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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITION NO.211 OF 2010

Neon Laboratories Pvt.Ltd.)
Represented by its Power of Attorney Holder)
having its registered office at Damji Shamji)
Industrial Complex, Mahakali Caves Road)
Andheri (E), Mumbai 400 093.)
Maharashtra, India.).. Petitioner

Versus

1) Troikaa Pharma Limited)
having its registered office at Commerce)
House, 1, Satyamarg, Bokadev)
Ahmedabad 380 054, Gujarat, India.)

2) Union of India)
through the Secretary, Department of)
Industrial Policy and Promotion)
Ministry of Industry and Commerce)
Udyog Bhavan, New Delhi 110 011.)

3) Controller General of Patents & Designs)
having its office at Bhoudik Sampada)
Bhavan, S.M. Road, Near Antop Hill Head)
Post Office, Antop Hill, Mumbai 400 037.)

4) Assistant Controller of Patents & Designs)
The Patent Office at Mumbai having its)
office at Bhoudik Sampada Bhavan,)
S.M. Road, Near Antop Hill Head Post)
Office, Antop Hill, Mumbai 400 037.).. Respondents

Mr.Anand Grover with Ms.Lorraine Misquith and Mr.Prakash Mahadik for the Petitioner.
Mr.Ravi Kadam, Advocate General, with Mr.Vishal Kanade, Mr.Hiren Kamod and Mr.Himanshu Kane for the Respondent No.1.
Mr.Advait M. Sethna with Mr.H.V.Mehta, for the Respondent Nos.2 to 4.

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CORAM : MOHIT S. SHAH, CJ &
S.C.DHARMADHIKARI, J.

Reserved on : 21st October, 2010.
Pronounced on : 26th November, 2010

JUDGMENT (Per S.C.Dharmadhikari, J):

1 This petition under Article 226 of the Constitution of India is directed against the grant of Patent No.231479 dated 04.03.2009 vide Patent Application No.96/MUM/2005 evidenced by Annexure-U to the petition and the order dated 03.06.2009 (Annexure-Z to the petition).

2 The Petitioner is a company registered under the Indian Companies Act, 1956 and has its registered office at the address mentioned in the cause title. It is a pharmaceutical company manufacturing, distributing, marketing and exporting pharmaceutical products particularly active pharmaceutical ingredients and finished dosage forms.

3 The Respondent No.1 is also a company incorporated under the Indian Companies Act, 1956 and has its registered office in the State of Gujarat at the address mentioned in the cause title. It filed the above Patent Application which has been allowed by the authorities, who are Respondent Nos.2 to 4 to this Writ Petition.

4 It is stated that on 01.02.2005 the Respondent No.1 filed a patent application accompanied by a provisional specification before the Patent Office at Mumbai which was registered with the aforesaid registration number. Annexure-A to the petition is a copy of provisional specification. It is stated that the Respondent No.1 subsequently filed

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complete specification on 25.01.2006 which is annexed as Annexure-B to the petition. It is stated that the patent was sought in respect of *"Injectable preparations of Diclofenac and its pharmaceutically acceptable salts"*. It is stated that the main object of the alleged invention is to provide injectable formulations of water soluble salts of Diclofenac which causes less pain at the injecting site and can be administered by intra-deltoid route in addition to intra-gluteal and slow intra-venous route. It is stated that on 30.01.2006, the Respondent No.1 filed an International Application under the Patent Cooperation Treaty (PCT) bearing International Application No.PCT/IN206/000033 claiming priority on the basis of Indian Patent Application mentioned and numbered as above. A copy of International Application is annexed as Annexure-C to the petition.

5 On 14.09.2007, the Petitioner, through its agent, inquired from the Respondent No.4 as to whether a request for examination had been made by the Respondent No.1 with respect to the said patent application. On 15.10.2007, the Respondent No.4 informed the Petitioner that the request for examination had been made on 30.10.2006. This information was given vide Annexure-D to the petition. It is stated that on 29.10.2007 the Petitioner filed a representation by way of opposition under Section 25(1) of the Patents Act, 1970 r/w Rule 55(1) of the Patents (Amendment) Rules, 2005. The Petitioner requested for hearing on this representation. A copy of this representation is marked as Annexure-E to the petition.

6 It is stated that the Respondent No.4 issued the first examination report on 14.01.2008. In the report, various requirements were set out and compliances were sought with regard to the same. In the

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meanwhile, on 05.02.2008 the Respondent No.1, through its agent, filed a reply statement to the opposition of the Petitioner and served copy thereof on the Petitioner. A copy of this reply statement is annexed as Annexure-G to the petition.

7 Similarly, the Respondent No.1 filed a reply to the first examination report on 22.02.2008, a copy of which is annexed as Annexure-H to the petition. Similarly, some statement was filed by the Respondent No.1 which was in response to the first examination report, a copy of which is separately annexed as Annexure-I to the petition.

8 The Petitioner had filed a rejoinder to the reply statement of the Respondent No.1 and prayed that a date be fixed for oral hearing. A copy of the rejoinder filed on 14.05.2008 and covering letter are annexed as Annexures-J and K respectively to the petition. It is stated that the Respondent No.4 informed the parties that the hearing in the matter would be held on 09.07.2008 but at this hearing when the agents of both parties were present, the Respondent No.1 challenged the *locus-standi* of the Petitioner and urged that the Petitioner was not entitled to make any oral representation or file any document. The first Respondent's agent did not make any oral representation. When the agent of the Petitioner proceeded with oral representation, the agent of the Respondent No.1 pointed out that they intended to file an amended set of claims to the patent application made by the Respondent No.1. It is stated that thereafter both sides agreed that the hearing would be held after the amended claims are filed.

9 It is stated that on 14.07.2008 the Respondent No.4 in response to the reply sent by the Respondent No.1, issued the second

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examination report and informed the Respondent No.1 that the proposed amendments were beyond the scope of original description and they could not be allowed as per Section 59 of the Patents Act, 1970. It is urged that original specifications had 11 claims whereas the Petitioner was unaware that there were additional claims made in the amended specifications. The Petitioner is prejudiced because it was not afforded an opportunity to oppose the additional claims.

10 It is stated that in such circumstances the Respondent No.1 filed a reply to the second examination report on 28.07.2008 and a copy of this reply was forwarded by the Respondent No.4 to the Petitioner together with the amended specifications and such copies are annexed as Annexure N, O and P to the Writ Petition. The Petitioner also filed its opposition to the amended claims vide Annexure Q to the petition and also sent a letter on 07.10.2008 requesting the Respondent No.4 to take the opposition on record. The Petitioner also requested by its letter dated 30.12.2008 for a personal hearing in the light of the opposition to the amended claims. There was no response, according to the Petitioner, to these communications and therefore, the Petitioner sent a letter dated 06.05.2009 objecting to the course adopted by the Respondent No.4, namely, allowing amendment of claims after the hearing was concluded. Attention of the Patent Controller was invited to Rule 55(5) and 55(6) of the Patents Rules in this behalf.

11 It is stated that the Petitioner did not hear anything from the authorities and therefore, a general search was conducted, during the course of which, the Petitioner was surprised to notice that the Patent No. 231479 was granted. The same was published in the Patent Office Journal

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dated 27.03.2009. A copy of this publication is annexed as Annexure U to the petition. Thereafter, the Petitioner requested for inspection of the documents but there was no response. Later on a search was conducted on website of the Indian Patent Office which revealed that the patent was granted on 04.03.2009. There was no indication about the decision made on the opposition. The Petitioner also obtained the copies of relevant documents from the record. More than three months after the grant of patent, the Respondent No.4 forwarded to the Petitioner, an order dated 03.06.2009 dismissing the representation by way of opposition filed by the Petitioner and allowing the amendment to the claims. A copy of this order is annexed as Annexure-Z to the petition. As already stated above, the patent granted and the order passed on 03.06.2009, being Annexures U and Z to the petition are under challenge in this Writ Petition.

12 This Writ Petition was filed on 12.01.2010. On being served with a copy of this Writ Petition, affidavit in reply has been filed by all the Respondents.

13 In the reply affidavit filed by the Respondent Nos.2 to 4 and particularly by the Assistant Controller of Patent & Designs, it is stated that the Petitioner had filed pre-grant opposition for unamended/ originally filed claims. Based on that, the Respondent Nos.2 to 4, at the hearing held on 09.07.2008, acknowledged this fact. However, the Respondent No.4 sent the amended claims after the hearing vide a letter dated 11.09.2008 (Annexure-O to the petition) and for this amended claims the Petitioner had filed response on 07.10.2008 vide Annexure R to the petition. It is contended that the Respondent Nos.2 to 4 had already heard the Petitioner and in their objection/letter dated 07.10.2008 the

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Petitioner did not submit any relevant evidence against the amended claims. The Petitioner had relied on the representation filed earlier which was already considered and heard by the Respondent No.4. It is stated that the amendment of claims is in accordance with Rule 55(5) of the Patents Rules. It is stated that the Petitioner failed to make any relevant arguments against the amended claims as all aspects that were listed in the response of the Petitioner were already dealt in the hearing conducted on 09.07.2008. This is what is stated at page Nos.3 and 4 of the reply affidavit:-

> *"I say and submit that Para No.3 [sub-para 'u' - II (v)] deals with the amended claims, for which the Respondent No.2-4 submit that the claims were amended after the hearing. The Amendment of Claims is in accordance with Rule 55(5) of the Indian Patents Rule 2003. These amendments are with in the scope of the disclosure in the Patent application. The Petitioners had failed to make any relevant arguments against the amended claims as all the aspects that were listed in the response of the petitioner were already dealt with in the hearing that was conducted on July 9th 2008. All the data on the viscosity are well supported in the examples that are disclosed in the patent specification, the claims relied on the disclosures given in the examples, and therefore the amendments are well within the scope of the patent specification. The Respondent respectfully respectfully submits that under Section 43 it found the patent application in order for the grant of a patent. Further, the amendments to the claim were within the scope of the invention. In view thereof, no separate hearing is required to be given, in terms of Rules 5 of the 2003 Rules.*
>
> *I say and submit that Para No.3 (sub-para 'u'- II (vi)) deals with the fact that petitioner was not reheard on its opposition to amended claims. The Respondent No. 2-4 submit that the opportunity to comment on the amended claim was given to the petitioner. Petitioner had filed his response to the amended claim and the same was duly considered before grant of the Patent. The petitioner, in response merely relied on the representation filed*

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earlier. No relevant information/prior art were provided by the petitioner. The amendment of the claims after hearing and petitioner's response was up to the satisfaction of the respondent; hence, respondent did not give any further hearing."

