Damages brief/ rendition of accounts:

Any party seeking damages/rendition of accounts, shall give an estimate of the amounts claimed and the foundational facts in respect thereof along with any evidence, documentary and/or oral led by the parties to support such a claim.

(8) Scientific Advisors:

Panel of scientific experts drawn up by the Court and as notified on the Delhi High Court website from time to time.

(9) Technical primer:

A document either in text form or a powerpoint presentation which gives an introduction to the basic undisputed technology covering the patent(s) preferably in non-technical language.

(10) Priority patent application: The application filed in any WTO country from which the Indian patent application claims priority.

3.Content of Pleadings:

(1)Plaint:

The Plaint in an infringement action shall *inter alia*, contain a brief description of the following:

- (i)** Brief background of the technology, technical details and description of the suit patent(s) and the invention covered by the suit patent, description of the Plaintiff's product, if any;
- (ii)** Ownership details of the patent(s), the details of the patent(s) granted in India including the date of the application;
- (iii)** Any other patent applications filed, withdrawn or pending including divisional applications related to or emanating from the suit patent or the priority patent application;
- (iv)** Brief summary of international corresponding applications/patent(s) and grant thereof including details of worldwide protection for invention;
- (v)** Brief prosecution history of the patent(s);
- (vi)** Copies of broadest claims and narrowest claims granted in any jurisdiction;
- (vii)** Details of any challenge to the patent(s) and outcome thereof;
- (viii)** Relevant facts to show validity of the invention covered by the Indian Patent(s) for e.g., any oppositions filed, any orders from Indian or international jurisdictions dealing with the suit patent; Information as to whether the patent(s) is being enforced for the first time in India;
- (ix)** Details of the allegedly infringing product or process, the manner in which infringement is being alleged including an exact description of the defendant's process;

- (x) Details of licenses granted and any other details of the licenses available in public domain (if any) and whether the license is registered with the Patent office and if not, the reasons thereof;
- (xi) Summary of the correspondence entered into between the parties;
- (xii) The remedy / relief which the Plaintiff seeks and quantification of damages (could be based on projected losses incurred by the Plaintiff), interests and costs.
- (xiii) Precise claims versus product (or process) chart
- (xiv) List of experts, if any;
- (xv) Details of sales by Patentee and/or statement of royalties received qua the Patent or the portfolio till date.
- (xvi) Infringement analysis explained with reference to the granted claims in the specification

(2) Written Statement:

- (i) A Defendant may, either put up a defence of non-infringement and/or challenge the validity of the patent and other reliefs sought in the written statement. The grounds for seeking revocation shall be specified in the counter claim.
- (ii) To support non-infringement, the written statement shall contain a technical analysis. Other defences for non-grant of injunction and damages shall be raised in the written statement.
- (iii) If the Defendant is willing to take a license, the quantum shall also be specified.
- (iv) If the Defendant raises a case of non-infringement, the products/process/technology being used by the Defendant would also be specified.
- (v) The written statement shall also contain details and the exact description of product/ process alleged to be infringing and details of sales of the allegedly infringing products.

(3) Counter Claim:

The Counter claim shall be precise as to the grounds that are raised under Section 64. The grounds as to the lack of novelty or inventive step shall be supported by prior art documents. The said documents

would be listed in the counter claim and the specific extracts relied upon shall be referenced. All the prior arts and literature shall be attached to the counter claim. The prior art documents have to be precise and the counter claim shall contain an explanation as to which specific claims are hit by which prior art or combinations thereof.

(4) Replication:

The Replication to be filed shall initially summarise the Plaintiff's case and the Defendant's case. Thereafter, it shall give a para-wise reply to the Written statement.

(5) Written statement to the Counterclaim and Replication in the Counter claim shall follow a similar pattern as specified above.

(6) In a suit under Section 105 of the Patent Act, 1970 seeking declaration of non-infringement, the Plaintiff shall specify the scope of the claims, the product/process used by it and the technical/legal grounds on which declaration is being sought. In such a case, a claim construction brief and a non-infringement brief shall accompany the suit along with a technical report.

(7) In a suit under Section 106 of the Patents Act, 1970 for injunction against groundless threats, the Plaint shall contain the following:

- i. Nature of the threat, whether oral or documentary;
- ii. If the threat concerns a patent which has been granted whether its validity is being challenged, and if so, a brief invalidity brief to accompany the Plaint;
- iii. Any responses and correspondence exchanged between the parties.

