

**IN THE HIGH COURT OF DELHI AT NEW DELHI**

**W.P.(C) No. 9126 of 2009**

TELEFONAKTIEBOLAGET LM ERICSSON  
(PUBL)

..... Petitioner

Through: Mr. Ramesh Babu MR and Mr. Abhai  
Pandey, Advocates.

versus

UNION OF INDIA & ORS.

..... Respondents

Through: None.

**CORAM: JUSTICE S. MURALIDHAR**

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|----|--|-----|
| 1. | Whether Reporters of local papers may be allowed to see the order? | No  |
| 2. | To be referred to the Reporter or not?                             | Yes |
| 3. | Whether the order should be reported in Digest?                    | Yes |

**ORDER**  
**11.03.2010**

1. The Petitioner is a Swedish company which is stated to be a world leader in providing telecommunication equipments and related services to mobile and fixed network operators globally. The Petitioner had filed a National Phase Patent Application No. 3380/DELNP/2005 on 29<sup>th</sup> July 2005 for an invention titled “A Method and Apparatus For Supporting Content Purchases Over a Public Communication Network.” It is stated that in accordance with Section 11B of the Act and Rule 24(1)(i) of the Patents Rules 2003, the Petitioner filed an application in Form 18 with the prescribed fees requesting the Controller of Patents, Respondent No. 2 herein, to examine the said application. The Petitioner’s application was published in the Patent Office Journal dated 1<sup>st</sup> June 2007.

2. A first examination report was issued on 8<sup>th</sup> October 2007 in which

certain defects were pointed out. The Petitioner states that it filed a reply on 10<sup>th</sup> December 2007 in compliance with what was indicated in the first examination report.

3. By a letter dated 25<sup>th</sup> July 2008, Respondent No.2 communicated another examination report reiterating the very same objections as raised in the first examination report. No explanation was offered for not considering the Petitioner's reply to the first examination report. The last date for complying with the defects pointed out was indicated as 8<sup>th</sup> October 2008. At the request of the Petitioner, on 11<sup>th</sup> August 2008 the Petitioner's patent agent met the concerned examiner of Respondent No.2 to explain its reply to the first examination report.

4. On 22<sup>nd</sup> September 2008 within the stipulated time limit granted in the second examination report, the Petitioner filed a further reply explaining the objections indicated in the second examination report. It was further requested that in the event the decision of Respondent No.2 was going to be adverse to it, the Petitioner should be given an opportunity of being heard in terms of Section 14 of the Act before a final order was passed.

5. On 10<sup>th</sup> October 2008, Respondent No.2 wrote the following letter to the Petitioner's attorney:

“Sub: Patent Application No.3380/DELNP/2005

Sir,

I am to invite a reference to the correspondence resting with this office letter no.3380/DELNP/2005/3655 Dated 25/07/2008 and to state that as the amendment

observation submitted on 22/09/2008 as well as discussion held with Mr. Sushil Kumar of LEX ORBIS, agent of applicant, and their submission on 08/10/2008 and have been duly considered. The specification is found still defective in following respects

1. Subject matter as described and claimed in claims does not constitute an invention under section 2(1) (j) of the patents Act, 1970 in view of cited document i.e.US2002156732, US2002138601, WO02080061, WO9931610, WO02102016.
2. Claims fall within the scope of sub clause (K) of section 3 of IPA-1970.
3. Title is inconsistent with description and claims.

Last date for putting the application in order for grant has expired on 08/10/2008. The application is deemed to have been abandoned under the provisions of section 21 (1) of the said Act.”

6. The grievance of the Petitioner is two-fold. The first is that despite replying to the objections raised in both the first examination report as well as the second examination report, the Respondent No.2 has held that the Petitioner’s Application “is deemed to have been abandoned” under Section 21(1) of the Act. Thus there was no opportunity of filing an appeal which would otherwise have been available to the Petitioner had an order rejecting the application been passed under Section 15 of the Act as the order under Section 21 of the Act was not appealable under Section 117A of the Act. Secondly, it is submitted that the above order does not deal with the detailed replies filed by the Petitioner to the objections raised in the examination reports. The Petitioner cannot be said to have ‘abandoned’ its application. The request of the Petitioner for an early hearing under Section 14 of the Act

was also not acceded to.

7. Learned counsel for the Petitioner has relied on the decision of this Court in *Ferid Allani v. Union of India 2008 (37) PTC 448 (Del.)* where in similar circumstances this Court had remanded the matter to the Controller of Patents for a fresh consideration of the application on merits.