14 Thus, it is urged that the Petitioner was given an opportunity to comment on the amended claims and file their response. Further hearing, in such circumstances, is not necessary. The discretion conferred by the Patents Rules has been properly exercised and there was no error in not hearing the Petitioner further. The Respondent Nos.2 to 4 then justified the grant on merits.

15 The Respondent No.1 has filed a reply affidavit of one K.Srinivas, General Manager (Legal). Reply is on facts wherein all dates and events are set out. The Respondent No.1 does not dispute that the hearing was conducted at the Patent Office, Mumbai on 09.07.2008. Further it does not dispute that it served upon the Petitioner a copy of the amended specifications and the amended set of claims. This was done on 11.09.2008. In the reply affidavit dated 19.04.2010 in paragraph No.4 this is what is stated by the Respondent No.1:-

"4. I say and submit that in any event, the Petitioner and/or his agent must have and/or ought to have taken inspection of the file pertaining to the Respondent's said application and noticed that on 30th October, 2006, Respondent No.1 had filed amended specification including amended claims (16 in no.). In the circumstances, the Petitioner could not have feigned ignorance of the amended claims filed on 30th October, 2006. The Petitioner was and is also aware that the claims subsequently submitted by Respondent No.1 on 28th /30th July, 2008 were almost identical to those which were already filed by Respondent No.1 on 30th October, 2006. It is significant to note that in its response dated

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7th October 2008 to the amended claims, the Petitioner has not advanced any new case or evidence. The Petitioner also did not rely upon any added or new matter. In fact, the Petitioner's contentions in its said response dated 7th October 2008 were same as those contained in the previous pleadings and evidence and in the arguments advanced on 9th July, 2008. Thus, the Petitioner being all along aware of the amended claims before filing the pre-grant opposition, cannot complain that the Petitioner did not get an opportunity to advance oral submissions on the amended claims."

16 In response to these affidavits, the Petitioner filed two rejoinders and while dealing with the affidavit of the Respondent No.1, it reiterated that the comparison of the amended claims dated 30.10.2006 and 30.07.2008 shows that there are significant differences in the claims. In paragraph No.5 of the rejoinder affidavit filed by the Petitioner in June, 2010, it is pointed out as to how the claims contain differences. Exhibit-B to the rejoinder is a statement pointing out the differences. Therefore, it is denied that the Petitioner responded to the arguments advanced by the Respondent No.1's agent on the basis of the amended claims filed on 30.10.2006. It was pointed out that the Petitioner had no access to the amended claims and at the hearing held on 09.07.2008, the Petitioner could only oppose the claims in the original specifications. The Petitioner in the rejoinder specifically urged that they were not furnished the copies of claims as amended on 30.10.2006 nor were they available on the file. Therefore, the amended claims were never discussed at the hearing held on 09.07.2008. Reliance is placed upon the rules to urge that there is denial of opportunity of hearing and therefore, the orders are contrary to the principles of natural justice.

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17 While responding to the affidavit in reply filed by Respondent Nos.2 to 4, the Petitioner in the rejoinder affidavit dated 18.06.2010 stated that there was no fair hearing. It is stated that the impugned order does not state that the amended claims are within the scope of disclosures made in the patent application. The Petitioner relied upon the comparison table of the original claim, amended claims and granted claims dated 30.07.2008. It is stated that the amended claims were filed on 30.07.2008 and the copy of amended specifications was made available to the Petitioner only on 11.09.2008 much after the date of hearing. Therefore, it is fallacious to say that the amended claims were dealt with at the hearing held on 09.07.2008. In paragraph No.3 of this rejoinder affidavit it has been stated that the impugned order dated 03.06.2009 is based on the amended claims regarding which no hearing was given to the Petitioner. It is also relevant to note, according to the Petitioner, that the second examination report was issued on 14.07.2008 which is after the date of hearing held on 09.07.2008. There is no question of any discretion and the Controller must comply with the principles of natural justice and requirement of law. It is also contended that in addition to the list of brands marketed in India by several companies, lot of Diclofenac Injections are available in India.

18 A sur-rejoinder has been filed by the Respondent Nos.2 to 4 on 27.07.2010 and in paragraph No.4(ii), this is what is stated:-

> *"4(ii) With reference to paragraphs 3 of the rejoinder, I say and submit that, the Respondents offered a hearing to the Petitioner on July 9, 2008 based on the set of claims which were under examination. The Petitioner relied on the originally filed claims (dated January 25, 2006) on the date of hearing. The applicant had amended the originally filed claims on October 30, 2006 in response to*

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International Search Report by filing Form 13. The First Examination Report was issued to the applicant on January 14, 2008 which was replied on February 22, 2008 by the applicant. Subsequently, Second Examination Report was issued on July 14, 2008 and its reply was filed on July 30, 2008, with amendments in claims, and the same was communicated to the Petitioner on September 11, 2008. The amended claims made by the applicant are within the scope of the disclosure and are supported by examples in the patent application. The petitioner has replied to the office letter dated September 11, 2008 on October 7, 2008 and relied therein on the documents submitted by them earlier as part of the petition like Annexure IX, Annexure XI and Annexure IV along with the alleged additional document Annexure E (European Patent Application EP 1,574,221 having publication date September 14, 2005). EP 1,574,221 is published after the date of filing of the instant patent application i.e. 96/MUM/2005 dated February 1, 2005. Moreover, the petitioner had mislead the Patent Office by submitting the EP 1,574,221 equivalent of Patent Application No.WO2005/092387 which belongs to the same family of Patents and inter alia discloses the same prior art as that of Patent Application No.WO2005/086763 which was a part of the documents submitted in the statement of opposition and hence was already considered. The Petitioner's response to the amended claims was therefore duly and properly considered, scrutinized and examined including EP 1,574,221 and it was after such detailed examination found that the Petitioner had no additional documents or information to rely upon. Hence, the Petitioner's contention of further hearing under the guise of Rule 55(6), is misconstrued and misleading."

19 Further affidavit in reply has been filed on behalf of the Respondent No.1 on 06.10.2010 to bring on record the facts and documents which came to the first Respondent's knowledge. It is stated that the Respondent No.1 came across two patent applications filed by the

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Petitioner in relation to the grant of patent for *"stable Anti-Inflammatory and Analgesic injectable* compositions" and "*stable Anti-Inflammatory and Analgesic injectable formulations"*. It is stated that these applications were made by the Petitioner prior to the filing of the opposition to the first Respondent's application. However, this was deliberately not disclosed either in the representation/opposition nor in the Writ Petition. It is stated that the application filed by the Petitioner on 21.08.2008 for grant of patent in relation to "*stable Anti-Inflammatory and Analgesic injectable formulations"* is similar to the first Respondent's patent application 96/MUM/2005. Therefore, according to the Respondent No.1, the Petitioner has deliberately, dishonestly and with ulterior motive not addressed a word about two patent applications filed by it, therefore, the Writ Petition deserves to be dismissed on this ground alone.

20 Since this further affidavit was filed on 06.10.2010 we deemed it fit and proper to give opportunity to the Petitioner to respond to this further affidavit. The Petitioners have urged in their further affidavit that there is no suppression of material facts inasmuch as two applications made by them are to be decided independently and have no relevance with the first Respondent's application for grant of patent. It is stated that the impugned orders are passed on the first Respondent's application. The first Respondent as well as the Petitioner's applications are in public domain and therefore, part of public record. In such circumstances, there is no question of any suppression and particularly in the light of the procedure that is provided by law. It is pointed out as to how the applications made by the Petitioner for grant of patent are in relation to a different subject matter a that of the first Respondent's application and reliance is placed on Exhibit-A to the affidavit in reply

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filed in October, 2010.

21 It is on this material that we have heard the learned counsel appearing for the respective parties.

22 Mr.Grover, learned Counsel appearing on behalf of the Petitioner, invited our attention to the Patents Act, 1970 and particularly the scheme thereunder in relation to the grant of patent. Mr.Grover submits that the Patents Act, 1970 has been extensively amended by the Patents (Amendment) Act, 2005. It is submitted by him that Sections 25 and 26 in the old Act have been substituted and the statements of objects and reasons/notes on clauses would show that the sections have been substituted for providing a remedy of making a representation by way of opposition by any person before the Controller before the grant of patent. This opportunity is to point out that the incomplete specifications, source and geographical origin of biological material used in the invention and anticipation of invention by the knowledge, oral or otherwise available within any local or indigenous community in India or elsewhere and also for prescribing the procedure to deal with such opposition.

