Dampit A C Officine Maccaniche Spa vs Controller Of Patents & Designs on 29 June, 1999

Equivalent citations: (2000)1CALLTCHC

Author: R Pai

Bench: Ruma Pal

ORDER

R. Pai, J

1. This matter has been assigned to this Bench at the instance of the learned single Judge on the ground that the issues involved in the matter are very important and require more authoritative pronouncement on the subject.

2. Questions have been formulated by the learned single Judge by his order dated 30th February, 1999 for determination of the larger Bench - (a) whether the appeal was maintainable under section 116 of the Patents Act, 1970 (referred to as the Act); and (b) whether the order of the Controller dismissing appellant's application under section 118 of the Act was in conformity with the letter and spirit of section 118 of the Act or not.

3. We have taken up the first question at the outset before addressing ourselves to the merits of the matter. The facts briefly are that the applicant had applied on 31st March, 1999 for Italy for grant of a patent. Italy was declared a convention country as far as India was concerned on 3rd January, 1995. On 25th March 1999 an application was filed by the applicant under sections 133, 135 of the Act in which the applicant claimed priority on the basis of the application filed in Italy as a convention country. The Controller initially issued an order on 18th November, 1997 saying that the application was defective and gave the applicant time to rectify the defects. The defects mentioned, inter alia, was that as the basic application had been filed in Italy on 31st March 1999 i.e. before the date Italy was declared as a convention country, the application could not be proceeded with as a convention application and, accordingly, the application should be filed in proper format. The applicant applied for an opportunity of having heard in order to persuade the Controller to hold that the application of the applicant under sections 133, 135 was not defective. By a reasoned order dated 8th July, 1998 the Controller held, that the applicant was not entitled to claim priority as the basis that the basic application had not been filed before a convention country because when the application was filed on Italy, Italy was not a convention country. The Controller accordingly held that the application of the applicant could not be proceeded as a convention application and if the applicant complied with the requirements as specified under the law he may proceed as an ordinary application.

4. Section 116 is the provision which deals with appeals from orders passed by the Controller. The relevant sub-section is section 116(1) of the Act which allows an appeal to lie in the High Court "from any decision, order or direction of the Controller under any of the following provisions....." One of the provisions mentioned is section 15.

Section 15 provides for the power of the Controller to refuse or require amendment applications in certain cases. It reads as follows :-

"15. Power of Controller to refuse or require amendment applications in certain cases.-(1) Where the Controller is satisfied that the application or any specification filed in pursuance thereof does not comply with the requirements of this Act or of any rules made thereunder, the Controller may either-

(a) refuse to proceed with the application; or

(b) require the application, specification or drawings to be amended to his satisfaction before he proceeds with the application."

5. The Controller has, if fact, refused to proceed with the application and has required the applicant to amend his application in the manner directed by the Controller before the Controller would proceed with the application or act. The order is clearly covered by section 15(1) as quoted above and, therefore, is appealable under section 116(3) of the Act.

6. The submission of learned counsel for the respondents that the order was, in fact, an order under sections 133, 135 of the Act is not acceptable. The provisions of sections 133 and 135 were, relied upon by the Controller for refusing to proceed with the application of the applicant under section 15(1). It is not, as such, an order under sections 133 and 135 of the Act as contended by the applicant. We, accordingly, decide the first question in the affirmative and in favour of the appellant.

Dated : June 30, 1999.

7. The second question involves an interpretation of sections 133 to 139 all of which are contained in Chapter XXII of the Act, being the Chapter on International Arrangements. These sections provide for reciprocity between India and the citizen of other countries. The object of the sections is not only to provide for the mutual protection of inventions (vide section 135), but also to deny the rights under the Act to the nationals of those countries who do not award reciprocity to Indians (vide section 134). The benefit of reciprocity was Introduced In India as far as patents were concerned by the Patent and Designs Act, 1911 (referred to as (he 1911 Act). The 1911 Act was repealed by the present Act of 1970.

8. The countries with whom such reciprocal arrangements, exist have been described both in the present Act as well as in the 1911 Act as convention countries. A convention country has been defined in section 2(d) as meaning a country notified as such under sub-section(l) of section 133. Section 133(1) reads:

"133. Notification as to convention countries.--(1) With a view to the fulfilment of a treaty, convention or arrangement with any country outside India which accords to applicants for patents In India or to citizens of India similar privileges as are granted to its own citizens in respect of the grant of patents and the protection of patent rights, the Central Government may, by notification in the Official Gazette, declare such country to be a convention country for the purpose of this Act."

9. The corresponding provision to section 133 was section 78A(4) of the 1911 Act. Section 78A(4) empowered the Central Government to direct by notification that the provisions of section 78A would apply for the protection of inventions or designs registered in any other part of "His Majesties dominions" provided the Central Government found that such other dominion had made satisfactory provision for the protection of inventions or designs patented or registered in India. Under section 78A(4) of the 1911 Act, the United Kingdom, New Zealand, Eire. Ceylon, Canada and Australia were notified as convention countries. The applicant in these countries could apply for grant of patent in India and were entitled to the benefit of having their claim dated from the date of the application in their respective countries.

