

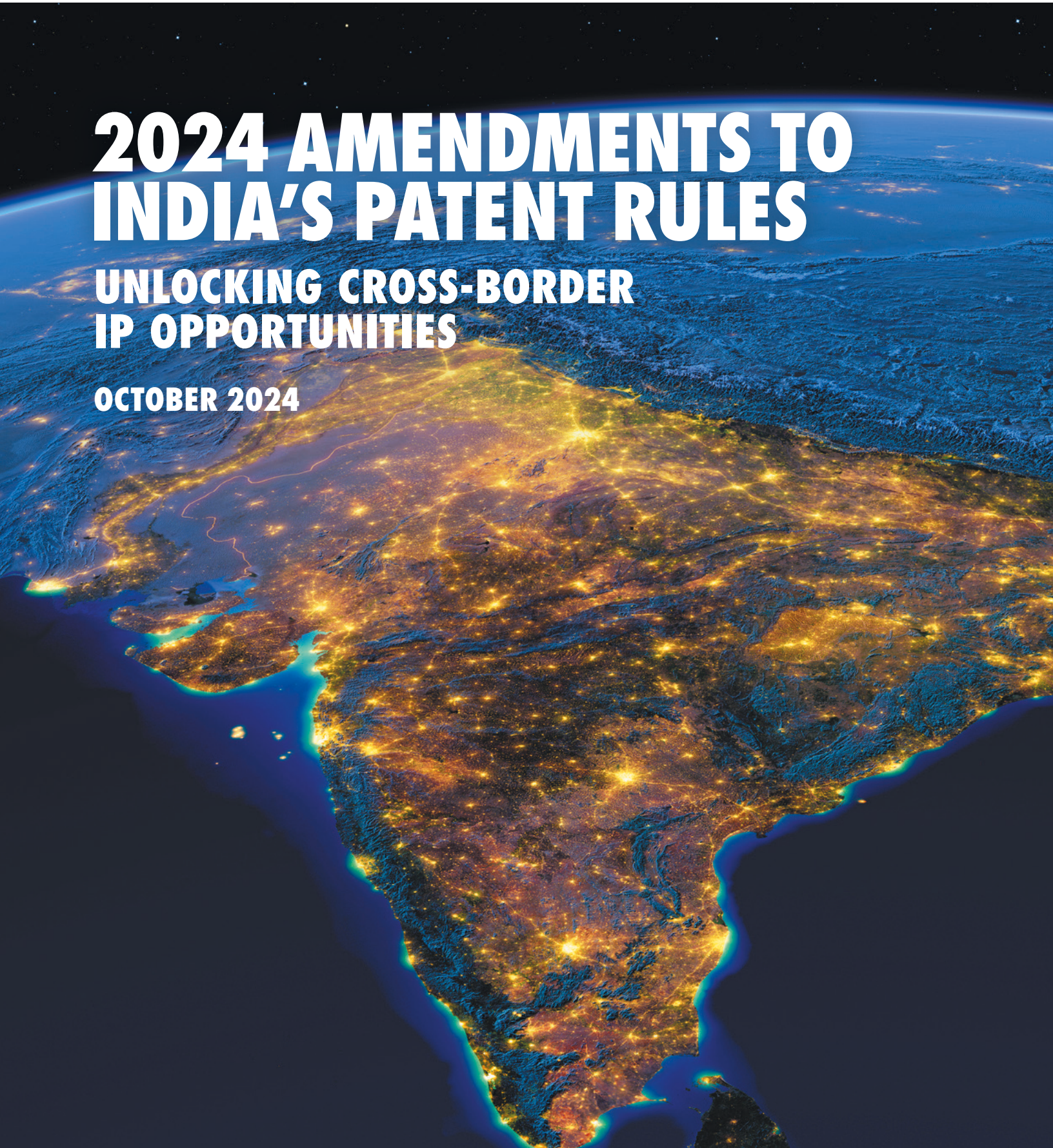
**Morgan Lewis**

**REPORT**

# **2024 AMENDMENTS TO INDIA'S PATENT RULES**

**UNLOCKING CROSS-BORDER  
IP OPPORTUNITIES**

**OCTOBER 2024**



## 2024 AMENDMENT TO INDIA'S PATENT RULES: UNLOCKING CROSS-BORDER IP OPPORTUNITIES

In March 2024, the Indian Ministry of Commerce and Industry published changes to its 2003 Patent Rules. These applicant-friendly changes include (1) a relaxation in the rules relating to the submission of information regarding related foreign applications; (2) a liberalization of the divisional practice, aligning it more closely with continuation practices in the United States; (3) a reduction in the time allowed to file the request for examination from 48 months to 31 months; (4) a formalization of requirements for a grace period for filing a patent application after a public disclosure; (5) a reduction in the frequency for submitting the Working Statement form, shifting from annual to once every three years; and (6) a provision granting discretion to the Controller to extend deadlines for delays in filing required documents.