23 Mr.Grover was vehement in submitting that Chapter-V is entitled as "the opposition proceedings to grant of patent". He submits that Section 25(1) provides for a procedure before grant of patent whereas Section 25(2) provides for an application to revoke the patent. In the submission of Mr.Grover, these are two distinct proceedings with different consequences. Therefore, it will not be proper to hold that Section 25(1) and Section 25(2) deal with the same situation. Mr.Grover submits that the grounds of opposition are set out in Section 25(1) (sub-

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clauses (a) to (k)). The Legislature has taken care to exhaust the grounds and sub-section (1) provides that if a person who has submitted his representation by way of opposition requests for being heard, the Controller shall hear him and dispose of such representation in such a manner and within such period as may be prescribed. He submits that the word "prescribed" has been defined as prescribed by rules made under the Patents Act. Relying on Rule 55 falling in Chapter-VI of the Patents Rules, Mr.Grover submits that when the Controller intimates the Applicant that the specifications require amendment, then, there is a discretion either to refuse or grant the patent on the application originally filed or require the complete specifications amended to the satisfaction of the Controller, before the patent is granted. Mr.Grover relies upon Rule 55(6) and submits that it is only after considering the representation which is made in opposition and the submissions made during the hearing, that the Controller can reject the representation and grant the patent or accept the representation and refuse the grant. Mr.Grover submits that the hearing that is contemplated on request is in relation to both. There cannot be any dispute that if the original application for patent is opposed by representation, then, the hearing is to be in relation to the original application and contents thereof. However, if same is permitted to be amended then the amendments have to be notified to the person opposing the grant and his response will have to be sought on the amended claims as well. If the person opposing the grant forwards his response and also prays that he should be heard on the amended claims as well, then, it is incumbent upon the authorities to grant personal hearing. In the instant case it is not disputed that the original claims were forwarded to the Petitioner who filed it's opposition, on that the hearing was held on 09.07.2008, however, there was second examination report

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dated 14.07.2008 and there were amendments to the claims made by the first Respondent. However, no hearing was held on this amended claims despite a specific request made by the Petitioner in that behalf. Therefore, if no hearing is held and the application for grant of patent has been allowed, by taking into consideration the amended claims then the entire exercise is contrary to the statutory mandate as contained in Section 25 and Rule 55, both of which will have to be read together. In such circumstances, Mr.Grover submits that the impugned orders be set aside.

24 Mr.Grover has pointed out that the revised claims were filed after the hearing. Mr.Grover submits that the dates and events are more or less admitted. He submits that the patent application was filed originally on 01.02.2005. The Petitioner, therefore, inquired after the application was taken on file together with specifications on 25.01.2006, as to whether any request for examination has been made by the Respondent No.1. The Respondent No.4 informed that the request for examination was made 30.10.2006. The Petitioner filed it's representation/opposition on 29.10.2007 and thereafter, first examination report was issued by the Respondent No.4. The reply was filed to the Petitioner's opposition and also to first examination report by the Respondent No.1. The Petitioner had filed the rejoinder on 14.05.2008 and requested for fixation of a date for oral hearing. The Respondent No.4 informed that the oral hearing would be held on 09.07.2008. However, second examination report was dated 14.07.2008 and this report refers to the amended claims made by the Respondent No.1. The Petitioner was not aware of any such amended claims. The Petitioner had filed its opposition to the amended claims only after second examination report was disclosed and the Petitioner was served with the copies of the revised

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set of claims by the Respondent No.1. The Petitioner applied for personal hearing on 30.12.2008 but there was no response to such request and the patent was granted. Thus, the Petitioners are seriously prejudiced and it is not open for the Respondent No.1 to argue that the Petitioner's objections have been duly considered and therefore, prejudice must be demonstrated before the order could be set aside on the ground of violation of principles of natural justice. Mr.Grover submits that prejudice is amply demonstrated by pointing out as to how the additional claims were made and considered. The original claims with specifications and the amended claims with their specifications are enlisted in the statement annexed to the rejoinder affidavit and it is pointed out as to how the Petitioner is prejudiced because it had no opportunity to oppose the amended claims. The authorities now admit that they have taken into consideration the amended claims. Once there is such an admission, then, the impugned order cannot be sustained and it deserves to be quashed and set aside.

25 Mr.Grover invited our attention to the fact that the opposition has not been rejected before the grant of patent but an attempt is made to place on record the order purporting to deal with these objections. Such an order is passed after issuance of the patent certificate. In such circumstances, mandatory requirement of hearing is violated and the impugned order, therefore, should be set aside.

26 Mr.Grover relies upon a judgment of the Madras High Court delivered in Writ Petition No.24904/2008 and M.P. Nos.2 and 3 of 2008 decided on 02.12.2008 *(Indian Network for People living with HIV/AIDS vs. Union of India and others*). He has also relied upon a judgment of the Division Bench of this Court in case of *Glochem Industries Ltd. vs. Cadila*

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Healthcare Ltd. and others, in Writ Petition No.1605/2009 decided on 06.11.2009.

27 On the other hand, Mr.Kadam, learned Advocate General appearing on behalf of the contesting Respondent No.1 and Mr.Sethna, learned counsel appearing on behalf of the Respondent Nos.2 to 4, contend that the view taken by the authorities is not liable to be interfered with by this Court under Article 226 of the Constitution of India. It is submitted that the Patents Act, 1970 provides for a complete code insofar as grant of patent is concerned. Under that Act even after amendment to Section 25, the position is that while considering the application for grant of patent, the authorities have to adhere to the principles of natural justice to the extent indicated in the provision. There is no mandate that every time an amendment is made to the original application that the authorities must give one more opportunity of personal hearing to the persons like the Petitioner. In other words, when the original application was being considered, the objections raised were allowed to be substantiated at a personal hearing although this course was objected by the Respondent No.1. At such hearing, all documents in support of objections could have been placed on record. The matter of amendment to the application is strictly between the authorities and the Respondent No.1.

28 Mr.Kadam has pointed out that the Petitioner is even otherwise disentitled from invoking the extra-ordinary, equitable and discretionary jurisdiction of this Court under Article 226 of the Constitution of India. Mr.Kadam submits that there is gross suppression of material facts as pointed out by the Respondent No.1. The Petitioner has

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suppressed from this Court the fact of applications made by it. When copies of such applications are placed on record of this Court the only explanation from the Petitioner is that there is no connection between the two applications, that is one made by the Respondent No.1 and those made by the Petitioner. However, it was their duty to point out that they made such applications. That having not been pointed out the petition must be dismissed. In any event there is no prejudice to the Petitioner.

29 Mr.Kadam submits that mere breach of principles of natural justice would not suffice and proof of prejudice, independent of breach and violation must be furnished which is not done in this case. Further the Respondent No.4 has pointed out that no new material was produced by the Petitioner even when he dealt with the amended claims. Same documents were produced. In such circumstances there was no reason to once again give a personal hearing. Mr.Kadam relies upon the affidavit filed by the Respondent Nos.2 to 4 and submits that the amended claims were communicated to the Petitioner on 11.09.2008. The amended claims were within the scope of disclosures already made and submitted by examples in the patent application. Further the Petitioner replied to the office letter dated 11.09.2008 on 07.10.2008 and relied therein on the documents submitted earlier. It is in such circumstances and when nothing new was produced so also all the documents forwarded earlier by the Petitioner were duly considered, that the Respondent Nos.2 to 4 were of the opinion that further opportunity of hearing is not necessary in this case. That being the position and without any proof of prejudice being furnished, the Petitioner is not entitled to urge that this Court must interfere in writ jurisdiction. Hence, the petition be dismissed.

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30 Mr.Kadam and Mr.Sethna have relied upon the following decisions in support of their contentions :-

(1) (2008) 9 SCC 31
Haryana Financial Corporation and another. v/s Kailash Chandra Ahuja.

(2) (2006) 8 SCC 776
P.D.Agrawal v/s State Bank of India and others.

(3) 140 All England Law Reports (1984) 3 All ER (Privy Council)
Isaacs v/s Robertson.

(4) (2010) 2 SCC 114
Dalip Singh v/s State of U.P. and others.

(5) Writ Petition (C) Nos.3516, 3517 and 5423/2007.
(Delhi High Court) Decided on 15.07.2010.
Dr.Mis.Snehlata C. Gupte v/s Union of India others.

31 With the able assistance of the learned counsel appearing for the parties, we have perused the petition and annexures thereto, the affidavits on record and the relevant statutory provisions and decisions brought to our notice.

32 Before considering the rival contentions, it would be appropriate to refer to the Patents Act, 1970. It is an act to amend and consolidate the law in relation to the patents. The Act was amended by Amendment Act 38 of 2002 in the light of the agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) which forms a part of the agreement establishing the World Trade Organization (WTO). The Act came to be amended to meet India's obligations under these agreements. It has been emphasized that since the Act was enacted there have been considerable technological innovations and development of

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knowledge and the concept of intellectual property as a resource for knowledge based industries has become well recognized the world over. In such circumstances, the Act came to be amended in the year 2002.

