



DEPARTMENT RELATED PARLIAMENTARY STANDING
COMMITTEE ON COMMERCE

PRESS RELEASE

The Department Related Parliamentary Standing Committee on Commerce headed by Shri V. Vijayasai Reddy, M.P., Rajya Sabha presented its 169th Report on Action Taken by Government on the recommendations/ observations of the Committee contained in its 161st Report on 'Review of the Intellectual Property Rights Regime in India' on 6th April, 2022 to both Houses of the Parliament. The 169th Report reflects the action taken by Government on 82 recommendations of the 161st Report of the Committee. These recommendations are significant in suggesting a credible road map for strengthening the IPR regime of India. The Report had emphasised upon the need to establish an appropriate legislative framework on IPR in conformity with the changing dynamics of innovation; to encourage financing and commercialisation of IP assets in the country; combative measures against counterfeiting and piracy; active coordination between enforcement agencies and administrative efforts for deftly handling the IPR issues.

2. The 161st Report, presented on 23rd July, 2021 in both Houses of the Parliament, has been appreciated by global media as well. The U.S. Chambers of Commerce in its 10th edition of the International IP index, has admired the 161st Report as a 'welcome development' and 'a first major attempt at assessing India's IP policy regime'. The publication has lauded the recommendations of the Report and has congratulated the Committee for adopting such a forward looking view on the importance of IP rights to India's economic development. Also, in an article published in the World Trademark Review, the recommendations of the 161st Report have been termed as 'landmark' and could prove to be a tool to help level-up India's IP ecosystem.

3. The action taken by Government in respect of 12 recommendations has not been accepted by the Committee and further recommendations have been made in this report. Reply in respect of 1 recommendation is still awaited. The Committee has taken note that in respect of the remaining 69 recommendations actions have been initiated or are being undertaken by

Government. The Committee considered and adopted the draft 169th Report in its meeting held on 5th April, 2022. The Recommendations/ Observations made by the Committee in this Report are enclosed.

The entire Report is also available on <https://rajyasabha.nic.in/> →Committees→
Department Related (RS) →Commerce →Reports

RECOMMENDATIONS/OBSERVATIONS - AT A GLANCE

ARTIFICIAL INTELLIGENCE AND IPR

1. The Committee is of the view that the increase in application of Artificial Intelligence (AI) based tools such as Aarogyasetu, CoWin, etc. in recent times for utilizing and extending essential services implies the likely surge in AI based patent filings in the days to come. Hence, granting proprietary rights to AI innovators and protecting AI driven innovations by enforcing regulations and standards in the country should be the way forward. The Committee, therefore, recommends that the Department should channelise efforts to encourage and empower AI innovators by enacting suitable legislations or modifying the existing laws on IPR in order to accommodate AI based inventions. (Para 3.8)

2. The Committee notes that the dissolution of IPAB would lead to transferring of all IP-related appeals including the pending cases to High Courts and Commercial Courts (in copyright matters). This may create additional burden on such courts which are already reeling under huge backlog of cases with inadequate expertise in hand to deal with IPR matters. It, therefore, opines that establishing an Intellectual Property Division (IPD) with dedicated IP benches as done by Delhi High Court in the wake of abolition of IPAB would ensure effective resolution of IPR cases on a timely basis. The Committee, therefore, recommends that the Government should take appropriate measures to encourage setting up of IPD in High Courts for providing alternative solution to resolve IPR cases. (Para 3.12)

IP FINANCING

3. The Committee is disappointed to note that an unsatisfactory reply has been furnished by the Department wherein no pertinent response on promoting IP financing has been given. It is of the considered opinion that IP financing that involves financial innovation and creation of financial tools for gaining benefits in matters of finance, is an emerging area that needs to be nurtured in the country. Also, as a slated objective of National IPR Policy, the Department should endeavour to facilitate protection, evaluation and commercialisation of intangible IP assets by devising a suitable legislative and administrative framework. The Committee strongly recommends the Department to undertake efforts in inculcating the significance and advantages of IP financing and intangible IP assets amongst the financial institutions, business and trading communities in India. (Para 3.19)

THE PATENT ACT, 1970

Public Interest Safeguards under the Act

Compulsory Licensing

4. The Committee notes that ensuring easier access and mass availability of COVID-19 therapeutics, drugs and vaccines becomes a challenge in times of pandemic as witnessed during the three pandemic waves on account of sudden outbreak of COVID-19 cases. It is of the opinion that issuing of compulsory licenses and encouraging voluntary licensing in extraordinary circumstances of public health crisis would be instrumental for ramping up affordable production and accessibility of such drugs and vaccines. The Committee, therefore, recommends that the Government should resort to plausible mechanisms of compulsory or voluntary licensing in situations when the dangerous variants of COVID-19 virus pose severe threat to lives. This would authorise production of a drug or vaccine on a mass scale and would address any supply side constraints during such times. (Para 3.26)

SUMMATION

5. The Committee is disappointed to note that the reply furnished by the Department is not as per the recommendation made in the Report. It is of the opinion that informal and grassroots innovations represent a culture of mainly individual innovators located in rural, hilly, tribal, backward and far-flung remote areas which includes local and experiential knowledge. Such innovations are generally made out of adversity and needs which do not get recognised formally as Intellectual Property and at times are imitated and exploited by big sector firms and institutions. The Committee is of the view that the IPR regime should enable a mechanism at regional level suitable to accommodate the informal and grassroots innovations and to diffuse, protect and popularise them on a large scale. It also recommends the Department to synergize efforts with National Innovation Foundation, Department of Science and Technology to mobilise informal innovators in the IPR regime. (Para 3.29)