As discussed in more detail below, the changes to the divisional practice present a significant opportunity for Applicants that are familiar with US practice, especially in filing claims targeted to a competitor's product as long as the original disclosure supports the claims. For example, Applicants can file an initial omnibus application disclosing several aspects and embodiments of an invention while initially claiming only one aspect or embodiment. Additional claims for other aspects may be made later as the product cycle evolves, based on commercial and business considerations.

In addition, these changes affect the timeline of patent prosecution in India and offer potential cost savings after patents receive approval. For example, by formalizing and reducing the frequency of required working statement filings, and by potentially reducing frivolous opposition filings, the rules can significantly reduce cost burdens on patentees. Additionally, by aligning the filing timeline with the European Patent Office (EPO), practitioners gain opportunities for harmonized filing strategies.

The Patent (Amendment) Rules 2024<sup>1</sup> (Amendment) aims to harmonize Indian patent practices with US and European practices and provide practitioners new opportunities to strategize and strengthen their patent portfolio. Nonetheless, risks remain because of rigid deadlines and the lack of formal mechanisms to "condone" or excuse unintentional delays. This report discusses the opportunities and risks in detail.

### THE OLD AND THE NEW

The Amendment brings forth changes that fall under six broad categories:

Relevant Rule	Prior to the Amendment	As a Result of the Amendment
Rule 12 (submission of relevant documents via Form 3 <sup>2</sup> )	<ul style="list-style-type: none"><li>Update on foreign applications to be filed within six months from the date of the corresponding filing</li><li>Submission of documents from foreign applications</li></ul>	<ul style="list-style-type: none"><li>Update on foreign applications to be filed within three months from the First Examination Report (FER)</li><li>Controllers (analogous to patent examiners in the US) are required to obtain documents from foreign applications from available sources, and can</li></ul>

<sup>1</sup> [The Gazette of India](#) (March 15, 2024).

<sup>2</sup> [Form 3](#), The Patents Act and The Patents Rules (2003).

# Morgan Lewis

		<p>request only with appropriate reasoning</p> <ul style="list-style-type: none"> <li>• Delay in submission of Form 3 is now condonable up to three months with payment of fees</li> </ul>
Rule 13 (Divisional Applications)	<ul style="list-style-type: none"> <li>• No clear rules regarding validity of the subject matter of a voluntarily filed divisional application based on original disclosure</li> </ul>	<ul style="list-style-type: none"> <li>• Clarified that any number of divisional applications can be filed for distinct subject matter disclosed in the original disclosure (or of a previously filed divisional application)</li> </ul>
Rule 24(B)/(C) (Request for examination)	<ul style="list-style-type: none"> <li>• To be filed within 48 months from the priority date</li> </ul>	<ul style="list-style-type: none"> <li>• To be filed within 31 months from the priority date or filing date, whichever is earlier (aligns with the timeline at the EPO)</li> </ul>
New Rule 29 (Grace period)	<ul style="list-style-type: none"> <li>• No rule or form for grace period for filing a patent application after the invention is published</li> </ul>	<ul style="list-style-type: none"> <li>• New Form 31 with fees to avail grace period under §31 of the Indian Patents Act of 1970</li> </ul>
Rule 55 (Pre-grant opposition)	<ul style="list-style-type: none"> <li>• Up to three months to file a reply statement from the notice of opposition from the Indian Patent Office (IPO)</li> </ul>	<ul style="list-style-type: none"> <li>• If no <i>prima facie</i> case of opposition is made in the opposition representation (filed with a substantial fee), the Controller can refuse the representation and issue a corresponding action within one month of the refusal</li> <li>• If an opponent requests a hearing (at a substantial fee), an order for refusal or acceptance of the opposition representation should be passed within one month of the hearing</li> <li>• If a <i>prima facie</i> case is made, an order for acceptance of the opposition hearing should be issued within one month of receiving the representation</li> </ul>