33 However, once again in 2005 it was noticed that the amendments earlier made primarily focused on the obligations which came into force on the dates specified in the Amendment Act 15 of 2005. However, a Joint Committee of both the Houses of Parliament examined all aspects and recommended various provisions in order to provide necessary and adequate safeguards for protection of public interest, national security etc.. That is how and because of ten years transition facility given under the WTO agreement that further amendments had to be made and that is how Amendment Act 15 of 2005 came to be enacted. So far as the Patents (Amendment) Act, 2005 is concerned, while dealing with the proposed amendments to Section 25 this is what is stated in clause 23 of the notes on clauses:-

> *"Clause 23: This clause seeks to substitute sections 25 and 26 of the Act. Sub-section (1) of the proposed new section 25 seeks to provide for making representation by way of opposition by any person before the Controller before the grant of patent on the ground in complete specification, source and geographical origin of biological material used in the invention and anticipation of invention by the knowledge, oral or otherwise available within any local or indigenous community in India or elsewhere and also for prescribing the procedure to deal with such opposition. Sub-S. (2) seeks to provide for filing of opposition for revoking the patent within one year from the date of grant of patent on the same grounds, which are available at present under the Act under sub-section (1) of section 25.*
>
> *Sub-section (3) seeks to provide for constituting an Opposition Board to examine such opposition and the procedure for conducting the examination of such*

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opposition by the Board. Sub-section (4) empowers the Controller, to order, after giving the patentee and the opponent an opportunity of being heard and taking into account the recommendation of the Opposition Board, either to maintain or to amend or to revoke the patent. Sub-section (5) seeks to provide that while issuing an order under sub-section (4), the Controller shall not take into account any personal document or secret trial or secret use. Sub-section (6) provides that if the specification or other documents are amended by the order of the Controller, the patent shall stand amended accordingly.

This clause also seeks to substitute section 26 of the Act, which relates to the matter in cases of "obtaining". This is consequential to the introduction of post-grant opposition procedure before the Patent Office and also consequential to the removal of provisions relating to acceptance of the application."

34 A perusal of the same would indicate that sub-section (1) of new Section 25 seeks to provide for making a representation by way of opposition. This is to be made by any person and before the grant of patent by the Controller, on the grounds indicated in sub-section (1). It is clear that the amendments made contemplate an opportunity to make a representation before the grant of patent and thereafter, an application for revocation can be made. Section 25 falling under Chapter V reads thus:-

"25. Opposition to the patent.-

(1) Where an application for a patent has been published but a patent has not been granted, any person may, in writing, represent by way of opposition to the Controller against the grant of patent on the ground-

(a) that the applicant for the patent or the person under or through whom he claims, wrongfully obtained the invention or any part thereof from him or from a person under or through whom he claims;

(b) that the invention so far as claimed in any claim of the complete specification has been published before the

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priority date of the claim-

(i) in any specification filed in pursuance of an application for a patent made in India on or after the 1st day of January, 1912; or

(ii) in India or elsewhere, in any other document:

Provided that the ground specified in sub-clause (ii) shall not be available where such publication does not constitute an anticipation of the invention by virtue of sub-section (2) or sub-section (3) of section 29;

(c) that the invention so far as claimed in any claim of the complete specification is claimed in a claim of a complete specification published on or after the priority date of the applicant's claim and filed in pursuance of an application for a patent in India, being a claim of which the priority date is earlier than that of the applicant's claim;

(d) that the invention so far as claimed in any claim of the complete specification was publicly known or publicly used in India before the priority date of that claim.

Explanation.-For the purposes of this clause, an invention relating to a process for which a patent is claimed shall be deemed to have been publicly known or publicly used in India before the priority date of the claim if a product made by that process had already been imported into India before that date except where such importation has been for the purpose of reasonable trial or experiment only;

(e) that the invention so far as claimed in any claim of the complete specification is obvious and clearly does not involve any inventive step, having regard to the matter published as mentioned in clause (b) or having regard to what was used in India before the priority date of the applicant's claim;

(f) that the subject of any claim of the complete specification is not an invention within the meaning of this Act, or is not patentable under this Act;

(g) that the complete specification does not sufficiently and clearly describe the invention or the method by which it is to be performed;

(h) that the applicant has failed to disclose to the Controller the information required by section 8 or has furnished the information which in any material particular was false to

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his knowledge;

(i) that in the case of convention application, the application was not made within twelve months from the date of the first application for protection for the invention made in a convention country by the applicant or a person from whom he derives title;

(j) that the complete specification does not disclose or wrongly mentions the source or geographical origin of biological material used for the invention;

(k) that the invention so far as claimed in any claim of the complete specification is anticipated having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere, but on no other ground and the Controller shall, if requested by such person for being heard, hear him and dispose of such representation in such manner and within such period as may be prescribed.

(2) At any time after the grant of patent but before the expiry of a period of one year from the date of publication of grant of a patent, any person interested may give notice of opposition to the Controller in the prescribed manner on any of the following grounds, namely:-

(a) that the patentee or the person under or through whom he claims, wrongfully obtained the invention or any part thereof from him or from a person under or through whom he claims;

(b) that the invention so far as claimed in any claim of the complete specification has been published before the priority date of the claim-

(i) in any specification filed in pursuance of an application for a patent made in India on or after the 1st day of January, 1912; or

(ii) in India or elsewhere, in any other document: Provided that the ground specified in sub-clause (ii) shall not be available where such publication does not constitute an anticipation of the invention by virtue of sub-section (2) or sub-section (3) of section 29;

(c) that the invention so far as claimed in any claim of the complete specification is claimed in a claim of a complete specification published on or after the priority date of the claim of the patentee and filed in pursuance of an

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application for a patent in India, being a claim of which the priority date is earlier than that of the claim of the patentee;

(d) that the invention so far as claimed in any claim of the complete specification was publicly known or publicly used in India before the priority date of that claim.

Explanation.-For the purposes of this clause, an invention relating to a process for which a patent is granted shall be deemed to have been publicly known or publicly used in India before the priority date of the claim if a product made by that process had already been imported into India before that date except where such importation has been for the purpose of reasonable trial or experiment only;

(e) that the invention so far as claimed in any claim of the complete specification is obvious and clearly does not involve any inventive step, having regard to the matter published as mentioned in clause (b) or having regard to what was used in India before the priority date of the claim;

(f) that the subject of any claim of the complete specification is not an invention within the meaning of this Act, or is not patentable under this Act;

(g) that the complete specification does not sufficiently and clearly describe the invention or the method by which it is to be performed;

(h) that the patentee has failed to disclose to the Controller the information required by section 8 or has furnished the information which in any material particular was false to his knowledge;

(i) that in the case of a patent granted on convention application, the application for patent was not made within twelve months from the date of the first application for protection for the invention made in a convention country or in India by the patentee or a person from whom he derives title;

(j) that the complete specification does not disclose or wrongly mentions the source and geographical origin of biological material used for the invention;

(k) that the invention so far as claimed in any claim of the complete specification was anticipated having regard to the knowledge, oral or otherwise, available within any

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local or indigenous community in India or elsewhere, but on no other ground.

(3) (a) Where any such notice of opposition is duly given under sub-section (2), the Controller shall notify the patentee.

(b) On receipt of such notice of opposition, the Controller shall, by order in writing, constitute a Board to be known as the Opposition Board consisting of such officers as he may determine and refer such notice of opposition along with the documents to that Board for examination and submission of its recommendations to the Controller.

(c) Every Opposition Board constituted under clause (b) shall conduct the examination in accordance with such procedure as may be prescribed.

(4) On receipt of the recommendation of the Opposition Board and after giving the patentee and the opponent an opportunity of being heard, the Controller shall order either to maintain or to amend or to revoke the patent.

(5) While passing an order under sub-section (4) in respect of the ground mentioned in clause (d) or clause (e) of sub-section (2), the Controller shall not take into account any personal document or secret trial or secret use.

(6) In case the Controller issues an order under sub-section (4) that the patent shall be maintained subject to amendment of the specification or any other document, the patent shall stand amended accordingly."

35 Sub-section (1) thereof, on bare perusal, provides for an opportunity to make a representation in writing by way of opposition to the Controller against the grant of patent. That is to be made on the grounds indicated in sub-clauses (a) to (k) and when such representation is made in writing by way of opposition, the Controller if requested by a person that he should be heard, hear him and dispose of the representation/opposition in such manner and within such period as may

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be prescribed. Rule 55 falling in Chapter VI of the Patents Rules, 2003 reads thus:-

> *"55. Opposition to the patent:-*
> *(1) Representation for opposition under sub-section (1) of section 25 shall be filed at the appropriate office and shall include a statement and evidence, if any, in support of the representation and a request for hearing if so desired.*
> *(1-A) Notwithstanding anything contained in sub-rule (1), no patent shall be granted before the expiry of a period of six months from the date of publication of the application under section 11-A.*
> *(2) The Controller shall consider such representation only when a request for examination of the application has been filed.*
> *(3) On consideration of the representation if the Controller is of the opinion that application for patent shall be refused or the complete specification requires amendment, he shall give a notice to the applicant to that effect alongwith a copy of such representation.*
> *(4) On receiving the notice under sub-rule (3), the applicant shall, if he so desires, file his statement and evidence, if any, in support of his application within three months from the date of the notice.*
> *(5) On consideration of the statement and evidence filed by the applicant, the Controller may either refuse to grant a patent on the application or require the complete specification to be amended to his satisfaction before the patent is granted.*
> *(6) After considering the representation and submission made during the hearing if so requested, the Controller shall proceed further simultaneously either rejecting the representation and granting the patent or accepting the representation and refusing the grant of patent on that application, ordinarily, within one month from the completion of above proceedings."*

