

## Universidad Politecnica De Valencia Centro de transferencia de tecnologica-CTT. Vs Union of India (UOI) and The Asst. Controller of Patents

**Court:** Bombay High Court

**Date of Decision:** Feb. 26, 2010

**Acts Referred:** Patents Act, 1970 " Section 13, 13(1), 14, 21, 21(1)  
Patents Rules, 2003 " Rule 129, 137, 28, 28(2), 28(3)

**Citation:** (2010) 44 PTC 184

**Hon'ble Judges:** Ferdino I. Rebello, J; A.R. Joshi, J

**Bench:** Division Bench

**Advocate:** Virendra V. Tulzapurkar, Amit Jamsandekar and R. Gajaria, instructed by Gajaria and Co, for the Appellant;  
A.M. Sethna and M.S. Bharadwaj, for the Respondent

### Judgement

Ferdino I. Rebello, J.

Rule. By consent of parties as pleadings are complete heard forthwith.

2. The petitioner filed Patent Application dated October 16,2002 in the office of the Respondent No. 3 which was numbered

IN/PCT/2002/00424/MUM. The said application claimed priority from Spanish Patent Application No. P200001102 dated April, 19, 2000.

Thereafter in accordance with law a request for examination was filed in Form 18 dated March 15, 2005 along with the prescribed official fee

which was taken on record by the respondent No. 3. The said application was consequently examined by Respondent No. 3 and the first

examination report (hereinafter referred as FER) was issued on June 15, 2005.

According to the petitioner as per the law prevailing at that time the normal date for placing the application in order for grant was December 15,

2006. The FER contained the objections raised by Respondent No. 3. A considered reply was filed on November 25, 2005. In the application it

further set out that no adverse action be taken without giving to the applicant at least 10 days opportunity in advance of being heard. According to

the petitioner the examiner Respondent No. 3 herein, Mr. Harish Chandran, issued a further official action a day prior to the expiry of the normal

date for placing the application in order for grant vide letter dated December 13, 2005. There were some other objections. As the further official

action was at the last minute and as the petitioner was based abroad the petitioner was not in a position to file a response by the normal date i.e.

December 15, 2005. Consequently on December 14, 2005 the petitioner filed a request in Form 4 for 3 months extension of time for placing the

application in order for grant. Time was granted and after perusal of the objections raised by the examiner the response was filed on January 4,

2006. Once again the petitioner made a request for hearing/discussion with the concerned examiner before any adverse decision was taken in the

matter. The examiner the respondent No. 3 issued a further official action on January 24, 2006 containing some other objections. It is also

intimated therein that the last date for putting the application would expire on 12th March, 2006. The petitioner in response filed official action

along with detailed objections with respondent No. 3 to grant official hearing prior to any adverse action. The response is dated March 3, 2006

and received in the office of respondent No. 3 on March 6, 2006. There was some exchange of correspondence.

3. The petitioner received an order dated September, 12, 2006 from respondent No. 3 informing that the said application was deemed to have

been abandoned u/s 21(1) of The Patents Act, 1970, (hereinafter referred to as the Patent Act), for not meeting the requirements as set out in the

order. The petitioner wrote to respondent No. 3 in October 11, 2006 pointing out that the case was discussed after response was filed on March

3, 2006 and necessary amendment/retyping was carried out. Various other contentions raised are contained in the letter of October 11, 2006.

According to the petitioner the objection as raised by the respondent No. 3 are vague and did not indicate as to how the claims do not define any

invention or how the inventive features of the invention are not brought out clearly especially when there are corresponding grants in other

jurisdictions which follow the same canons of patent ability. According to the petitioners they were entitled to receive clear objections so as to

respond in an appropriate manner. The submission is that the objections are only concerned with clarity of the words and Sections 3 and 4 of the

Patents Act, 1970 have not been invoked. The issue of clarity is curable and not a fatal error.

4. The petitioner after seeking advise, filed a Review Petition against the order dated 6th September, 2006 which was filed on October 11, 2006.

The Review Petition was summarily rejected and the petitioners were informed by letter dated November 28, 2006. The petitioners were not given

any opportunity According to the petitioner the Respondent No. 3 was functioning in a quasi judicial capacity and as such it was incumbent on

Respondent No. 3 apart from giving a hearing to the petitioner, to render a speaking and reasoned decision based on justifiable and cogent

grounds as opposed to passing an order in an administrative and mechanical manner without application of mind.