# Morgan Lewis

		<ul style="list-style-type: none"> <li>Applicant has up to two months from the notice of opposition from the Indian Patent Office to file a reply</li> </ul>
Rule 56 (post-grant opposition)	<ul style="list-style-type: none"> <li>The Opposition Board to provide its recommendation to the Controller within three months from the date of receipt of the documents at the Board</li> </ul>	<ul style="list-style-type: none"> <li>Time reduced to two months</li> <li>Fee increased substantially</li> </ul>
Rule 131 (Working Statement Requirement – Form 27)	<ul style="list-style-type: none"> <li>Patentee to submit a statement of whether the patent was worked in India on an annual basis</li> </ul>	<ul style="list-style-type: none"> <li>Patentee to submit a working statement once in three years</li> <li>No requirement to provide information relating to revenue/value of the patent</li> <li>Simple check box if patent is worked</li> <li>List of reasons provided if patent not worked (or an option to list own reason)</li> <li>Provide information about licensing of the patent</li> <li>Clarified that non-working may not be established merely on the ground that the patent product was imported in India</li> </ul>

## Obligation of Applicant to Submit Relevant Information During Prosecution

Under the Amendment, Applicants must still submit an update on foreign filings, but the process has been relaxed to require an update within three months from the FER. Previously, the rules required Applicants to submit an update on foreign filings within six months from the date of a corresponding filing.

Additionally, instead of requiring Applicants to submit documents relating to ongoing prosecution outside India, Controllers must now obtain foreign (i.e., non-Indian) prosecution documents. The Controller can request Applicants to submit such documents only for an appropriate cause, upon which Applicants have two months (extendable by up to three months upon payment of fees) to submit the documents.

These changes seek to reduce the burden on Applicants by eliminating the requirement to update the IPO after every new filing or receiving every new official communication from non-Indian patent offices. Thus, an Applicant with a US or EU-centric patent strategy now has (a) certainty in terms of the timeline

# Morgan Lewis

for submissions, which makes docketing such deadlines easier and (b) allows Applicants to delay the submissions based on budget constraints if necessary.

The Amendment simplifies the reporting requirement, which can lead to significant cost savings. Companies can now redirect resources from continuous monitoring and reporting to more value-adding activities. For instance, a tech startup with applications pending in several countries, including India, previously had to provide details of all foreign applications at various stages, causing delays and increased costs for complying with the submission requirements.

Under the Amendment, the startup will only need to provide this information at filing and within three months of the first office action, thereby potentially saving thousands in administrative costs annually, funds that could be reinvested in research and development (R&D) or market expansion.

## Divisional Practice

The old rules were unclear regarding whether divisional application with claims drawn from the specification (but not prior filed claims) would be permissible, or whether Applicants could file a divisional application based on another divisional application. Nonetheless, under the old rules, Controllers typically did not allow divisional applications based on subject matter that the specification disclosed but did not recite in the originally filed claims because of ambiguity in the rules relating to divisional applications.

While the Delhi High Court had earlier clarified this ambiguity in favor of allowing divisional applications based on subject matter outside of what the original claims, the Amendment explicitly codifies the rule to allow for divisional applications for distinct subject matter based on the original disclosure, either in the provisional or complete specification or a previously filed divisional application. The Amendment's new rules allow for filing divisional applications based on applications that are pending as of the effective date of the rules (i.e., March 15, 2024).

These changes bring Indian divisional practice in sync with the US continuation practice and European divisional practice, thereby providing an opportunity to file targeted claims, provided they are supported by the original disclosure. Applicants will now be able to leverage tried-and-tested strategies frequently deployed in, e.g., the US, Japan, and at the EPO for creating robust and broadly applicable patent portfolios.

For example, Applicants will now have the opportunity to target competitor products with claims that fall within the ambit of the original disclosure, so long as pendency of the application is maintained through a chain of divisional applications. Such strategies have been especially helpful for Applicants in the life sciences, where products often evolve through the development cycle years after Applicants file the original patent application. For pharmaceutical companies, this change allows Applicants to file divisional applications covering different aspects of a drug, such as composition, formulation, method of treatment, and manufacturing process. This can help Applicants build a more comprehensive patent portfolio around a single drug candidate.