10. This benefit of being a national of a convention country was provided for In section 78A of the 1911 Act. Section 78A gave any person who had applied for protection for any Invention or design in the United Kingdom

and other countries notified under section 78(4) to claim that the patent that might be granted to him under the 1911 Act would be in priority to other applicants and have the same date as the date or the application in the United Kingdom, or other notified country.

11. The corresponding provision in the 1970 Act is section 135. Section 135(1) provides :

"135. Convention application.--(1) Without prejudice to the provisions contained in section 6, where a person has made an application for a patent in respect of an invention in a convention country (hereinafter referred to as the "basic application"), and that person or the legal representative or assignee of that person makes an application under this Act for a patent within twelve months after the date on which the basic application was made, the priority date of a claim of the complete specification, being a claim based on matter disclosed in the basic application, is the date of making of the basic application.

Explanation.--Where applications have been made for similar protection in respect of an invention in two or more convention countries, the period of twelve months referred to in this sub-section shall be reckoned from the date on which the earlier or earliest of the said applications was made."

12. The section therefore gives the applicant in India the benefit of priority by dating the claim of the applicant to the date when the applicant may have made an application In a convention country. In order to avail of this benefit:

(1) The applicant should have made an earlier application for a patent in a convention country (known as the basic application):

(2) An application for the patent in India has to be made under the Act:

(3) The application in India must be made within 12 months from the date of the basic application.

13. The importance of this priority is because the grant of the patent is always related to the date of the application. With the grant, the patentee is conferred the exclusive right by himself, his agents or licensees to make, use exercise, sell or distribute the invention in India (vide section 48). Another advantage of the priority date is that a grant of patent may be opposed under section 25(1)(d) if it can be shown that the invention was publicly known or publicly used in India before the priority date of that claim. Thus, it would be no answer to a priority claim under section 135 to show that the invention was publicly known or publicly used before the date of application in India unless It could also be shown that such publicity was there even prior to the date of the application in the convention country.

14. The 1970 Act came into force on 20th April 1972. On that very date a fresh notification was issued under section 133(1) of the 1970 Act by the Central Government declaring the United Kingdom, New Zealand, Eire, Ceylon and Canada as convention countries. Australia was Initially omitted. Subsequently, a fresh notification was Issued on 29th December 1972 under section 133(1) declaraing the Commonwealth of Australia to be a convention country for all the provisions of the Act with retrospective effect from 20th April 1972. The explanatory memorandum Issued In. support of the notification dated 29.12.1972 reads :

The Patents Act, 1970 was brought Into force on the 20th April, 1972. Under section 133(1) of that Act, the Central Government Is empowered to declare a count

It is clarified that the issue of the notification declaring Commonwealth of Australia as a convention country with effect from the 20th April, 1972 will not

15. As far as Italy is concerned, It was declared as a convention country along with 71 other countries by notification issued on 3rd January 1995. It is the

16. The appellant's submission will depend on the crucial phrase In section 135 which requires the basic application to be an "application for a patent in re

17. This is also clear from the provisions of sections 2(d) and 133 neither of which are expressed in language which can be construed as operating retrospecti
by nationals of the six convention countries between 1971 and 1972 under the 1911 Act, had been entertained by the respondents even though the notification un

18. The reason put forward by the respondents for this apparent aberration which we accept as correct is that these applications were saved by the provisions

"162. Repeal of Act 2 of 1911 in so far as it relates to patents and savings--(1) The Indian Patents and Designs Act, 1911 (2 of 1911) is so far as it relates

(a) the provisions of section 21-A of that Act and of any rules made thereunder shall continue to apply in relation of any patent granted before the commence

(b) the renewal fee In respect of a patent granted under lhat Act shall be as fixed thereunder.

(3) Save as otherwise provided in sub-section (2), the provisions of this Act shall apply to any application for a patent pending at the commencement of this

(4) The mention of particular matters In this section shall not prejudice the general application of the General Clauses Act, 1897 (10 of 1897) with respect

(5) Notwithstanding anything contained In this Act, any suit for infringement of a patent or any proceeding for revocation ofa patent, pending In any court a

19. Therefore the pending applications valldly made under section 78A of the 1911 Act would fall within the umbrella of section 162(3). The provisions of the

20. There has never been any hiatus In respect of reciprocity as far as the six countries which had been notified as convention countries under the 1911 Act.