4. Documents to be filed:

(1) Documents to be filed along with the Plaint:

The documents to be filed with the plaint shall include, inter alia, -

- i. certified copies of the certificate of grant of patent along with payment of annuities thereof.
- ii. complete patent specification including title and description of invention, claims, the abstract and drawings as granted.
- iii. a list of all corresponding patent applications/grants in various countries, if any, along with their current status in a tabulated form. A standard template for the said table is below.
- iv. If a decision has been given by any patent authority in another jurisdiction, a link to the same can be provided in the table.
- v. A summary of the technology shall be annexed either as a note or as a power point presentation printed with two slides per page.
- vi. Copies of any decisions of courts or patent offices in respect of the suit patent or any corresponding patent in any jurisdiction, including decisions in pre-grant, post-grant oppositions or revocation proceedings, shall also be annexed.
- vii. Any expert report relied upon for infringement analysis.
- viii. Copies of all relevant correspondence
- ix. In case of license agreements being relied upon, copies of the license agreements redacted or otherwise.
Notes on justification for license fee, if claimed.
- x. Laboratory analysis reports, if any.

| Indian Patent Application No. | Corresponding PCT application | Priority date | Date of filing of provisional specification | Date of filing of final specification in any jurisdiction | | | |
|-------------------------------|-------------------------------|---------------|---|---|---------|------------------------------|--|
| | | | | Sl. No | Country | Patent Application/Grant No. | Status (Pending/ Opposed/ granted/rejected (if opposed, name of opponent)) |
| | | | | | | | |

2. Documents to be filed along with the Written Statement / Counter Claim:

The documents to be filed with the Written Statement/Counter Claim shall include, inter alia, –

- i. Copies of any decisions of a Court or any patent authority relating to the suit patent or a corresponding patent application in any jurisdiction.
- ii. Expert report relied upon.
- iii. Analysis for non-infringement or invalidity.
- iv. Any licenses obtained and copies thereof redacted or otherwise;
- v. Clear copies of the prior art documents relied upon. If the same are commentaries or technical journal or books, the cover page showing the author, title, year of publication and the relevant extract be filed. In case of internet print outs of prior art documents, the specific link from where the document is downloaded be mentioned on the cover page, if the same is not appearing in the foot of the document along with the date of printout.
- vi. In case of pharmaceutical patents, the specific formula/molecule/composition in the prior art documents which defeats the novelty or inventive step of the suit patent be highlighted.
- vii. Laboratory analysis reports, if any.
- viii. Statement of accounts.
- ix. Documents relied upon for each ground under Section 64.

3. Any other documents may be filed by either party:

- (i) Any other Documents in the possession of the parties and material to the issue of infringement may be filed.
- (ii) Details of licensees, royalty, FRAND pricing (under sealed cover) may be filed

5. First hearing of the suit:

- i. At the first hearing, the patentee may seek interim injunction as also appointment of a local commissioner for inspection etc., If appointment of a Local Commissioner is being prayed for, the

- specific premises where the product is being manufactured or the process is being implemented, be ascertained and mentioned in the application.
- ii. In addition to any interim orders that the Court may pass at the first hearing, inspection of the manufacturing facilities may also be directed.
 - iii. In order to assist the Local Commissioner, technical experts from both sides may be directed to be present at the time of execution of the commission.
 - iv. If the Defendant is on caveat, upon receiving 48 hours' notice, the Defendant shall be ready with any documents it wishes to rely upon to oppose the grant of any interim relief, on the first date.
 - v. The court may pass directions for monetary payments instead of an injunction on such terms and conditions as the court may deem fit.
 - vi. In case of grant of an interim injunction, the Court may direct the Plaintiff to give a cross undertaking of costs or security, in case it loses at trial or if the patent is held to be invalid, on such terms as it deems fit.

6. Service of Defendant:

Service by email would be considered as adequate service. If the Defendant has filed a caveat, service by email should be made at least 48 hours before the first listing of the case.

7. Filing of affidavits of admission/denial and other briefs:

- i. In patent infringement suits, extracts from the patent register, grant certificates, granted patent specification along with abstracts and drawings, and cited prior art documents, shall not be usually denied.
- ii. Affidavits of admission/denial shall accompany the respective pleadings of the parties.
- iii. Affidavits of admission/denial shall be filed in respect of correspondence exchanged between the parties and other documents. Any person who unjustifiably denies any documents, shall be liable to be burdened with costs.