The flexibility under the Amendment aligns India's practice more closely with the US, allowing companies to build more comprehensive patent portfolios. A robust portfolio covering multiple aspects of an invention can increase licensing opportunities and strengthen market positions in India, potentially ensuring ongoing revenue generation over the patent's lifetime.

## Examination and Prosecution Timeline

The old rules provided 48 months from the priority date to file a request for examination. The Amendment changes this timeline by requiring Applicants to file the request for examination within 31 months from the priority date or filing date of the Indian application, whichever is earlier. Thus, for

# Morgan Lewis

national phase applications under the Patent Cooperation Treaty (PCT), the request for examination must be filed by the national phase entry deadline of 31 months. These changes make the timeline of examination identical to that at the EPO, thereby easing the docketing burdens for keeping track of various deadlines, and also potentially expediting prosecution and grant of the patent in India.

Additionally, the new rules clarify the grace period provisions by requiring the filing of a form and payment of fees. Under the old rules, there was no well-defined mechanism to assert that a cited prior art reference fell within the 12-month grace period for filing a patent application after the invention is published, and the rules required Applicants to submit an affidavit as proof, which Controllers then evaluated on a case-by-case basis because of lack of explicit guidance under the existing law.

The new rules introduce a new form that specifies the information that Applicants need to provide to benefit from the grace period. The new form (Form-31) requires Applicants to provide comprehensive details of the prior disclosure. The form's explicit listing of required documentation<sup>3</sup> reduces the uncertainty about whether a prior art reference fell within the grace period, thereby enabling Applicants to move forward with patent prosecution in India with more certainty. The increased certainty is particularly helpful to academic and emerging business Applicants.

Pharmaceutical companies should be aware that the shortened timeline for requesting examination (31 months) may prompt companies to adjust strategies for delaying prosecution to align with clinical trial timelines. Companies may need to file divisional applications proactively to maintain pendency.

## Opposition Proceedings

Any person can file pre- and post-grant oppositions in India. While the policy of allowing anyone to file an opposition aimed to provide a more thorough examination of patents, entities often abuse the procedure to cause delays in prosecution and/or enforceability of patents in India. A study<sup>4</sup> by the Center for Intellectual Property, Innovation and Technology (CIPIT) at Hidayatullah National Law University found that, in a random sample of 250 cases with pending pre-grant opposition, in about 6.4% cases, entities without proper credentials filed the pre-grant opposition, and these oppositions caused an average delay of about 114 months. Additionally, about 9.6% of the cases were deemed to have been delayed by an average of about 120 months because of serial oppositions.

Under the old rules, pre-grant oppositions necessarily resulted in a notice of opposition by the Controller. The rules required Applicants to respond within three months of receiving the notice of opposition from the IPO, causing additional delays and added costs. For example, the CIPIT study found that in about 51.6% of the cases, a delay in the Controller's issuing of a notice caused an average delay of about 42 months. The Amendment imposes a stricter timeline for Controllers on refusing, accepting, or hearing an opposition representation, which acts as a deterrent for frivolous oppositions, and also reduces the time for Applicants to respond to two months.

Specifically, the Amendment requires Controllers to determine whether a prima facie case of opposition is made out in an opposition representation and provides Controllers one month to directly refuse an opposition representation and record the grounds of refusal if no prima facie case is made. On the other hand, if a prima facie case is made, the rules require Controllers to issue an order of acceptance of the representation and notify the applicant within one month from receiving the opposition representation. If an opponent requests a hearing after the Controller has refused the representation, an order for refusal or acceptance of the representation must be passed within one month of the hearing.

---

<sup>3</sup> [Form 31](#), The Patents Act and the Patents Rules (2203).

<sup>4</sup> [A Study of Patent Opposition System](#), at Appendix, p. 11-13.

# Morgan Lewis

Additional provisions in the Amendment, such as fees for filing pre-grant oppositions and separately for requesting a hearing, reflect efforts to discourage straw man oppositions while providing fair opportunity in cases of new evidence.

In short, the new rules provide a substantial deterrent against frivolous opposition filings, which should save Applicants significant time and costs. The new rules also impose stricter timelines on the Controllers and Applicants to expedite the examination process, even in the event that pre-grant oppositions are filed.