21. This interpretation is fortified by section 162(4) which gives overriding effect to the provisions with respect to repeals of the General Clauses Act, 18

22. The appellant's rights on the other hand flowed for the first time under the 1970 Act. Its case must be considered in the light of the provisions of sect

ry as a convention country with a view to the fulfilment of a treaty, contention or arrangement with that country. By notification No, S.O. 302(EJ dated the 20lh April, 1972. United

adversely affect the interests of any other party."

appellant's case that although its application In Italy was made in 1994, nevertheless it was entitled to the benefit of section 135 as it had fulfilled all the three pre-conditions

spect of an invention in a convention country". On a literal interpretation, the phrase pllantly means that the basic application must be made to a country which is a convention coun

ive. Had there been no other statutory provision it would have meant that applications made to a country which may have been notified as a convention country under the 1911 Act would

der the 1970 Act, as far as these six countries were concerned, had been Issued subsequent to the making of such applications.

of section 162 of the 1970 Act. Section 162 which deals with repeals and savings provides :

to patents, is hereby repealed, that is to say, the said Act shall be amended in the manner specified in the Schedule (2) Notwithstanding the repeal of the Indian Patents and Design

ment of this Act is pursuance of that section, and

Act and to any proceedings consequent thereon and to any patent granted In pursuance thereof.

of repeals.

t the commencement of this Act may be continued and disposed of. as If this Act had not been passed."

1970 Act have expressly been made applicable to pending applications. The legislative Intention was to continue the right under section 135 of the appellants whose applications for

The Central Government was careful to Issue a fresh notification under section 133(1) of the 1970 Act In respect of these countries Immediately after the 1970 Act coming into force-

97. Section 6(c) of the General Clauses Act expressly states that unless a contrary intention appears, the repeal would not "affect any right, privilege, obligation or liability acqu

ion 135 of the 1970 Act which, as already held, provide that the basic application must have been made to a country which was declared a convention country under section 133(1).

Kingdom. New Zealand, Eire, Ceylon and Canada were declared as convention countries under section 133(1) of the Patent Act, 1970 from the dale of commencement of that Act so

noted above. The appellant has also relied upon the fact that other convention countries namely. United Kingdom, New Zealand, Eire, Ceylon Canada and Australia had been gran

ntry when the basic application is made in order to qualify the applicant for a priority claim under section 135. In other words, an application made to a country which may su

not be entitled to the benefit of priority under section 135 of the 1970 Act as the right would be restricted to those countries notified after the 1970 Act came into force

ns Act, 1911 (2 of 1911) in so far as It relates to patents-

priority were pending.

-in fact on the same date. The Intention to give continuity Is also borne out by the explanatory memorandum quoted earlier which Included Australia as a convention country wi

ired, accrued or incurred under any enactment was repelled." The applicants in convention countries under the 1911 Act had acquired a right to priority in India on the basis as to continue the existing arrangements with these countries without any break. A number of applications for patents originating from Australia and claiming priority on the basis of the correspondin

nted the privilege of priority under section 135 although the applicants from those countries had made their applications prior to the declaration being Issued under section 133(1).

ubsequently be declared as a convention country will not do.

and applications made after such notification. However several applications filed

th retrospective effect. The Central Government made it clear that the notification declaring the six Commonwealth countries is convention countries was issued on the date of the commencement of the

of such application, a right which was unaffected by the repeal. This was not a procedural but a substantive right or privilege accrued under the 1911 Act which was not taken away by the 1970 Act.

g applications made in Australia in pursuance of subsection (4) of section 78A of the Indian Patents and Designs Act, 1911 are pending since the Patents Act, 1970 came into force. Australia, having

1970 Act "so as to continue the existing arrangements with these countries without any break".

already declared India as a convention country. It Is appropriate that we do likewise. In consequence, the priority claimed for such applications will become allowable and the interests of the persons, who have made these applications, will not be adversely affected.

23. The notification as far as 72 other countries including Italy which was published on 3rd January 1995 reads :

"Where as the countries specified in the Table given below (hereinafter referred to as the said countries) have ratified the agreement for the establishment of World Trade Organisation, Including the Agreement on Trade Related Aspect so Intellectual Property Rights, to which India Is also a signatory country :

AND WHEREAS for the fulfilment of arrangements with the said countries as per the said Agreement, the said countries would afford to applicants for patents in India or to citizens of India similar privileges as are granted to their own citizens In respect of the grant of patents and the protection of patent rights, it is necessary so to do;

NOW, THEREFORE, In exercise of the powers conferred by sub-section (1) of section 133 of the Patents Act. 1970 (39 of 1970) the Central Government hereby declares each of the said countries to be a convention country for all the provisions of the said Act."

24. The notification, was not given retrospective effect and the privileges of reciprocity were therefore extended to the 72 countries Including Italy for the first time in 1995. The appellant's basic application was made in 1994 when Italy was not a convention country. There has therefore been no discrimination between the appellant and the applicants with pending applications under the 1911 Act and the Tribunal rightly held that the application of the appellant under section 135 could not be proceeded with.

The appeal is accordingly dismissed without any order as to costs.

D.P. Kundu, J.

25. I agree.

26. Appeal dismissed