

(2014) 09 DEL CK 0098

Delhi High Court

Case No: W.P.(C) 4157/2012 and CM No. 8637/2012

Merck Serono S. A.

APPELLANT

Vs

Union of India

RESPONDENT

Date of Decision: Sept. 29, 2014**Acts Referred:**

- Patents Act, 1970 - Section 11A, 14, 15, 21(1), 80

Citation: (2014) 60 PTC 116**Hon'ble Judges:** Vibhu Bakhru, J**Bench:** Single Bench**Advocate:** Pravin Anand, Dhruv Anand and Udit Patro, Advocate for the Appellant; B.S. Shukla, CGSC and Brajesh Kumar, Advocate for the Respondent**Final Decision:** Allowed

Judgement

Vibhu Bakhru, J.

The petitioner is stated to be the biopharmaceutical division of Merck KgaA, a chemical and life sciences company. The petitioner impugns an order dated 13.08.2008 passed by the Controller of Patents and Design whereby its National Phase Application bearing No. 01363/DELNP/2003 (hereinafter referred to as "the application") for invention titled "A process of preparing a pharmaceutical composition for the treatment and/or prevention of heart disease and the compositions thereof" was declared as abandoned. The petitioner also assails the order dated 24.02.2009 whereby its application for reviewing the impugned order dated 13.08.2008 was rejected.

2. The petitioner had filed the application on 26.08.2003, which was published in the Gazette on 27.05.2005, in terms of Section 11A of the Patent Act, 1970 (hereinafter referred to as "the Act").

3. Thereafter, the petitioner filed its request for examination on 15.12.2005. The First Examination Report (FER) was issued by the Examiner of Patents and Design,

respondent no.3, on 27.06.2007. Several objections were raised in FER (18 in number) . These objections were specifically responded to by the petitioner on 02.01.2008. Subsequently, on 23.06.2008, a Second Examination Report (SER) raising several objections was served on the petitioner. Some of the objections stated in the SER were common to the FER. The SER also noted that the "Last date for putting the application in order for grant will expire on 27.06.2008".

4. The petitioner immediately responded to SER through its patent agent, on 25.06.2008. Further explanations were also submitted by the petitioner on 27.06.2008 and respondent no.3 was requested to set aside the objections raised in light of the explanations provided.

5. The petitioner sent another letter on 27.06.2008 once again requesting to grant the application or permit the petitioner to further substantiate its submissions but the petitioner did not receive any positive response to its request. The Controller of Patents and Design passed the impugned order dated 13.08.2008, the relevant portion of which reads as under:-

"The case was discussed between the Agent and the examiner on 27.06.2008 at great length and heard by the Controller on the same dates.

The request of the agent on a letter 27.06.2008 for further hearing the matter beyond the prescribe time i.e. last date for putting the Patent publication in order is not conceded to.

Therefore said application deemed to have been abandoned under the provisions of section 21(1) of the said Act."

6. The petitioner contended that the impugned order was passed u/s 21(1) of the Act holding that application was abandoned, even though the petitioner had responded to the FER as well as the SER and thus had actively pursued the application. It is thus contended that in the given circumstances, the impugned order dated 13.08.2008 is patently erroneous.

7. The learned counsel for the petitioner further submitted that the petitioner is gravely prejudiced as an order u/s 21(1) of the Act is not appealable. He further referred to Section 15 of the Act and contended that if the Controller of Patents and Design (i.e. respondent no.2) was not satisfied with the application and the explanations provided by the petitioner, he was obliged to pass an order u/s 15 of the Act. The learned counsel for the petitioner also referred to the decisions of this Court in [Telefonaktiebolaget LM Ericsson \(PUBL\) Vs. Union of India \(UOI\) and Others,](#) and [Ferid Allani Vs. Union of India \(UOI\) and Others,](#) in support of his contention that where an applicant pursues its application by responding to the objections, an order u/s 21(1) of the Act rejecting the application as abandoned, cannot be passed.

8. The learned counsel for the respondent submitted that the decisions in Telefonaktiebolaget (supra) and Ferid Allani (supra) were clearly distinguishable. He

submitted that in those cases, First Examination Reports were duly responded to by the applicants and thereafter, a second examination report had been issued which was also pursued by the applicants. He states that the facts of the present case are different inasmuch as most of the objections raised in the FER were not satisfactorily answered and the SER had mostly reiterated the earlier objections.

9. I have heard the learned counsel for the parties.

10. The controversy that is to be addressed is whether in the given circumstances where the petitioner had responded to the FER as well as the SER, the application could be stated to be abandoned.