36 Both provisions fell for consideration of the Madras High Court in a decision rendered by a Division Bench presided over by the

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then Hon'ble Chief Justice A.K.Ganguly (as his Lordship then was). After setting out Section 25 and Rule-55, the Division Bench of Madras High Court held thus:-

> *16. A perusal of the Rules will show that on consideration of the representation from the objectors, if the Controller is of the opinion that the application for patent shall be refused or the complete specification requires amendment, under Rule 55(4) he shall give notice to the applicant to that effect along with the copy of such representation. In the instant case, the 3rd respondent gave such notice to the 4th respondent. So it cannot be said that the grounds of objection raised by the petitioners are frivolous. Thereafter, under Rule 55, the applicant filed its statement in support of the application within the time specified under sub-rule(4) of Rule 55. Under sub-rule (5) of Rule 55, it is provided that on consideration of the statement and evidence filed by the applicant, the Controller may either refuse to grant the patent on the application or require the complete specification to be amended to his satisfaction before the patent is granted. Under sub-rule (6) of Rule 55, it is provided that after considering the representation and submission made during the hearing, if so requested, the Controller shall proceed further simultaneously either rejecting the representation and granting the patent or accepting the representation and refusing the grant of patent on that application, ordinarily, within one month from the completion of such proceedings.*
>
> *17. Here, admittedly, the Controller has not given the petitioner any chance of hearing even though the petitioner admittedly requested for the same. Therefore, concededly the petitioner's statutory right of making 'submission during hearing' was denied. But the patent was granted to the 4th respondent by denying the petitioner any chance to make submission on his representation. The petitioner was not informed of the grant of patent to the 4th respondent till the petitioner came to see the publication of the patent in the Patent Journal.*
>
> *18. In the background of the aforesaid statutory provisions,*

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to justify the grant of patent, it has been argued by the learned counsel for the 4th respondent that the proceedings before the Controller at the pre-grant stage are not quasi-judicial and the Controller merely acts in an administrative capacity and in such a situation he does not decide any 'lis'. The hearing is optional even if it is requested and the words 'Controller shall hear' used in Section 25(1)(k) of the said Act are to be construed directory and similarly, the requirement of hearing under Rule 55(6) should also be treated directory.

19. It has also been argued on behalf of the fourth respondent that by a mere denial of hearing, even though statutorily provided, the resultant decision does not become bad, unless the person who have been denied such hearing proves that he has suffered a prejudice and in this case the petitioners did not suffer any prejudice. Since the petitioner did not suffer any prejudice, the order granting the patent cannot be invalidated. Apart from that it has been stated that the petitioners have a liberty of challenging the grant even at a post-grant stage under Section 25(2) of the said Act. It has also been stated that the Delhi Network of the Positive People has actually filed an opposition at the post-grant stage. However, it may be mentioned that the Delhi Network of Positive People are not parties to this writ petition. Learned counsel for the 4th respondent also stated that the 4th respondent filed a suit, being Suit No.2869 of 2008, before the Bombay High Court against Cipla Limited alleging infringement, and in that suit an impleading petition has been filed by the present writ petitioners. Therefore, they have an alternative remedy, which remedy they are pursuing. It has been stated that in view of that the present writ petition should not be entertained.

23. This Court is unable to accept the said contention in view of the clear provisions of the said Act and the Rules framed there under. Rule 55(6) of the said Rules, which is confined only to a pre-grant stage clearly characterize the pre-grant exercise by the Controller as 'proceedings'. The word 'proceedings' have not been defined in the definition clause, namely, Rule 2 of the said Rules. But under Rule 2(g), it has been stated that the words and expressions used, but not defined in these rules, shall have the

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meanings respectively assigned to them in the Act. Therefore, the word 'proceedings' in Rule 55(6) of the said Rule will have the same meaning as the expression 'proceedings' occurring in Section 77 of the said Act. Section 77 of the said Act also makes it clear that the said Section will apply to any proceedings before the Controller under the Act. Any would include all. Thus, the pre-grant opposition proceedings come within the sweep of 'any proceedings' under Section 77 of the said Act.

24. The Controller, before whom the proceedings takes place, is endowed with some of the powers of a Civil Court, and whose order or costs are executable as a decree of a Civil Court, is thus having the trappings of a Civil Court. Proceeding before such an authority are obviously a quasi-judicial proceedings. In a pre-grant stage, the Controller is also deciding a controversy, which is raised by the objector opposing the grant of patent and the applicant who applies for the grant.

25. From the statutory provisions discussed above, it is clear that if the pre-grant opposition is upheld, the patent will be refused, which is clear from the provisions of Rule 55(5) and Rule 55(6). Therefore the Controller will have to take a decision of either refusing to grant the patent by accepting the pre-grant opposition or grant the patent by rejecting the opposition. So he has to decide this controversy between the applicant's right to get the patent and the objector's right to defeat the claim of patent. The objector may not be a rival in trade of the person claiming the patent. But the objector can raise his objection on much wider grounds of public policy and public interest. That is why the right to raise pre-grant objection has been advisedly given to 'any person'. The Hon'ble Supreme Court construing the pre-grant and post-grant proceedings under the said Act held in J.Mitra & Co. Pvt. Ltd. Vs. Assistant Controller of Patents & Design (2008 (11) SCALE 524) held that the provision of pre-grant under Section 25(1) is wider than the provisions of post-grant under Section 25(2). So, the concept of lis has to be construed in the context of wider right given to the objector. Such objection may not stem from any business or commercial interest, but such objection can be raised on a wider concept of public

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health and nutrition and the issue of affordability of medicine at a reasonable rate to those persons who are affected by disease. Therefore, it cannot be said that a person opposing the grant has no interest.

26. The word 'lis' has been defined in Black's Law Dictionary (8th Edition) as 'a piece of litigation, a controversy or dispute'. In a judgment of the Court of Appeal rendered in the case of B.Johnson & Co. (Builders) Ltd., v. Minister of Health reported in 1947 All.E.R 395), it has been held by Lord Greene, the Master of Rolls, as follows: -

Lis, of course, implies the conception of an issue joined between two parties. The decision of a lis, in the ordinary use of legal language, is the decision of that issue.

27. The same principles have been laid down by the Hon'ble Supreme Court in its Constitution Bench Judgment in Kihoto Hollohan v. Zachillhu, 1992 Supp. (2) SCC 651. At paragraph-99 (page 707 of the report), Justice M.N.Venkatachaliah, (as His Lordship then was), speaking for the majority held:

Where there is a 'lis' an affirmation by one party and denial by another and the dispute necessarily involves a decision on the rights and obligations of the parties to it and the authority is called upon to decide it, there is an exercise of judicial power. That authority is called a Tribunal, if it does not have all the trappings of a Court.

28. Following the aforesaid test, as we must, this Court holds that the third respondent functions as a quasi-judicial tribunal and has to decide the lis namely, the right of the objector raised on a wider perspective as against the claim of patent by the fourth respondent.

29. The present structure of the pre-grant and post-grant procedure vide Sections 25(1) and 25(2) of the said Act has been brought about by the Patent Amendment Act, 2005 (hereinafter referred to as the 'said Amendment'). A perusal of the Statement of Objects and Reasons of the said amended Act would clarify the legislative intent of giving right of objection to 'any person', whereas prior to the said amendment such right of opposition at a pre-grant stage was only given to any person interested. The reason for giving the said right to any persons appears

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from Statement of Objects and Reasons behind the same amendment. Paragraph 4 of the said objects and reasons runs under:

Given the importance of the issues, the Government undertook broad-based and extensive consultations involving different interest groups on aspects critical to the changes which were necessary in the Patents Act, 1970. These included country-wide interactive sessions with various interest groups, including scientists, academicians, economists, representatives of various industry sectors (such as pharmaceutical, biotech, and software), chambers of commerce, private and public sector units, journalists, non-governmental organizations, representatives of State Governments, lawyers and attorneys and other interest groups and extensive inter-Ministerial consultations.

30. *From those objects and reasons it is clear that changes brought by the said amendment were done consciously and after thorough interaction with various cross sections of society, and those amendments are based on a broad consensus of public interest relating to nutrition and public health.*

31. *On those objects and reasons it was decided to modify 'the provisions relating to opposition procedure with a view to streamline the system by having both pre-grant and post-grant opposition in the Patent Office'. (Paragraph-7(d) of the Statement of Objects and Reasons).*

32. *Therefore, advisedly right to object at a pre-grant stage has been given to 'any person' by the said amendment. This is an illustration of statutorily broadening the concept of locus standi and widening the scope of objection procedure by giving access to 'any person', who has a concern for public interest in the area of public health and nutrition, to raise an objection. The grant of patent is virtually a grant of monopoly right against the whole world and that is why such wide ranging right of objection has been designedly given at a pre-grant stage.*

33. *The petitioners in this writ petition are asserting their rights and voicing their concern on a broad public interest angle. So, it cannot be said if their right is denied they will not suffer any prejudice by denial of an opportunity of hearing to them to establish their rights. A*

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right is a legally protected interest. Therefore when law consciously confers right on a person to object at a pre-grant stage that right must be protected in the way it has been granted, namely the right to object with a right of hearing. For a Court to dilute the said right on the basis of an interpretative process and by looking at it from a rather narrow angle, would, in our judgment, be a travesty of justice.