For post-grant oppositions, under the old rules, the Opposition Board had three months from the date on which the documents were forwarded to the Board to provide its recommendation to the Controller. The new rules reduce this time to two months. Additionally, the Amendment substantially increases the fee for filing post-grant oppositions (from 12,000 to 40,000 rupees) to deter frivolous oppositions.

## **Reduced Working Statement Burden**

The Amendment also provides significant relief to patentees with respect to the Working Statement requirements. The old rules required patentees to submit working statements on an annual basis. The new rules not only extend this period to once every three years, but also simplify the submission requirements.

For example, the rules no longer require patentees to submit information on the revenue/value of the patent. If a patent is worked, all that is required is a simple check of the box on the corresponding form. On the other hand, if a patent is not worked, the new rules provide patentees several options to select from on the form—or the option to provide their own reason. Additionally, the corresponding form includes a new question requiring information on whether the patent is available for licensing.

More importantly, the new rules clarify that patentees may not establish non-working of a patent merely on the grounds that the patent product was imported in India.

The new rules substantially reduce the burdens on patentees. Further, more pertinently for crowded technical fields where new businesses and startups comprise the majority of Applicants, the new rules no longer require patentees to submit business sensitive information to the IPO.

## **Correction of Irregularities**

The Amendment reduces opportunities for correction of irregularities and condonation of delays, while also imposing stricter requirements, including substantially increased fees, for requesting such corrections or condonation. Importantly, the new rules remove extensions to the 31-month national phase deadline, the request for examination deadline, and deadlines for submission of a priority document and its translations. Additionally, the new rules do not change the timelines for responding to the FER or providing translations of PCT application.

## **ROOM FOR HARMONIZATION**

While the new rules improve harmonization of Indian patent rules with those in the rest of the world, several challenges and differences remain.

For example, subject matter eligibility for software per se and business methods, as well as the substantive high bar relating to efficacy of drugs under Section 3(d), which allows rejection of pharmaceutical patent claims that fail to demonstrate enhanced efficacy, pose a significant challenge in obtaining patents in both technology and life sciences areas.

# Morgan Lewis

This report explores some specific areas where further changes may help make Indian patent rules more innovator-friendly below.

## Compulsory Licensing

India's compulsory licensing provisions remain broader than those of many other countries, forcing patentees to grant compulsory licenses for non-working patents or patented products that authorities deem excessively priced. This compulsory licensing requirement creates uncertainty for pharma and tech companies. The threat of compulsory licenses can deter R&D investment or lead to companies withholding advanced technologies from the Indian market.

For US or European companies aiming to enter the Indian market should consider developing a proactive licensing strategy and partnerships with Indian companies to demonstrate efforts to make the invention accessible in India. Additionally, investors in startups should be aware of these risks to ensure open lines of communication and proactive risk management.

## Working Requirements

Despite extending the working statement timeline, India still requires patentees to “work” their patents in India, a requirement not found in the US, Europe, Japan, China, or Korea. This requirement can force companies to manufacture in India or risk compulsory licensing, conflicting with global supply chain strategies.

## Limited Grace Period

India's 12-month grace period, like the US's under the Leahy–Smith America Invents Act, covers only inventor-related disclosures. However, India's interpretation of what constitutes an inventor-related disclosure may be narrower than in the US. For instance, unauthorized disclosures by a third party that obtained the information from the inventor might not be covered in India, while it could be in the US. This difference can lead to fragmented global patent strategies, as certain disclosures might bar patentability in India but not in the US.

Companies operating in both markets should implement strict confidentiality measures and consider filing patent applications as early as possible to mitigate risks associated with these differences in grace period provisions.

For pharmaceutical companies, the formalized grace period provisions in India can be useful but require careful management. While they may offer some protections for inventor-originated disclosures, such as those made during clinical trials or academic collaborations, the scope is limited. Unlike in the US, where the grace period covers a broader range of inventor-originated disclosures, in India, the interpretation may be more restrictive.

Companies should exercise extreme caution and aim to file patent applications before any public disclosure whenever possible. When disclosure is unavoidable, detailed documentation of the disclosure's origin and content is crucial for companies to potentially benefit from the grace period.