11. Before proceeding further, it would be relevant to refer Section 21(1) of the Act, which reads as under:-

"21 " Time for putting application in order for grant. (1) An application for a patent shall be deemed to have been abandoned unless, within such period as may be prescribed, the applicant has complied with all the requirements imposed on him by or under this Act, whether in connection with the complete specification or otherwise in relation to the application from the date on which the first statement of objections to the application or complete specification or other documents related thereto is forwarded to the applicant by the Controller.

Explanation.-Where the application for a patent or any specification or, in the case of a convention application or an application filed under the Patent Cooperation Treaty designating India any document filed as part of the application has been returned to the applicant by the Controller in the course of the proceedings, the applicant shall not be deemed to have complied with such requirements unless and until he has re-filed it or the applicant proves to the satisfaction of the Controller that for the reasons beyond his control such document could not be re-filed."

12. Plainly, an order u/s 21(1) of the Act is to be passed where an applicant fails to comply with the requirements imposed on him under the Act. Provisions of Section 21(1) of the Act have to be read harmoniously with the provisions of Section 15 of the Act which reads as under:-

"15 " Power of Controller to refuse or require amended applications, etc., in certain case

Where the Controller is satisfied that the application or any specification or any other document filed in pursuance thereof does not comply with the requirements of this Act or of any rules made thereunder, the Controller may refuse the application or may require the application, specification or the other documents, as the case may be, to be amended to his satisfaction before he proceeds with the application and refuse the application on failure to do so."

13. It is seen that u/s 21(1) as well as Section 15 of the Act, an application filed by an applicant is liable to be rejected if it does not comply with the requirements of the Act. The said provisions can be harmoniously read if they are considered to operate in distinct and separate circumstances. The scope of Section 21(1) of the Act is clearly indicated by the expression "abandon". This Court in *Telefonaktiebolaget* (supra) examined the scheme of the aforesaid two Sections and following the decision in *Ferid Allani* (supra), held that abandonment would require a conscious act on the part of the petitioner, which would manifest the intention to abandon the application. The relevant extract from the said decision is quoted below:-

"15. As pointed out in *Ferid Allani* "abandonment" requires a conscious act on the part of the Petitioner which would manifest the intention to abandon the application. That judgment also refers to Section 80 of the Act and Rule 138 of the Patents Rules which gives discretionary powers to the Controller to extend the time for complying with a requirement. In the instant case the Petitioner responded to each of the objections set out in the examination report in writing within the time prescribed. It cannot, therefore, be said that it failed to respond to the objections and, therefore, did not comply with the requirement imposed on its under the Act. In other words, the basic factual condition for attracting the deemed action fiction of "abandonment" in terms of Section 21(1) of the Act, was non-existent in the instant case.

16. Importantly, the intention of the Petitioner not to abandon its application was evident in its response dated 22nd September 2008 where it requested that in the event the Controller was not inclined to grant its patent, it may be afforded an opportunity of being heard. Such an opportunity is clearly envisaged in Section 14 itself. This is further provided for in Section 80 of the Act and Rule 129 of the Patent Rules. While discussing the above provisions, this Court in *Ferid Allani* held that there was a duty of the Controller to give a hearing to an applicant before exercising any discretionary power which was likely to adversely affect an applicant's claim for registration of patent."

14. It follows from the aforesaid decision that an application can be stated to be abandoned only in cases where the applicant fails and neglects to pursue its application. In the present case, the petitioner has provided the explanations in respect of the objections that were raised in the FER and SER. The question whether the explanations have any merit or not would be a subject matter of decision by the respondent no.2. The impugned order dated 13.08.2008 also clearly indicates that there were certain discussions between the petitioner's agent and respondent no.3, which were heard by the respondent no.2. In the circumstances, it would not be open to respondent no. 2 to avoid a decision on the issues raised by taking recourse to Section 21(1) of the Act. As indicated in *Telefonaktiebolaget* (supra) the proper course available to respondent no.2 would be to pass a speaking order u/s 15 of the Act.

15. The distinction sought to be drawn by the learned counsel for the respondent between facts of the present case and those in Telefonaktiebolaget (supra) and Ferid Allani (supra) is of little relevance. The crucial question to be addressed is whether an applicant had persuaded its application. In the present case, the said question must be answered in the affirmative.

16. For the reasons stated above, the present petition is allowed and the impugned orders dated 13.08.2008 and 24.02.2009 are set aside and the matter is remanded to respondent nos. 2 and 3 to pass a speaking order after affording the petitioner an opportunity to be heard.

17. Accordingly, the application is also disposed of. No order as to costs.