5. The petitioner has relied on the Act, Rules and Regulations in support of their contention as to why the impugned orders dated September 12,

2006 and November 28, 2006 on the Review Application are without jurisdiction and/or amounting to failure to exercise jurisdiction and

consequently they be set aside and the petitioner be given an opportunity of being heard or in the review petition by setting aside that order.

6. Reply has been filed on behalf of respondent Nos. 1 to 3 . The first reply is dated 9th October, 2007 and filed by Shri A.T. Patre, Assistant

Controller of Patents & Designs. In the reply it is contended that the subject matter relates to the provisions of Sections 21 and 80 of the Patents

Act as also Rules 28, 28A, 29, 30 as also Rules 129 and 137 of the Rules framed under the Patents Act. It is set out that the Petitioner requested

for extension of time on December, 15, 2005 which request was accepted and time limit to lodge the application to meet the requirement was

extended for three months. The last date for making application became March 15, 2005 and as such the Controller has exercised his

discretionary jurisdiction. It is further pointed out that the reply to the final objections and reasons for hearing was made by the petitioner on March

6, 2006, but it is not before 10 days of the last date and hence as per Section 80 it was not obligatory on the part of the Controller to give

personal hearing.

7. A rejoinder has been filed on behalf of the Petitioner. In the rejoinder reliance is placed on various orders passed by this Court whereby similar

orders as passed by the respondent No. 3, were the subject matter and had come up for consideration and this Court has set aside the orders with

a direction that the petitioner be heard in the matter. Reliance was placed on the judgment in the case of Intel Corporation v. Union of India and

Ors. Writ Petition No. 368 of 2007 decided on 26th April, 2007 where this Court set aside the order on the ground that opportunity was not

given to the petitioner. Reliance was also placed on the judgment dated 26th April, 2007 in Writ Petition No. 228 of 2007 Teijin Limited v. Union

of India, where this Court noted that proper hearing and opportunity was not given and accordingly set aside the order. Similarly reliance was

placed on the judgment in Novo Nordisk A/S. v. Union of India and Ors. in Writ Petition No. 2105 of 2006 and other Petitions which were

disposed of by order dated 5th July, 2007 relying on the judgment in Teijin Limited (supra). It is clarified that the last response was dispatched on

March 3, 2006 and received in the office of the respondent No. 3 on March 6, 2006. The final date for filing response was on March 15, 2006

and consequently it was within the prescribed period of 10 days. At any rate it is submitted that the Controller had failed to exercise jurisdiction by

not giving a hearing to the petitioner.

8. Considering the above, the first question that arises for our consideration is whether the action of Respondent No. 3 in denying to the petitioner

a hearing on the ground that the request for hearing was not made before 10 days of the last date is within jurisdiction. Secondly, could the

Revision Application be decided without giving an opportunity to the petitioner.

9. To answer the first issue we may refer to some of the provisions of the Act. Sections 21 and 80 of the Patents Act, read as under:

21. Time for putting application in order for acceptance. (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 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.

(2) If at the expiration of the period as prescribed under Sub-section (1)--

(a) an appeal to the High Court is pending in respect of the application for the patent for the main invention; or

(b) in the case of an application for a patent of addition, an appeal to the High Court is pending in respect of either that application or the

application for the main invention, the time within which the requirements of the Controller shall be complied with shall, on an application made by

the applicant before the expiration of the period as prescribed under Sub-section (1), be extended until such date as the High Court may

determine.

(3) If the time within which the appeal mentioned in Sub-section (2) may be instituted has not expired, the Controller may extend the period as

prescribed under Sub-section (1), to such further period as he may determine:

Provided that if an appeal has been filed during the said further period, and the High Court has granted any extension of time for complying with the

requirements of the Controller, then the requirements may be complied with within the time granted by the Court.

80. Exercise of discretionary powers by Controller.-- Without prejudice to any provision contained in this Act requiring the Controller to hear any

party to the proceedings there under or to give any such party an opportunity to be heard, the Controller shall give to any applicant for a patent, or

for amendment of a specification (if within the prescribed time the applicant so requires) an opportunity to be heard before exercising adversely to

the applicant any discretion vested in the Controller by or under this Act: Provided that the party desiring a hearing makes the request for such

hearing to the Controller at least ten days in advance of the expiry of the time limit specified in respect of the proceedings.