8. This Court directed notice to issue in the case on 21<sup>st</sup> September 2009. Despite accepting notice on that date, learned counsel for the Respondents did not appear on the following date i.e. on 24<sup>th</sup> September 2009. The Court then passed the following order:

“No appearance is made on behalf of the respondents today. Mr. Sachin Dutta, Standing Counsel, is present in the Court and is asked to enter appearance. A fresh copy of the paper book will be furnished to Mr. Sachin Dutta, Standing Counsel, during the course of the day. Mr. Sachin Dutta, Standing Counsel, will obtain instructions and, if required, file counter affidavit. Learned counsel for the Petitioner states that the matter is covered by the decision of this Court in *Ferid Allani v. Union of India & Ors. , 2008 (37) PTC 448 (Del.)*.

List again on 18<sup>th</sup> December, 2009.”

9. On 18<sup>th</sup> December 2009, appearance was entered into by a different counsel for the Union of India (‘UOI’). Further time of four weeks was granted to the UOI for filing a counter affidavit. Today none appears for the UOI, despite a passover. There is also no counter affidavit on record.

10. The question that arises in the present case is whether, in the facts and

circumstances of the case, it could be said that the Petitioner has ‘abandoned’ its patent application in terms of Section 21(1) of the Act.

11. Section 21(1) of the Act reads as under:

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

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

12. The above provision has to be read in the context of Section 12 of the Act, which reads as under:

**“12. Examination of application:**

When a request for examination has been made in respect of an application for a patent in the prescribed manner under sub-section (1) or sub-section (3) of section 11B, the application and specification and other documents

related thereto shall be referred at the earliest by the Controller to an examiner for making a report to him in respect of the following matters, namely:-

(a) whether the application and the<sup>3</sup>[specification and other documents relating thereto] are in accordance with the requirements of this Act and of any rules made there under;

(b) whether there is any lawful ground of objection to the grant of the patent under this Act in pursuance of the application;

(c) the result of investigations made under section 13, and

(d) any other matter which may be prescribed.

(2) The examiner to whom the application and the specification and other documents relating thereto are referred under sub-section (1) shall ordinarily make the report to the Controller within such period as may be prescribed.”

13. A collective reading of the above provisions shows that the applicant is required to deal with the objections raised in the reports that emerge as a result of the examination of the application. Whether the applicant has satisfactorily met the objections is another matter. In the context of Section 21 an applicant should be deemed to have “abandoned” his application only when such applicant fails to comply with all the requirements imposed on him or under this Act. This can be contrasted with Section 15 which talks of the satisfaction of the Controller. Section 15 of the Act reads as under:

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

14. Where in response to an examination report, an applicant does nothing by way of meeting the objections raised therein within the time stipulated, and does not seek extension of time for that purpose only then it can be said that such application should be “deemed to have been abandoned”. If he has replied but such reply is not found satisfactory, even after a further opportunity if any is given, then the Controller should proceed to take a decision in terms of Section 15, after complying with Section 14 of the Act.

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

condition for attracting the deemed fiction of “abandonment” in terms of Section 21(1) of the Act, was non-existent in the instant case.

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

17. Lastly, this Court finds merit in the contention of the Petitioner that by holding that the Petitioner should be deemed to have abandoned its application in terms of Section 21(1) of the Act for the three reasons mentioned therein, the Controller of Patents has in effect rejected the application for patent. Such an order is an order relatable to Section 15 of the Act. However this has been done without indicating the reasons why the reply filed by the Petitioner to the objections was not found satisfactory. Also, there is no explanation for denying the Petitioner an opportunity of hearing in terms of Section 14. Since no order was passed under Section 15 of the Act, the Petitioner is also deprived of filing an appeal under Section 117A of the Act.

18. For the aforementioned reasons, this Court sets aside the impugned order dated 10<sup>th</sup> August 2008 passed by Respondent No.2. The Petitioner's application will be restored to the file and be dealt by the Respondent No.2 in accordance with law. If Respondent No.2 finds that the Petitioner has not made out a case for grant of patent, it will pass a reasoned order under Section 15 of the Act. Of course, prior to doing so, the Petitioner will be offered an opportunity of being heard, in terms of the request already made by it under Section 14 of the Act.

19. The writ petition is accordingly allowed with no order as to costs.

**S. MURALIDHAR, J.**

**MARCH 11, 2010**

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