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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 1919 OF 2014

Chemtura Corporation

... Petitioner

Vs.

Union of India, Through Secretary

... Respondents

Dept of Industrial Policy and Promotion
and Ors.

.....

Mr. Himanshu Kane a/w. Ms. Akshata Kamath and Ms. Neha Sonawane i/b.
W.S.Kane and Company for the Petitioner.

Mr. Y.S.Bhate a/w. Mr. G. Hariharan i/b. Mr. A.A.Ansari for Respondent nos. 1
and 3.

.....

CORAM : A.S. OKA & A.K. MENON, JJ.

RESERVED ON : 20th APRIL, 2017

PRONOUNCED ON : 19th JUNE, 2017

JUDGMENT (PER. A.K.MENON, J.)

1. Rule. Rule made returnable forthwith. By consent taken up for final disposal.

2. By this Writ Petition the petitioner seeks a Writ and/or direction quashing the impugned order dated 24th August, 2012 passed by the Intellectual Property Appellate Board (IPAB)-respondent no.2 and an order

directing the Patent Office through the Controller of Patents – Respondent no.3 to restore the Petitioners Patent No. 213608 on the Register of Patents under Section 117 D(2) of the Patents Act, 1970 (the Patents Act).

3. The petitioner, a company incorporated under the laws of Delaware, USA is a global specialty chemicals company. Respondent no. 4 is a company incorporated in India engaged in the manufacturing and supply of several items to the Indian Railways at whose instance respondent no. 2, vide the impugned order dated 24th August, 2012, revoked a patent granted to the petitioner. The facts in brief leading to the filing of the present petition are as under :-

(i) On 21st June, 2001 the present petitioners predecessor in title, one Uniroyal Chemical Company Inc. filed a National Phase Patent application emanating from the Patent Co-operation Treaty (PCT) under application no. IN/PCT/2001/00752/MUM in respect to the invention described as “Bearing Pad Assembly”. The patent registration was granted priority date of 27th September, 1999.

(ii) As a result of several mergers, the said Uniroyal Chemical Company Inc. merged into other entities which merged into the present petitioner. Along with patent application, the petitioner also sought an International Search Report and a statement and undertaking in Form-3 includes details of

the US priority application and International application filed by /on behalf of the petitioner.

(iii) The application for patent was published by the respondent no. 3 under Section 11A of the Patents Act on 20th April, 2007 and a First Examination Report containing the statement of objections as required came to be issued on 20th October, 2004. The US patent had already been granted and was recorded on the US Patent Office Website and respondent no. 3 would have been aware of the said grant. The petitioner, however, did not provide the Patent Office with details of the corresponding European application dated 27th September, 1999.

(iv) It was the petitioners case that such omission was inadvertent and certainly not intentional. The said examination report required the petitioner to provide details specified therein. In order to overcome the objections, petitioner revised the claims raised by respondent no. 3 in the First Examination Report. According to the petitioner the respondent no. 3 waived the objections. No further objections were raised by respondent no. 3 till 9th January, 2008 when the Indian Patent came to be granted.

(v) Meanwhile the grant of the Indian patent was published under Section 43(2) (Exhibit-H) for post grant opposition on 21st March, 2008. On 4th February, 2009 respondent no.4 had filed a Revocation Petition under

section 64 of the Patent Act being Revocation Petition No. ORA/14/2009/PT/MUM before the IPAB- respondent no.2. The petitioner filed a statement dated 21st August, 2009. On 27th August, 2009 the respondent no. 4 sought to withdraw the Revocation Petition. On 12th October, 2009 the Registry on behalf of respondent no. 2 called upon respondent no. 4 to file a Miscellaneous Petition for withdrawal of the revocation petition. The petition was posted to 12th October, 2010. However, the same was not taken up and came to be adjourned to 28th November, 2010.

(vi) On 28th November, 2010, respondent no. 4 contended that he had instructions to proceed with the Revocation Petition. Taken by surprise, the petitioner sought time which was granted. The petitioner thereafter challenged the respondent nos. 4's order before Madras High Court by way of Writ Petition No.5975 of 2012. On 21st March, 2012, the respondent no. 2 heard the revocation petition and reserved orders. On 26th May, 2012 respondent no. 4 filed Miscellaneous Petition seeking withdrawal of the Revocation Petition no. ORA/14/2009/PT/MUM.