- iv. Upon admission/denial being completed, prior to the first case management hearing, both parties shall file their respective claim construction briefs, invalidity briefs and infringement briefs. The said briefs shall not exceed 10 pages each and would contain a brief description of the construction of claims, the case on invalidity and infringement of the patent. If there are multiple patents involved in a suit, then leave of Court shall be sought for filing longer briefs. Leave to amend infringement briefs shall be sought before the Court before the first case management hearing.
- (1) Technical Primer: Prior to the first case management hearing, the court may direct filing of a technical primer by the parties to understand the basic undisputed technology covering the patent(s).

8. First case management hearing:

- i. The Court would peruse the claim construction briefs, invalidity and infringement briefs, and strike the actual issues where there exists a dispute between the parties. For the purposes of settlement of issues, the Court may also seek the assistance of an independent technical expert or call experts of the parties to assist the court or from amongst the panel of scientific advisors maintained by the Court.
Provided that the Court may decide any issue which does not require evidence, at any stage.
- ii. The Court shall then direct parties to file their list of witnesses including the names of the expert witnesses, whose evidence is to be adduced.
- iii. The Court shall also direct the filing of evidence by the parties, and in which order. The Court may, depending on the facts, direct the trial of invalidity of the patent first or claim construction first.
- iv. The Court may direct leading of evidence on any one or more of the issues, as a preliminary issue to expedite the decision in the suit.

9. Second case management hearing:

- i. The Court shall peruse the affidavits in evidence filed by the parties and shall fix the time, venue and duration for the cross-examination of the witnesses. If on the Court's *suo moto* motion or on application of a party or a witness, evidence may be directed to be recorded through video conferencing.
- ii. If parties are willing to engage agencies for transcription of evidence, appropriate directions *qua* the same shall also be passed. Video recording of evidence may also be directed. The timelines for recordal of evidence may be monitored by the Court.
- iii. Hot-tubbing: Expert testimony may be directed by Court on its own motion or on the application by a party to be recorded by Hot Tubbing technique, with appropriate safeguards and guidelines.
- iv. Recordal of evidence may be directed in outstation venues with the consent of parties or if the Court deems fit.

10. Third case management hearing:

In this hearing, the Court shall review the evidence recorded so far and may proceed to decide any preliminary issues, or alternatively direct the parties to proceed to trial on the remaining issues. All directions, as can be passed in the second case management hearing, may also be passed by the Court.

11. Confidentiality Club:

At any stage in the suit, the Court may constitute a confidentiality club, for preservation of confidential information exchanged between the parties, including documents.

12. Compulsory mediation:

At any stage in the suit, if the Court is of the opinion that the parties ought to explore mediation, the Court may appoint a qualified mediator or panel of mediators including, technical experts to explore amicable resolution of the dispute. Consent of the parties is not required, once the court is of the opinion that an amicable resolution needs to be explored. Further the mediator

appointed by the court could be a scientific expert, economic expert or a legal expert, assisted by technical experts.

13. Panel of Scientific Advisors:

The Delhi High Court shall draw up a panel of Scientific Advisors, for assisting Judges in deciding patent suits. Such advisors could be experts in the sciences, economists, academicians, accountancy experts, legal experts, highly experienced patent agents, officers of the IPOs etc., The list shall be reviewed periodically. Prior to their appointment, a declaration shall be signed by the scientific advisor that he/she has no conflict of interest with the suit/proceedings, and would assist the Court fairly and impartially. While appointing scientific experts/advisors to assist the Court, the Court may take suggestions from the parties. The compensation to be paid to the experts shall be commensurate to the experts' qualification, experience, standing and expertise on the subject.

14. Preservation of evidence:

Any audio or video recordings of the evidence recorded shall be preserved in the electronic record of the case, with a separate hash value and the same shall be kept in a format that is not editable.

15. Final hearing:

Prior to the final hearing, the court shall direct parties to present a summary of pleadings and evidence along with the specific page numbers of the files. The Court can direct the presence of at least one technical person from each side, to assist the Court during the final hearing. The Court may fix time limits for oral submissions to be made.