## Patent Term Extension

Unlike the US, India does not offer patent term extensions for regulatory delays (e.g., in drug approvals). As a result, pharmaceutical companies may lose effective patent life in India, reducing the incentive to introduce new drugs quickly to the Indian market.



# Morgan Lewis

Thus, pharmaceutical and medical device makers entering the Indian market should attempt to accelerate regulatory processes in India and carefully consider the timing of filing patent applications in India to maximize effective patent life.

The lack of patent term extensions in India is especially impactful for pharmaceutical companies, given the long regulatory approval process for drugs. Companies should consider filing Indian patent applications as late as possible in the priority year to maximize effective patent life. Additionally, they may want to pursue patent protection for incremental innovations to extend exclusivity.

## **Burden of Proof in Infringement**

In process patent infringement cases, there has been no change in Indian law, and the burden of proof of infringement continues to fall on the patentee, contrary to many jurisdictions. This makes it harder and costlier for companies, pharmaceutical and chemical companies in particular, to enforce process patents.

## **Limited Specialized IP Courts**

While the expertise of courts and tribunals in India continues to improve, there is still the lack of a widespread system of specialized intellectual property (IP) courts, unlike in countries like the US, Japan, or Germany. This can lead to inconsistent decisions, longer case timelines, and judges less versed in complex technical issues, thus increasing litigation risks. Applicants may, therefore, prefer to consider alternative dispute resolution methods like arbitration instead of litigating patent infringement in courts, where case pendency continues to also be an issue.

These remaining hurdles and inconsistencies show that, while India has made strides in patent law harmonization, significant differences persist. Global companies, especially those in the tech and pharma industries, may face unique challenges in India, requiring tailored strategies, that could impact its IP value and market strategies in the world's fifth-largest economy.

Given the complexities and differences between the Indian and US patent systems, expert guidance is crucial. A well-crafted, jurisdiction-specific strategy can turn these challenges into opportunities, potentially saving millions through the proper protection and enforcement of IP rights.

## **Section 3(d) of the Indian Patents Act**

This provision sets a high bar for patentability of pharmaceutical innovations, requiring demonstration of enhanced efficacy for new forms of known substances. Pharma companies need to carefully craft their patent applications and generate supporting data to overcome this hurdle.

## **STRATEGIC CONSIDERATIONS FOR US AND INDIAN COMPANIES**

Following the 2024 Amendment to India's patent rules, companies from both India and the US must adapt their strategies to leverage the changes while navigating remaining challenges. See below for specific examples for how artificial intelligence (AI) and emerging tech companies can do so, keeping in mind that these strategies can be adapted for various products and technologies within each sector:

### **Indian Companies Operating in the US**

#### *Early-Stage AI Startup*

**Example:** Consider an Indian AI startup developing a novel algorithm for a mobile application (e.g., an app for personalized education). This strategy could apply to various AI-driven mobile applications across different sectors.

# Morgan Lewis

In the short term, the startup should consider filing a provisional application in India first. The reduced 31-month examination request timeline helps it secure rights faster in India. Then, within 12 months, it should file a US non-provisional claiming priority, utilizing the more robust US grace period if it has presented at edtech conferences. Over the long term, as its product evolves, the startup can file US continuations to cover new features or tailor claims to US edtech competitors. The business might not have this flexibility in India, so early, broad Indian filings are crucial.

## *Midsize Technology Company*

**Example:** An Indian technology company scaling its innovative platform (e.g., in fintech, health tech, or e-commerce). This approach could benefit various technology platforms across different domains.

In the short term, the company should consider using the new Form-31 to protect any inadvertent disclosures in India. For instance, a company with a blockchain-based remittance platform should be particularly vigilant about protecting novel aspects of its technology. In the US, it can more easily patent its software and business methods across various tech domains.

It should also consider filing comprehensive US applications, possibly with multiple independent claims, to serve as a basis for continuations. In the long-term, as it expands, it can file US continuations to cover emerging trends or competitor workarounds in its sector. In India, it may face challenges patenting core software aspects, so it should focus Indian filings on hardware or system architecture aspects.

## *Large Technology Conglomerate*

**Example:** An Indian tech conglomerate working on various emerging technologies (e.g., 5G, IoT, AI, or quantum computing). This strategy could apply to any large tech company with a diverse technology portfolio.