(vii) On 11th June, 2012 respondent no. 4 filed another Miscellaneous Petition seeking an "unconditional withdrawal" of the revocation petition. The Miscellaneous Petition was thereafter numbered as Miscellaneous Petition No. 107 of 2012. On 22nd May, 2012 petitioner and

respondent no.4 entered into a Memorandum of Understanding recording a statement between VRC Continental and the petitioner.

(viii) Despite the pending Miscellaneous petitions seeking withdrawal of the revocation petition and Memorandum of understanding signed between the petitioner and respondent no. 4, respondent no. 2 passed the impugned order dated 24th August, 2012. The petitioner had therefore approached this Court challenging the order dated 24th August, 2012 on the ground that respondent no. 2 lacked jurisdiction to pass the impugned order during the pendency of order for withdrawal which is arbitrary and illegal. That the respondent no. 2 is dominus litis and was entitled to abandon his claim.

4. On behalf of the Petitioner, Mr. Kane the learned counsel contended that the impugned order was void ab initio since respondent no. 4 was withdrawing its objection unconditionally. Once the revocation petition is withdrawn, the respondent no. 2 did not have power to suo moto adjudicate upon the petition since it does not survive. Mr. Kane submitted that the impugned order does not comply with Section 8 of the Patent Act. He submitted that revocation of patent for non compliance of statutory requirements as set out in Section 8 of the Patent Act results in violation of rights guaranteed to the patentee under Article 19(1)(g) and 300A of the Constitution of India.

5. Mr. Kane further submitted that assuming there was violation of Section 8, it was not a penal provision, but a remedial one. He further submitted that respondent no.2 had heard the revocation petition and removed the patent without any evidence before it but merely on the basis of surmises and conjecture. He relied upon decision of learned single Judge of this Court in the case of ***Anil Dinmani Shankar Joshi and Anr. vs. Chief Officer, Panvel Municipal Council and Anr [AIR 2003 BOMBAY 238]*** and submitted that every plaintiff has unconditional right to withdraw the suit and withdrawal is complete as soon as plaintiff intimates his intention to withdraw. It does not depend upon the order of the Court. In that case the Court held that withdrawal will be complete as soon as plaintiff files a pursis of withdrawal. The Court may pass formal orders and make an order for costs, but the withdrawal is not dependent upon order of the Court.

6. In *Anil Dinmani Joshi (supra)* this Court relied upon decision of the Supreme Court in ***Shiv Prasad v. Durga Prasad [1975] 1 SCC 405*** which dealt with scope of Order 21 Rule 89(2) and as to whether an application under the said Rule cannot be made unless a prior application under Order 21 Rule 90 is effectively withdrawn and a formal order passed. In paragraph 12 of the Judgment, the Supreme Court observed that every applicant has the right to unconditionally withdraw his application and his unilateral act in that behalf is sufficient. No order of the Court is necessary

permitting him to withdraw the application. The Court may make a formal order disposing of the application as withdrawn but the withdrawal is not dependent on the order of the Court. The act of withdrawal is complete as soon as the applicant intimates to the Court that he withdraws the application.

7. Mr. Bhate, learned Counsel on behalf of respondent nos. 1 and 3 relied upon affidavit in reply of one Mr. N. Ramchander. The deponent referred to the Ayyangar Committee Report filed in September, 1959 making suggestions and changes in the existing patent laws in India. He further submitted that Section 8 is direct result of the suggestions made by the report. He submitted that the grounds for challenging the impugned Order is unsustainable. With specific reference to the averment in the petition, respondent no. 3 has dealt with the various contentions in the petition in a cursory manner, but, in our view failed to make out a case to justify the impugned order.

8. Having heard Counsel and having considered the facts, we have no doubt that the Board had erred in having heard the revocation application and passing the impugned order. In our view, it is not necessary to go into the genesis of Section 8. Perusal of the impugned order dated 24th August, 2012 reveals that the application for revocation was filed on ground of obviousness and lack of inventive steps under Section 64(1)(f) not patentable

under section 64(1)(2). Furthermore, the application proceeded on the basis of false suggestion or representation under Section 64(1)(2) and alleged breach of section 8 under section 64(1)(m). We find that the impugned order records that Counsel for the applicant had sent a letter dated 27th August, 2009 to the Board for withdrawal of this petition and the Registry vide letter dated 12th October, 2009 informed the applicant that letter dated 27th August, 2009 cannot be taken cognizance of and a Miscellaneous Petition is necessary for seeking withdrawal of the application but no Miscellaneous Petition was filed by the applicant.