10. Similarly Rules have been framed which are known as the Patent Rules 2003 which hereinafter shall be referred to as the Rules. We may refer

to Rules 28(1) to (3) which reads as follows:

28 Procedure in case of anticipation by prior publication.-- (1) If the Controller is satisfied after investigation u/s 13 that the invention so far as

claimed in any claim of the complete specification has been published in any specification or other document referred to in Clause (a) of Sub-

section (1) or Sub-section (2) of the said section, the Controller shall communicate the gist of specific objections and the basis thereof to the

applicant and the applicant shall be afforded an opportunity to amend his specification.

(2) If the applicant contests any of the objections communicated to him by the Controller under Sub-rule (1), or if he refills his specification along

with his observations as to whether or not the specification is to be amended, he shall be given an opportunity to be heard in the matter if he so

requests:

Provided that such request shall be made on a date earlier than ten days of the final date of the period referred to under Sub-section (1) of Section

21: Provided further that a request for hearing may be allowed to be filed within such shorter period as the Controller may deem fit in the

circumstances of the case.

(3) If the applicant requests for a hearing under Sub-rule (2) within a period of one month from the date of communication of the gist of objections

or, the Controller, considers it desirable to do so, whether or not the applicant has refilled his application, he shall forthwith fix a date and time for

hearing having regard to the period remaining for putting the application in order or to the other circumstances of the case.

28A. Procedure in relation to consideration of report of examiner u/s 14.-- In case the applicant contests any of the objections communicated to

him, the procedure specified under Rule 28 may apply.

29. Procedure in case of anticipation by prior claiming.-- (1) When it is found that the invention so far as claimed in any claim of the complete

specification, is claimed in any claim of any other specification falling within Clause (b) of Sub-section (1) of Section 13, the applicant shall be so

informed and shall be afforded an opportunity to amend his specification.

(2) If the applicant's specification is otherwise in order for grant and an objection under Clause (b) of Sub-section (1) of Section 13 is outstanding,

the Controller may postpone the grant of patent and allow a period of two months for removing the objection.

30. Amendment of the complete specification in case of anticipation.-- (1) If the applicant so requests at any time, or if the Controller is satisfied

that the objection has not been removed within the period referred to in Sub-clause (2) of Rule 29, a date for hearing the applicant shall be fixed

forthwith and the applicant shall be given at least ten days' notice of the date so fixed. The applicant shall, as soon as possible, notify the Controller

whether he will attend the hearing.

(2) After hearing the applicant, or without a hearing if the applicant has not attended or has notified that he does not desire to be heard, the

Controller may specify or permit such amendment of the specification as will be to his satisfaction to be made and may direct that reference to such

other specification, as he shall mention shall be inserted in the applicant's specification unless the amendment is made or agreed to within such

period as he may fix.

129. Exercise of discretionary power by the Controller.-- Before exercising any discretionary power under the Act or these rules which is likely to

affect an applicant for a patent or a party to a proceeding adversely, the Controller shall give such applicant or party, a hearing, after giving him or

them, ten days notice of such hearing ordinarily.

11. The first question for our consideration, therefore, would be whether the petitioner was entitled for a hearing or as contended by Respondents

as the request was not made at least 10 days in advance of the expiry of the time limit in respect of the proceedings the question of granting hearing

would not arise.

12. Factually as the records now indicate the office of the respondent No. 3 received the response dated 3rd March, 2006 on 6th March, 2006.

The last date of filing the response as per the record is 15th March, 2006. If 6th March, 2006 and 15th March, 2006 are considered then it is

within the 10 days. It may be possible to contend that such a construction may strictly not fall within 10 days in advance of the expiry of the time

limit.. Would that mean that Section 80 which recognizes the right of hearing will exclude a hearing if not received at least 10 days in advance of the

expiry of the time limit. u/s 21 an application for Patent shall be deemed to have been abandoned unless within the time prescribed the applicant

has complied with all the requirements imposed under the Act. The power, therefore, u/s 21 of treating an application as abandoned would only be

in the event no response is filed in response to the objections raised The first response was filed within time and the hearing sought was within the

period prescribed u/s 80 of the Act.. Section 21 creates a deeming fiction of abandonment. Section 21, therefore, has two aspects. One to treat

the application as abandoned in the event the response is not forwarded to the Controller within the time when the objections are made known.