In the short term, the Indian tech conglomerate should use the relaxed foreign filing requirements to manage its large, global portfolio more efficiently. In the US, it should aggressively file provisional applications to secure early priority dates, followed by non-provisional and continuation applications to build out a robust portfolio.

Eventually, it can use US continuation applications to build a “picket fence” around core patents in its key technology areas. In India, where software patentability is trickier, it should focus on system-level or hardware innovations. The reduced working statement burden helps manage its large Indian portfolio, but it should still “work” key patents in India to avoid compulsory licensing risks.

## **US Companies Operating in India**

### *AI Health Tech Startup*

**Example:** A US-based AI health tech startup with an AI tool for radiology diagnostics. This strategy could be adapted for various AI-driven medical technologies.

In the short term, the startup should file a US provisional quickly. Within 12 months, it can file a PCT application to keep options open. It can enter the Indian national phase by 31 months (new timeline) with claims focused on the AI's integration with medical devices, as pure algorithm claims may face difficulty.

Over time, in the US, the company may consider filing continuation applications to cover evolving AI models. In India, the company may consider setting up an R&D center to “work” the patent locally, reducing compulsory license risks. This may also help tap India's rich AI talent pool.

# Morgan Lewis

## *Midsized Autonomous Vehicle Company*

**Example:** An autonomous vehicle company developing sensor fusion algorithms and control systems. This approach could be applied to various aspects of autonomous vehicle technology or other complex systems.

In the short term, the company should heavily patent sensor fusion algorithms and control systems in the US. In India, file divisional applications (leveraging the new flexibility) to cover different aspects like sensor design, data processing, and vehicle control separately, improving chances of patentability.

Over time, in the US, the company can use continuation applications to build a strong portfolio as AV standards evolve. In India, the company can partner with local auto manufacturers to “work” patents, aligning with India's push for electric and autonomous vehicles. The company may need to be cautious of pre-grant oppositions from local rivals; robustly drafted specifications are key.

## *Large Cloud and Quantum Computing Company*

**Example:** A tech giant developing quantum and cloud innovations. This strategy could be relevant for various cutting-edge computing technologies.

In the short term, the tech giant should consider using US provisional and continuation applications aggressively for quantum and cloud innovations. In India, the new divisional rules can be leveraged to file separate applications for quantum hardware, algorithms, and cloud architecture, as pure software claims may struggle.

In the long term, in the US, continuation applications may help cover the rapidly evolving quantum and cloud landscape. In India, the company may consider the risk of compulsory licensing for high-priced cloud services. Mitigate by expanding Indian data centers (thus “working” patents) and offering tiered pricing. Its massive portfolio benefits from India's reduced working statement frequency.

## *Midsized Pharmaceutical Company*

**Example:** A US pharmaceutical company developing a novel small molecule drug. This strategy could be adapted for various types of pharmaceutical innovations, including biologics, medical devices, or diagnostic tools.

In the short term, the pharmaceutical company should file comprehensive patent applications in both the US and India, covering the compound, formulations, methods of treatment, and manufacturing processes. In the US, it can leverage the continuation practice to build a robust patent portfolio. For India, it can use the new divisional practice to file separate applications for each aspect, improving the chances of overcoming Section 3(d) objections.

The company can enter the Indian national phase by the new 31-month deadline, strategically drafting claims to address India's stricter patentability criteria. Over time, in the US, it can file continuation applications to cover new indications or combination therapies. In India, it can focus on generating and presenting robust efficacy data to overcome Section 3(d) objections.

To mitigate compulsory licensing risks and satisfy working requirements, the company should consider partnering with Indian generic manufacturers for local production or setting up an R&D center in India. This approach can also help in developing India-specific formulations or dosage forms, potentially leading to incremental patents that can extend market exclusivity.

The company should be prepared to use the new Form-31 to protect against any inadvertent disclosures during clinical trials, given the limited grace period in India compared to the US. Additionally, it should

# Morgan Lewis

carefully time the Indian patent filings to maximize the effective patent life, given the lack of patent term extensions in India.

Companies can tailor their patent strategies based on size, sector, and budget. For example, startups, which typically focus on early and core innovations, can use provisional applications in the US for quick, cost-effective protection. In India, they can leverage the new, faster examination process.