34. The argument advanced on behalf of the fourth respondent that the expression 'the Collector shall hear' in Section25(1)(k) of the said Act should mean 'the Collector may hear' is not sound in law. Here we may refer to the provision for hearing which existed prior to the said amendment. Under the pre-amended Section 25(2) the provision relating to hearing is couched in the following words:

25(2) Where any such notice of opposition is duly given, the Controller shall notify the applicant and may, if so desired, give to the applicant and the opponent an opportunity to be heard before deciding the case.

35. Therefore, it is clear that the expression 'may' give the opponent an opportunity to be heard has been replaced by the word 'shall hear'. Where legislature itself makes such alteration, making its intention clear in specific term, no option is left except to follow the strict letter of law."

37 The Division Bench of Madras High Court also considered an identical plea as raised by the learned Advocate General before us and in that context, observed in paragraph Nos.49, 50 and 51 as under:-

"49. As explained above, the concept of prejudice in a disciplinary enquiry is different from the concept of prejudice in the present case. Grant of patent virtually confers the right of monopoly, which is a right in rem granted in favour of the fourth respondent. Before such a right is granted, law has provided that right of objection to any person. As the patent right is a right in rem, law by the 2005 Amendment confers right of objection also on very wide terms on any person. Law further mandates when objection is raised, the objector must be allowed to

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place his objection in a proceeding in which he should be personally heard. That is the language of Rule 55(5) and 55(6) of the Rules, which are quoted herein before.

50. Therefore, when monopoly right of patent is granted in favour of the fourth respondent ignoring the aforesaid procedure, it is clear that it has been granted with some incurable defects in the procedure namely, by non-compliance with the provisions of statute and statutory rule. Such grant is inherently defective, since grant here is grant of right in rem. The prejudice in this case has been pleaded, as stated herein above, and has not been denied in the counter filed by the fourth respondent. Therefore, the decision in Harendra Arora does not help the case of the fourth respondent in any way.

51. There is another age old principle which enjoins when statutes provides for dong something in a certain manner, it has to be done in that manner alone, all other modes of performance are necessarily forbidden. Following the said principle in the instant case it is clear that the grant of patent to the fourth respondent has been made in blatant violation of statutory procedure by the statutory authority, which is acting in a quasi-judicial capacity. Such a grant is not legally sustainable."

38 Mr.Kadam would argue that this decision must be seen bearing in mind the factual background. There, the argument was that the objections to the grant of patent were not disposed of, yet, the Patent Office granted the patent and that is how the Petitioner challenged the action of the Patent Controller. According to Mr.Kadam, the facts therein and before us are not identical. In the instant case, opportunity was granted on 09.07.2008 and the grant followed the hearing. The objection of the Petitioner is that they were heard on the original application and not on the amended claim and therefore, according to Mr.Kadam, the decision of the Division Bench is distinguishable on facts.

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39 We are unable to accept these contentions of Mr.Kadam for more than one reason. Firstly, if the facts were not identical, then, it was not necessary for Mr.Kadam to argue in the same breath that the Petitioner before us must demonstrate prejudice on account of denial of hearing on the amended claims. Implicit in this is that the Controller should have granted a hearing on the amended claim as requested by the Petitioner. In our view, the interpretation placed by the Division Bench of Madras High Court, in the context of identical submissions and on the same statutory provisions, cannot be brushed-aside as suggested by Mr.Kadam. Secondly, the argument of prejudice was raised before the Division Bench and the same decisions as relied upon by Mr.Kadam were relied upon. The Division Bench, with great respect, rightly distinguished those judgments by holding that independent proof of prejudice is necessary and merely raising the plea of denial and violation of principles of natural justice would not be enough but such proof is required in limited cases and particularly in disciplinary proceedings. The nature of the proceedings, right of hearing conferred and importantly the lis between the parties, has to be borne in mind and it will not be possible to hold as suggested by Mr.Kadam that in all cases of pre-grant opposition the Court must call upon the aggrieved party to produce proof of prejudice, independent of denial and violation of natural justice. That would mean that the Court must dilute the provision mandating a pre-grant hearing, if requested, on the representation made in writing by way of opposition to the grant of patent. Once the nature of proceedings is understood, then, it will not be possible to agree with the learned Advocate General that the Petitioner must furnish proof of prejudice on account of denial of hearing on the amended claims. Mr.Kadam's argument on this aspect overlook the fact that Chapters-III and IV of the

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Patents Act deal with the applications for patent and publication and examination of the applications. In Chapter-III, Section 6 deals with a person entitled to apply for patent. Section 7 provides for a form of application. Section 8 deals with information and undertaking regarding the foreign applications. Section 9 deals with the provisional and complete specifications. Section 10 sets out the contents of the specifications and Section 11 provides for priority date of claims of the complete specifications. Then comes Chapter-IV which deals with publication and examination of the applications where-under Section 11A sets out the manner in which the publication has to be done. Section 11B deals with the request for examination. Section 12 provides for examination of application and the manner in which the same shall be examined. Then comes Sections 13 and 14 which read thus:-

> *"13. Search for anticipation by previous publications and by prior claim.*
>
> *(1) The examiner to whom an application for a patent is referred under section 12 shall make investigation for the purpose of ascertaining whether the invention so far as claimed in any claim of the complete specification-*
>
> *(a) has been anticipated by publication before the date of filing of the applicant's complete specification in any specification filed in pursuance of an application for a patent made in India and dated on or after the 1st day of January, 1912;*
>
> *(b) is claimed in any claim of any other complete specification published on or after the date of filing of the applicant's complete specification, being a specification filed in pursuance of an application for a patent made in India and dated before or claiming the priority date earlier than that date.*
>
> *(2) The examiner shall, in addition, make such investigation for the purpose of ascertaining whether the invention, so far as claimed in any claim of the complete specification, has been anticipated by publication in India or elsewhere in any document other 43 than those mentioned in sub-*

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section (1) before the date of filing of the applicant's complete specification.

(3) Where a complete specification is amended under the provisions of this Act before the grant of a patent, the amended specification shall be examined and investigated in like manner as the original specification.

(4) The examination and investigations required under section 12 and this section shall not be deemed in any way to warrant the validity of any patent, and no liability shall be incurred by the Central Government or any officer thereof by reason of, or in connection with, any such examination or investigation or any report or other proceedings consequent thereon.

14. Consideration of the report of examiner by Controller.- Where, in respect of an application for a patent, the report of the examiner received by the Controller is adverse to the applicant or requires any amendment of the application, the specification or other documents to ensure compliance with the provisions of this Act or of the rules made thereunder, the Controller, before proceeding to dispose of the application in accordance with the provisions hereinafter appearing, shall communicate as expeditiously as possible the gist of the objections to the applicant and shall, if so required by the applicant within the prescribed period, give him an opportunity of being heard."

40 Section 15 confers the power on the Controller to refuse or require the amended applications in certain cases. Section 16 confers a power on the Controller in respect to division of applications. Section 17 confers another power to make orders regarding the date of applications. Thereafter, further powers are conferred vide Sections 18, 19 and 20. Section 21 which has been substituted by the Amendment Act of 2005 provides for time for putting the application in order for grant. Sections

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22, 23 and 24 have been deleted by the Amendment Act of 2005 and instead of earlier provisions, Chapter V has been substituted by insertion of new Section 25.

41 If the grounds indicated in sub-section (1) of Section 25 are perused carefully, it is clear that opportunity contemplated by sub-section (1) must be effective, meaningful and purposeful, so also, in consonance with the object of the Amendment Act. The Petitioner seeks opportunity to deal with the amendment made to the original application and if the reports, namely first and second reports in the present case, are perused, it is clear that the Controller called upon the Applicant (Respondent No.1) to give specifications and they filed their amended claims. If the Controller was of the view that there was no necessity of another hearing after 09.07.2008, then, he was not required to forward the amended claims to the Petitioner. Once the claims were forwarded to the Petitioner, their objections were invited and when there was a request made by the Petitioner for grant of personal hearing, then, in such facts and circumstances, it was incumbent upon the Controller to further hear the Petitioner. That is how the scheme of the Act must be seen and the subject provisions construed and interpreted. In our view, then, there is no scope for the arguments canvassed by Mr.Kadam.