9. The Order further records that matter was adjourned to 28th November, 2011 and the case was once again listed as part heard and was posted for hearing on 10th February, 2012. On 8th February, 2012 the matter was mentioned out of turn. Counsel for respondent only urged for time to which Counsel to the applicant took a strong objection. However, subsequently both Counsels agreed to argue the matter on 21st March, 2012 for which notice of hearing was sent on 27th February, 2012. In the facts of the present case it is evident that the revocation petition was listed for withdrawal but it was adjourned for administrative reasons on 7th October, 2010. This did not in any manner empower respondent no.2 to proceed to hear the revocation petition.

10. Later, the Petitioner before the Board had filed Writ Petition in the

Madras High Court seeking to quash order dated 8th February, 2012, on the ground that the IPAB had no jurisdiction to hear the revocation petition after the applicant had agreed to withdraw the petition vide order dated 27th August, 2009. The Writ Petition came to be dismissed. The impugned order records a preliminary objection on behalf of the respondent therein to the fact that the petitioner had issued letter dated 27th August, 2009 to the copy of respondent therein withdrawing the revocation petition under instructions from respondent no. 2 therein. The contents of the letter were also reproduced in the order. The relevant portion of extract of the letter is reproduced in the order which reads as follows :

“ Under instructions of our client vide its letter dated 24th August, 2009 without prejudice to our rights and contentions we hereby within the reference revocation application filed by us. The withdrawal of the revocation application is essentially a business decision and has nothing to do with the merits of the case”

11. It was contended before the Board that once revocation petition was withdrawn the Vakalatnama executed in favour of the Advocate ceases and the application could not be heard, but we find that the Board proceeded to hear the application holding that since no Miscellaneous Petition is filed for withdrawal, the revocation application could not be treated as withdrawn.

12. We find the impugned order has dealt with merits of the contentions of the parties at great length and decides the same on merits. It rejected the request of the present petitioner to amend its claims and recorded that the IPAB had decided to revoke the patent on ground of non compliance with Section 8 and obviousness. The application for revocation was accordingly allowed. The record clearly indicates that the revocation petition was filed on 4th February, 2009 and on 27th August, 2009, counsel for respondent no. 2 sent a letter to respondent no. 4 seeking to withdraw the revocation petition no. ORA/14/2009/PT/MUM. Respondent no. 2 Board directed respondent no. 4 to file a Miscellaneous Petition. Although Miscellaneous Petition was filed belatedly on 7th October, 2010, the revocation petition was listed under the caption for “withdrawal” on 7th October, 2010 and the same was adjourned due to administrative reasons.

13. This becomes evident from the perusal of Exhibit – L to this petition being notice of hearing dated 11th September, 2010 informing the parties that the revocation petition has been posted for hearing under the caption “for withdrawal”. On 17th September, 2010 the board issued notice to the parties informing them that the revocation petition listed on 7th October, 2010 was adjourned due to administrative reasons. Thereafter the revocation petition was shown for orders. Order Sheet of 8th February, 2012 indicates that matters came to be taken up on 21st March, 2012. Meanwhile Miscellaneous Petition No. 107 of 2012 seeking withdrawal of the

application was filed by respondent no. 4. The said application is dated 11th June, 2012 and was duly supported by one Mihir Kumar Mukherjee , General Manager, Legal and Administration of respondent no. 4 which categorically states that application has been drawn up on his instructions. The prayer in the application reads thus : -

In view of the submissions as stated herein above, it is therefore prayed that the Hon'ble Board may kindly :-

- (a) Dismiss the present revocation petition as withdrawn.*
- (b) Issue appropriate orders to that effect."*

14. In the circumstances we have no manner of doubt and applying ratio in *Shiv Prasad (supra)* that the application should have been treated as withdrawn as of that date i.e on 25th July, 2009 and if not, at least as on date of filing Miscellaneous Petition namely 11th June, 2012. The IPAB erred in proceeding with the hearing in the face of the said application for withdrawal.

15. In the circumstances, we pass the following order : -

- (a) The impugned order of the Intellectual Property Appellate Board dated 24th August, 2012 is hereby quashed and set aside.

(b) Patent No. 213608 on the Register of patent is restored/ reinstated under Section 117(D)(2) of the Patents Act.

(c) Rule is made absolute in the above terms.

(d) There will be no order as to cost.

(A.K. MENON, J)

(A.S. OKA, J)