Midsize companies, on the other hand, can balance comprehensive coverage with budget constraints by strategically using divisional applications in India and continuation applications in the US.

Large corporations can develop a robust portfolio in both countries by leveraging the reduced administrative burden in India, while maintaining strong US coverage.

## General Strategies

- Both Indian and US companies should prioritize PCT applications for key inventions, using the extended 31-month Indian timeline strategically.
- In India, they should focus on system, hardware, or tangible application claims rather than pure algorithms or software.
- US companies should consider Indian R&D centers or partnerships to satisfy working requirements and tap talent.
- Indian startups should leverage US continuations for evolving tech; US startups should use new Indian divisional rules to cover multiple aspects.
- Both should watch for pre-grant oppositions in India, especially in competitive sectors like AI, fintech, and biotech.
- Companies should take advantage of the reduced working statement burden in India, but still ensure key patents are “worked” to avoid compulsory licensing risks.
- When filing in India, companies should be prepared to use the new Form-31 to protect against inadvertent disclosures, given the limited grace period compared to the US.

These strategies show how companies can leverage each jurisdiction's strengths while navigating differences. The key is understanding that, while India's 2024 Amendment narrows some gaps, significant differences remain. A nuanced, jurisdiction-specific approach is vital for AI and emerging tech companies to build strong, enforceable global patent portfolios.

## CONCLUSION: MAXIMIZING OPPORTUNITIES IN DUAL MARKETS

As we have seen, the evolving patent landscapes in India and the US present both challenges and opportunities. By developing a strategic, cost-effective approach to cross-border patenting, companies can maximize their IP value and market position in two of the world's largest economies. The potential returns—from increased market share to licensing revenues—can far outweigh the initial investment in a robust patent strategy.

*This article is prepared for the general information of interested persons. It is not comprehensive in nature and should not be regarded as legal advice. We are not permitted to advise on the laws of India, and should such advice be required, we would work alongside an Indian law firm.*

# Morgan Lewis

## CONTACTS

If you have any questions or would like more information on the issues discussed in this report, please contact any of the following:

### Authors

Rahul Kapoor	+1.650.843.7580	<a href="mailto:rahul.kapoor@morganlewis.com">rahul.kapoor@morganlewis.com</a>
Doug Crisman	+1.650.843.7508	<a href="mailto:douglas.crisman@morganlewis.com">douglas.crisman@morganlewis.com</a>
Manita Rawat	+1.650.843.7267	<a href="mailto:manita.rawat@morganlewis.com">manita.rawat@morganlewis.com</a>
Kalpesh Upadhye	+1.202.739.5175	<a href="mailto:kalpesh.upadhye@morganlewis.com">kalpesh.upadhye@morganlewis.com</a>
Kannan Narayanan	+1.650.843.7251	<a href="mailto:kannan.narayanan@morganlewis.com">kannan.narayanan@morganlewis.com</a>

## ABOUT US

Morgan Lewis is recognized for exceptional client service, legal innovation, and commitment to its communities. Our global depth reaches across North America, Asia, Europe, and the Middle East with the collaboration of more than 2,200 lawyers and specialists who provide elite legal services across industry sectors for multinational corporations to startups around the world. For more information about us, please visit [www.morganlewis.com](http://www.morganlewis.com).

# Morgan Lewis

At Morgan Lewis, we're always ready to respond to the needs of our clients and craft powerful solutions for them.

Connect with us     

[www.morganlewis.com](http://www.morganlewis.com)

© 2024 Morgan Lewis

Morgan, Lewis & Bockius LLP, a Pennsylvania limited liability partnership

Morgan Lewis Stamford LLC is a Singapore law corporation affiliated with Morgan, Lewis & Bockius LLP.

Morgan, Lewis & Bockius UK LLP is a limited liability partnership registered in England and Wales under number OC378797 and is a law firm authorised and regulated by the Solicitors Regulation Authority. The SRA authorisation number is 615176.

Our Beijing, Shanghai, and Shenzhen offices operate as representative offices of Morgan, Lewis & Bockius LLP.

In Hong Kong, Morgan, Lewis & Bockius is a separate Hong Kong general partnership registered with The Law Society of Hong Kong.

This material is provided for your convenience and does not constitute legal advice or create an attorney-client relationship. Prior results do not guarantee similar outcomes. Attorney Advertising.

092424\_241844