42 In this context, a reference can be made to the observations of the Division Bench of this Court in the case of *M/s Glochem Industries Ltd. vs. Cadila Healthcare Ltd. and others (supra)* wherein the Division Bench was dealing with a situation wherein the order of the Assistant Controller was challenged as violative of the principles of natural justice and on merits. That was made on the Petitioner's representation by way of

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opposing the patent application filed before the Controller. Though the application was filed by the Respondent No.1 to Writ Petition, if the facts are noticed, it would be apparent that the opposition was filed and it was dealt with by the Applicant applying for patent. The written arguments were also filed there. By a reasoned order, the objections were dismissed. It is in that context, the following observations have been made in paragraph Nos.8 and 9:-

> *8. We shall now revert to the first argument canvassed on behalf of the Petitioners that there was no legal or admissible evidence brought on record on the basis of which Respondent No. 4 could have answered the controversy on hand. It is submitted that Section 77 of the Act postulates that the Patent Controller is conferred with certain powers of Civil Court, in respect of summoning and enforcing attendance of witnesses, discovery of documents, receiving evidence of affidavits, issuing commissions for examination of witnesses of documents. Moreover, Section 79 of the Act stipulates that subject to any rules made in relation to evidence how to be given and powers of controller in respect thereof, in any proceedings under the Act before the Controller, evidence shall be given by affidavit in absence of directions given by the Controller to the contrary. Indeed, discretion is vested in the controller to take oral evidence in lieu of or in addition to evidence by affidavit or may allow any party to be cross-examined on the contents of his affidavit. In the present case, it is argued that the applicants have not given evidence by affidavit. In absence of such evidence, the Respondent No. 4 could not have looked into the material produced by the Respondent No. 1-applicant. It is submitted that even though the Respondent No. 1 along with its reply statement filed an affidavit dated 14/10/2008 of an expert witness and appended certain Enclosures to the affidavit, the documents have not been proved. In other words, neither the affidavit of the expert nor the Enclosures to the affidavit could be of any avail and could be relied upon to decide the controversy. According to*

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Respondent No. 1, however, the procedure to be adopted in pre-grant objection enquiry under Section 25(1) is a summary procedure. The requirement as per Section 25(1) read with Rule-55 is that on filing of representation by way of opposition, the applicant has to file his reply statement. There is no provision for any rejoinder being filed by the person opposing the grant of Patent, Production of any further documents or evidence either by the applicant or by the person opposing the grant of Patent. The objective of Rule-55 is to decide the pre-grant opposition expeditiously, whereas the post-grant opposition stage contemplates more elaborate procedure as is evidenced from Rules 55A to 62.

9. *There is no difficulty in accepting the argument of the Respondent No. 1 that the enquiry contemplated at the stage of pre-grant opposition is a summary enquiry. Nevertheless, the principles of natural justice will have to be adhered to even during that enquiry. Moreover, keeping in mind the plain language of Section 79 of the Act, its application is not limited to enquiry under Section 25(2) of the Act. On the other hand, Section 79 postulates that the requirement specified under that Section is applicable in respect of "any proceeding" under the Act before the controller. That expression would certainly take within its fold enquiry under Section 25(1) of the Act. Moreover, it cannot be overlooked that Section-77 of the Act postulates that the Patent Controller is conferred with certain powers of the Civil Court. Thus understood, the Respondent No. 4 even while deciding representation by way of opposition under Section 25(1) of the Act was expected to first ascertain as to which evidence produced by the applicant can be looked into to answer the point in issue. Moreover, the evidence produced by the applicant must be such that it would positively show that the alleged invention enhances the known efficacy of the stated substance and belies the contra stand of the objector. Indeed, the Respondent No.4 has answered the issue keeping in mind Enclosures 5,6,9,13 & 14, but has not in the first place considered the plea of the Petitioners for discarding the said documents one way or the other. In so far as Enclosure 5 & 6 are concerned, according to the Petitioners, the same*

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were incomparable and have been created/prepared with mal intention to misguide the authority. In so far as Enclosure-9 is concerned, it refers to tablet stability study restricted to only Clopidogrel Bisulphate and was no evidence to compare with tablet containing Clopidogrel Besylate. In so far as enclsoure-13 is concerned, according to the Petitioners, it was also incomparable. For, it is relating to comparative stability data of Clopidogrel Besylate of alleged invention vis-a-vis toluene solvated and dioxane solvate. There is no comparison with known existing salts such as bisulphate salt. In so far as, Enclosure No.14 is concerned, the Petitioners have challenged the statement relating to comparative study of pharmaceutical characteristics of Clopidogrel Besylate of the alleged invention vis-a-vis toluene solvate and dioxane solvate. For, the study is carried vis-a-vis solvated forms of Clopidogrel Besylate and not with the known Bisulphate salt. These objections to discard the consideration of the above Enclosures have been specifically taken in writing before the authority, but the authority has not dealt with those matters at all. "

43 It is, therefore, clear that the opportunity provided in Section 25(1) is not an empty formality. The Legislature in its wisdom has specifically conferred on any person a right to make representation in writing, objecting the grant of patent and that is to be made by raising specific grounds. The grounds are also enumerated in the provision. Once the Legislature has devised such a safeguard in public interest and provided for pre-grant opposition, so also, set out the manner in which the same has to be dealt with, then, we cannot place a narrow interpretation on the said provision so as to defeat the legislative mandate. The distinction made by Mr.Kadam that opportunity is restricted only to the contents of the original application and there is no requirement of giving further hearing; makes the exercise meaningless and it would be then very easy to defeat Section 25(1). In this context, it

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must be understood that the opposition under Section 25(1) is to the "grant of a patent". The grant is on an application made in that behalf, which itself is duly published. If the opposition is raised to the grant, then, until the same is dealt with, no patent can be granted. If the original claim/application is amended, as in this case, and the amendments are also opposed, then, a personal hearing to the objector on the amended claims is required to be given if specifically requested. That is the scheme of Section 25(1) and Rule 55 which are to be considered and read together.

44 The requirement of hearing, if requested, would be nullified if the Controller is only obliged to hear the person opposing the grant on the contents of the original application. As has been done in the instant case, the Applicant would go on amending the original application after initial hearing, the patent would be granted on the basis of such amended claims and that too behind the back of any person objecting or opposing the grant. In other words, the Controller may call upon the Applicant to amend the application or provide detailed specifications. That he may do by inviting attention of the Applicant to the contents of the original application and documents supporting the same. In compliance with such communication from the Controller, the original Applicant may promptly furnish set of amendment to the original application and also forward further specifications by way of documents. The person opposing the grant would have no knowledge of such a step taken by the Controller. He would be taken by surprise thereafter, if the grant is made on the basis of the amended claims. If Mr.Kadam's argument is to be accepted, then, the only opportunity to object to such a course is to apply for revocation of grant in terms of Section 25(2). However, revocation is also restricted and

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the grounds of revocation are set out in sub-clauses (a) to (k) of Section 25(2). Therefore, alleging that the patent was wrongfully obtained and must, therefore, be revoked, is no opportunity contemplated by Section 25(1). That is an opportunity prior to the grant. The grant may be revoked on the same grounds under Section 25(2) but by that itself and without anything more, it cannot be held that the only remedy available to the persons like the Petitioner to challenge the grant on the basis of the amended specifications is to apply for revocation in terms of Section 25(2). Before us on facts it is not disputed by the Controller that the amendment was made to the original application. The Petitioner has demonstrated by way of affidavits in rejoinder and further affidavits that there was indeed a departure from the original claim. The distinction as pointed out, in the statement annexed to the rejoinder, between the original and amended claims, would go to show that the Petitioner had no opportunity to meet the contents of the amended claims at all.

45 The learned Advocate General's arguments overlook the object of patent law. In a decision reported in AIR 1982 SC 1444 *(M/s Bishwanath Prasad Radhey Shyam vs. M/s Hindustan Metal Industries),* the Supreme Court outlines the object and purpose thus:-

> *"17. The object of Patent Law is to encourage scientific research, new technology and industrial progress. Grant of exclusive privilege to own, use or sell the method or the product patented for a limited period, stimulates new inventions of commercial utility. The price of the grant of the monopoly is the disclosure of the invention at the Patent Office, which, after the expiry of the fixed period of the monopoly, passes into the public domain.*
>
> *18. The fundamental principle of Patent Law is that a patent is granted only for an invention which must be new and useful. That is to say, it must have novelty and utility. It is essential for the validity of a patent that it must be the*

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inventor's own discovery as opposed to mere verification of what was already known before the date of the patent."

46 In this background, we must see the order of the Controller. The Controller in the impugned order has specifically referred to the amended claims and has held thus:-

"The opponent raised following grounds of opposition in written statement and argued them at the time of hearing:

1. *Prior publication {Section 25(1)(b)}*
2. *Prior claiming {Section 25 (1)(c)}*
3. *Prior public knowledge or prior public use {Section 25(1)(d)}*
4. *Lack of inventive step {Section 25(1)(e)}*
5. *Not an invention/ not patentable {Section 25(1)(f)}*
6. *Insufficiency of description {Section 25(1)(g)}*
7. *Information under section 8 {Section 25(1)(h)}*

The opponent has relied on various prior published documents in support of the stand taken but has failed to establish how the desired results obtained in the present patent application can be achieved by the said citations.

The applicant in their reply statement denied all the arguments made by the opponent. The applicant states that the invention relates to a high concentration preparation of injectable diclofenac salts (7.5% to 10%) that is capable of being administered by intradeltoid route, over and above the intragluteal and slow intravenous route. The present patent application contemplates injectable preparation incorporating 75-100 mg of water-soluble salts of diclofenac with the solvent system of at least two or more co-solvents/solubilisers selected from differing classes of alcohols like the monohydric alcohol(s), dihydric alcohol(s), polyhydric alcohol(s), and water at particular restricted percentage which is possible only due to judicious use of co-solvents/sloubilisers to formulate injection solutions in about 1 ml without substantially

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increasing the viscosity. None of the prior art teaches how to achieve this injectable preparations of desired viscosity in aqueous system without the use of additives, surfactants, other solubilisers such as cyclodextrins, etc.. Thus in no way the citations quoted by the opponent destroy the novelty or the inventive step of the invention disclosed in the present patent application.

After going through the written statement of the opponent, reply statement of applicant and amendments carried out by the applicant I find that the ground of opposition cannot be established against the present patent application."