The second, if it is the contention of the petitioner that he has complied with the objections, can the Controller hold that the Patent is deemed to

have been abandoned without giving a hearing to such applicant. Section 21 in our opinion, would require exercise of discretion on the Controller

which discretion then has to be exercised judiciously. No judicial or quasi judicial authority ordinarily in the absence of a statutory bar can decline

to hear a party in respect of proceedings which would visit a party with civil consequences. The exercise of discretion has an inbuilt element of

hearing which Section 80 statutorily recognises. u/s 80 if discretion has to be exercised hearing has to be given if the request is made within the time

stipulated by the provisions. In that context will the proviso if the objections are not filed within the time prescribed exclude such a personal

hearing. Section 80 operates without prejudice to any other provisions contained in the Act.

13. We may also gainfully refer to the Rules in the context of Section 21. Rule 28(1) contemplates objections to be communicated by the

Controller to the Applicant. On the applicant contesting the objections communicated he has to be given an opportunity of hearing if request is

made to that effect. No doubt the proviso to Rule 28(2) sets out the request shall be made on a date earlier than 10 days of the final date of the

period referred to in Sub-section (1) of Section 21. Under Rule 28(3) an independent power is conferred on the Controller if he considers it

desirable to fix a date of hearing. Rule 30, however, provides that if the applicant so request at any time or on the Controller being satisfied that the

objection has not been removed within the time referred in Rule 29(2). then the Controller has to fix a date for hearing and the applicant has to be

given at least 10 days notice of the date so fixed. In other words apart from Rule 28 there is a power under Rule 30 conferred on the Controller on

the request being made by the applicant at any time, of course, before the matter is decided and in the alternative if the Controller is satisfied that

the objection has not been removed within the period referred to in Sub-section (2) of Rule 29 to give a hearing. There is, therefore, a power

under Rule 28(3) as also under Rule 30 either at the request of the applicant or if the Controller is of the opinion that the objections have not been

removed to give a hearing to the applicant.

14. Under Rule 129 it is further required that before exercise of any discretionary power the Controller shall give such applicant or a party a

hearing after giving him or them 10 days notice of such hearing ordinarily.

15. Therefore, on a reading of Section 21 with Section 80 and with Rule 28(2), it may appear that the claim for hearing must be made within a time

as specified in the proviso to the Section and the Rule. A proviso is usually construed as operating to qualify that which precedes it. The natural

presumption is that but for the proviso, the enacting part of the Section would have included the subject matter of the proviso. In our opinion, what

Section 80 and Rule 28(2) contemplate is that if a request is made within the time as framed, the Controller shall give a hearing as the expression

used is "shall". Therefore, if the request is made within the time frame, the hearing is mandatory. That does not exclude the right of hearing in other

cases if sought even after the prescribed time. The right of hearing is an inbuilt wherever any discretionary power has to be exercised and this has

been recognised by Rule 129 and apart from that Rule 30 which independently confers a power on the Controller in two situations, one if at any

stage the applicant so requests and in the alternative if the Controller is satisfied that objection has not been removed within the period specified in

Sub-rule (2) of Rule 29 then to give the applicant an opportunity.

16. In our opinion, therefore, a co joint reading of the provisions of the Act would result in holding that when an applicant seeks an opportunity

within the period contemplated u/s 80 the Controller shall given a hearing. That, however, does not exclude a hearing to be given to the applicant

who may seek hearing beyond that time as it within be in the discretion of the Controller and considering Rule 129 if discretion has to be exercised

it can only be judiciously exercised after a hearing.

17. Once we so hold in our opinion the communication of 26th September, 2006 by the Controller, respondent No. 3, holding that the application

was deemed to be filed was clearly without jurisdiction and consequently is liable to be set aside.

18. Similarly, in so far as exercise of Review is concerned, clearly that is an exercise by a quasi judicial authority. Once a quasi judicial authority

has to exercise review jurisdiction then it is contemplated firstly that the party be heard and secondly that the Review is disposed off by a speaking

order and by recording reasons for the disposal of the Review Application. In the instant case that has also not been done. In the light of that the



order dismissing the application for Review dated November, 28, 2006 is also liable to be quashed and set aside. However, no purpose will be

served in directing the hearing of the review in view of the order to be passed.

19. In the light of the above the following order:

(1) Rule made absolute in terms of prayer Clause (a). The matter is remanded to the respondent No. 3 to hear the petitioner herein after giving a

proper opportunity as contemplated under the Act and the Rules and thereafter to decide the matter according to law. In the circumstances of the

case there shall be no order as to costs.