47 The Controller does not observe in the order that the Petitioners' objections to the amended specifications raise nothing new and are a repetition of the earlier objections. This reason is introduced now in answer to the Writ Petition. Though the Controller would hold that he has dealt with the grounds of the opposition raised in the Written Statement and argued at the time of hearing, in the earlier part of his order, he has specifically observed that the first examination report was issued on 14.01.2008 and the Applicant (Respondent No.1 before us) submitted the reply to this report on 22.02.2008. The Controller held that some objections were raised by the Patent Office and the Respondent No.1 before us submitted its reply on 30.07.2008 communicating the amendments in the claims which were later on sent to the Petitioner. However, it is very clear that a hearing was held on 09.07.2008 whereas the amendments were forwarded by the Respondent No.1 vide its reply dated 30.07.2008 that is after the hearing held on 09.07.2008. The Controller has referred to the amended claims in details and in the ultimate conclusion relied upon them to grant the patent. If his conclusion as reproduced above is perused in the light of the amended specifications and particularly paragraph Nos.10 to 16 as set out in the order of the

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Controller dated 03.06.2009, then, it is more than clear that the Controller has relied on the amended claims to grant the patent. The opportunity of personal hearing as requested by the Petitioner to oppose the amended claims having been admittedly denied, we cannot sustain the grant in this case. The grant of patent is on 25.03.2009 and the reasons for grant are furnished by the impugned order dated 03.06.2009. It is clear that the Controller had before him all communications of the Petitioner including their letters dated 07.10.2008, 30.12.2008 and 06.05.2009, however, the patent itself is granted on 04.03.2009 and it is published on 27.03.2009. The record, therefore, indicates that the grant is sought to be supported by the reasons not indicated in the impugned order. However, the Controller overlooks conveniently the fact that the hearing was held on 09.07.2008. In the garb of dealing with the objections raised in the personal hearing held on 09.07.2008, the Controller could not have granted the patent by relying on the amended applications/claims of the Respondent No.1 without affording an opportunity of being heard to the Petitioner as specifically requested by them. The entire exercise, therefore, is vitiated by breach of principles of natural justice. Once it is conceded that the Petitioners are not heard on the amended claims, then, in our view it will not be possible to uphold the grant and the impugned order.

48 As far as the decisions cited by Mr.Kadam, learned Advocate General, are concerned, they are obviously distinguishable. In *Ravi S. Naik vs. Union of India and others* reported in AIR 1994 SC 1558, the Supreme Court has held as under:-

> *"20. Principles of natural justice have an important place in modern Administrative Law. They have been defined to mean "fair play in action". (See:Maneka*

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Gandhi v. Union of India, (1978) 2 SCR 621 at p676: (AIR 1978 SC 597 at p 625), Bhagwati, J.). As laid down by this Court "they constitute the basic elements of a fair hearing, having their roots in the innate sense of man for fair play and justice which is not the preserve of any particular race or country but is shared in common by all men" (Union of India v. Tulsi Ram, 1985 Supp(2) SCR 131 at p 225) : (AIR 1985 SC 1416 at p.1456)). An order of an authority exercising judicial or quasi-judicial functions passed in violation of the principles of natural justice is procedurally ultra vires and, therefore, suffers from a jurisdictional error. That is the reason why in spite of the finality imparted to the decision of the Speakers/Chairmen by paragraph 6(1) of the Tenth Schedule such a decision is subject to judicial review on the ground of non-compliance with rules of natural justice. But while applying the principles of natural justice, it must be borne in mind that "they are not immutable but flexible" and they are not cast in a rigid mould and they cannot be put in a legal strait-jacket. Whether the requirements of natural justice have been complied with or not has to be considered in the context of the facts and circumstances of a particular case."

49 Further, it is well settled that the application of the principles of natural justice depends upon the statutory implication. It must always be in conformity with the scheme of the Act and with the subject matter of the case. What particular rule of natural justice would apply depends on the facts and circumstances of that case. The requirements of natural justice vary with the varying constitution of the different Quasi-judicial authorities and the statutory provisions under which they function. Hence, the question whether or not any rule of natural justice has been contravened in any particular case should be decided not under any pre-conceived notions, but in the light of the relevant statutory provisions, the constitution of the Tribunal and the circumstances of each case.

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50 The decisions relied upon by the Respondents are distinguishable. The judgment of the Supreme Court in *Haryana Financial Corporation (supra)*, was dealing with the case where the inquiry was held and the Inquiry Officer submitted a report exonerating the writ petitioner of all charges. However, the Corporation was of the opinion that the report of the Inquiry Officer suffered from certain deficiencies. Thereafter, clarifications were sought from the Inquiry Officer who called the delinquent to appear before him. At such proceedings the delinquent appeared and participated without any protest. The Inquiry Officer then submitted his final report holding the delinquent guilty this time. That is how the notice of dismissal was issued by the Managing Director and the delinquent filed his reply to the show-cause notice issued by the Managing Director. The Manging Director granted personal hearing and thereafter, dismissed the delinquent from service by a speaking order. This speaking order was challenged in appeal before the Board of Directors which appeal came to be dismissed. Thereafter, Writ Petition was filed in the Punjab & Haryana High Court and the argument was that the Inquiry Officer's report was not submitted and this violates the principles of natural justice. The argument was accepted by the High Court that is why the Corporation went in appeal. The Corporation argued before the Supreme Court that the inquiry report was not necessary to be submitted and even if the same was not submitted there is no prejudice. It is in that context the Supreme Court made the observations relied upon before us. Even if the recent trend of prejudice as noted above by us is considered, that appears to be restricted to cases where the breach alleged is technical and no real prejudice is caused by denial of hearing and fair opportunity. Even otherwise, that aspect will have to be considered bearing in mind the nature of the lis, constitution of the tribunal, the ambit and scope of

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the powers conferred by a particular statute and the extent of hearing indicated therein. In our view, the argument of prejudice cannot be considered de-hors this vital aspect.

51 Similarly, other decisions relied upon by Mr.Kadam are also arising out of disciplinary proceedings and these decisions are rendered essentially in matters where the breach of principles of natural justice caused no injustice or prejudice.

52 In our view, in this case, it is not necessary to examine in further details, the aspect as to whether the breach of principles of natural justice would vitiate the proceedings to such an extent as would render the final order void. As far as our Courts are concerned, the settled view is that if the principles of natural justice are violated, the order is procedurally ultra-vires and therefore, suffers from a jurisdictional error. Such an error is required to be corrected and is capable of being corrected by a writ of certiorari under Article 226 of the Constitution of India. The power of judicial review is conferred precisely to set right such errors. Therefore, we can safely conclude that in this case the impugned order does not create any right in favour of the Respondent No.1 and the grant of patent, therefore, cannot be said to be valid.

53 The other decision that is relied upon by Mr.Sethna is that of the learned Single Judge of the Delhi High Court in case of *Dr. Miss. Snehlata C. Gupte (supra)*. The observations relied upon by him were made in the backdrop of a plea of limitation raised by the learned counsel appearing for the parties. We do not see as to how paragraph Nos.49 to 52 and the observations therein relied upon by Mr.Sethna, in any way

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assist him. These observations are to be seen in the light of the ultimate finding that the opposition must be filed before the grant. The pre-grant opposition must be on file before the patent is granted. The opposition being filed after the grant was clearly time-barred. It is to support that conclusion the learned Single Judge has referred to the statutory scheme. This decision is of no assistance in resolving the present controversy.

54 The argument of Mr.Kadam that the patent is granted for 20 years and substantial period has been lapsed, so also, the Respondent No. 1 has in furtherance of grant, extensively applied for and has been granted the patent for 29 countries; need not detain us. The argument that the procedural rules create difficulties for persons like the Respondent No.1 to apply and seek the patent, also cannot be of any assistance. Once we find that the statutory mandate has been breached and violated, then, the Respondent No.1 will suffer prejudice if the clock has to be set back, is indeed no answer. Mr.Kadam then submits that we should not set aside the grant even if we conclude that the same is issued without adherence to the principles of natural justice. In other words, while remitting the matter back to the Patent Controller we should not disturb the patent granted in favour of the Respondent No.1 because that would have serious consequences on the trade operations. We are unable to accede to this request. If the grant does not confer any legal right as it is vitiated by non observance of the principles of natural justice, then, to continue the patent as granted, would put a premium on the illegality of the authorities. That can never be the intention of the legislature. Hence, we have no hesitation in rejecting this plea of the learned Advocate General.

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55 Having dealt with all the pleas raised before us, we are of the opinion that consistent with the view of the Division Bench of Madras High Court, we can restrict the opportunity to object to the Petitioner only. Thus, the original and amended claims and the objections thereto raised by the Petitioner alone will be considered by the Controller afresh and the same including the supporting documents, can be relied upon by the parties. The Controller, needless to state, shall not be influenced by the earlier conclusions and render a fresh decision on merits and in accordance with law. We hasten to clarify that we have not expressed any opinion on merits of the controversy and all pleas of both sides in that behalf are kept open.

56 In the result, while setting aside the grant and the impugned order (Annexures-U and Z), we direct the Controller to give personal hearing to the Petitioner and the Respondent No.1 on the above lines and deliver a reasoned order within a period of three months from the date of appearance of the parties. However, for a period of 3 months from today no penalties be imposed on the Respondent No.1 in terms of Chapter XX of the of the Patents Act, 1970 entitled “Penalties”.

57 Rule is made absolute in the aforesaid terms but without any order as to costs.

CHIEF JUSTICE

S.C.DHARMADHIKARI, J.

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