IN THE HIGH COURT AT CALCUTTA

ORIGINAL SIDE

COMMERCIAL DIVISION

Present:

The Hon'ble Justice Krishna Rao

IPDAID 4 of 2024

(Old No. A.I.D. 8 of 2023)

Terex India Private Limited

Versus

CDE Asia Ltd. & Anr.

Mr. Akhil Sibal, Sr. Adv.
Ms. Sarah Haque
Mr. Sanjeev Kr. Tiwari
Mr. Rudraman Bhattacharyya
Mr. Abhishek Jana
Mr. Nikunj Berlia
Ms. Saolini Bose
Mr. S. Dasgupta

... for the appellant.

Mr. S.N. Mookherjee, Sr. Adv.
Mr. Ranjan Bachawat, Sr. Adv.
Mr. Debnath Ghoshal
Mr. Shounak Mitra
Mr. A. Nargolkar
Mr. N. Ranjan

Ms. Vaibhavi Pandey
Mr. Dhruv Chanda
Mr. Biswarup Mukherjee

... for the respondent no.1.

Mr. Swatarup Banerjee
Mr. Sailendra Kumar Tiwari
Mr. Balarko Sen
Ms. S. Indoria

... for the respondent no.2.

Hearing Concluded On : 15.07.2024

Judgment on : 02.08.2024

Krishna Rao, J.:

1. The appellant has preferred an appeal under Section 117A of The Patents Act, 1970 against the order passed by the Deputy Controller of Patent and Designs dated 2nd March, 2023 wherein the post-grant opposition filed by the appellant for revocation of Indian Patent No. 307249 granted on 12th February, 2019 in an Indian Patent Application No. 1033/KOLNP/ 2013 dated 3rd September, 2013 under the title "SYSTEM /DEVICE PROCESS FOR CLASSIFICATION OF VARIOUS MATERIALS" in the name of CDE ASIA LTD. is refused.

2. The respondents had made an application being No. 1033/KOLNP/ 2013 dated 3rd September, 2013 for its invention titled "SYSTEM/ DEVICE PROCESS FOR CLASSIFICATION OF VARIOUS MATERIALS".

The said application was granted on 12th February, 2019 with India Patent No. 307249 over 10 claims.

3. Mr. Akhil Sibal, Learned Senior Advocate representing the appellant submitted that the main independent claim i.e. Claim 1 is a method claim for classification of various materials and Claims 2 to 4 are dependent upon process Claim 1. He submits that the patent contains another independent claim for system for classification of materials of variable sizes under Claim 5. He submits that Claims 6 to 10 are dependent upon Claim 5. He submits that the independent Claim 5 pertaining to the system has been presented to include multiple subsystems, and the same has been mentioned in the specification. But there is no disclosure in the specification or in the drawing as to how such subsystems are interconnected.

4. Mr. Sibal submitted that the respondent has claimed monopoly for a method and a system that were publicly known and were already in use at the time of priority date, due to which such claims are not patentable subject-matter in India. Mr. Sibal relied on the evidence of Dr. Prabuddha Ganguli wherein he has stated that *"individual devices are known and the manner in which they function is also known, but the combination invented in IN'249 produces a totally unexpected effect resulting in the invented equipment system and process as claimed in IN'249.*

The statements placed by the opponent and the expert that the functioning of individual devices is known is true. However, what is not

known and used earlier to the priority date of the patent application no 1033/KOL/2013, is how to judiciously combine them to achieve the desired objectives. In my earlier paras of this affidavit, I have explained in detail how the cited prior arts are irrelevant in the context of the invention as claimed in IN'249 and hence is not repeated here for brevity."

5. Mr. Sibal submitted that the appellant who has been in the industry for much longer time than the respondent and has dealt with multiple products and components thereof which clearly map upon and overlap with system Claim 5 of the impugned patent. He submits that the process Claim 1 has been practiced by the appellant and its parent company and subsidiary companies before the priority date of the impugned patent. He submits that appellant has been in the market of *inter-alia*, sand and aggregate washing plants and various other such materials like ores and waste classification systems for several years, and has not only been selling various products meant for segregating various materials and sand washing, but also various other high-end equipment.

6. Mr. Sibal submits that the Learned Controller has not given any observation or provided any reasons as to why he has agrees with the submissions of the Patentee. He submits that the Learned Controller has not considered the Patentee's own admission that each of the components or devices being recited in claims are known and the manner in which they function is also known. He submits that the

Learned Controller has not dealt with how the invention is not hit by the Bar of Section 3(f) of the Patents Act. He submits that Section 3(f) is applicable to the presently claimed system as it is a mere arrangement or re-arrangement or duplication of known devices each functioning independently of each another in a known way.

7. Mr. Sibal submitted that Learned Controller has merely copy pasted the written submissions of the Patentee and has not given any independent reasoning or interpretation or inference as to why the Learned Controller accepted a particular submission. He submitted that the Learned Controller has not given any reason as to why the submission of the applicant were incorrect and how the Patentee has overcome to the objections raised by the appellant and more importantly, by the Opposition Board. In support of his submission Mr. Sibal has relied upon the judgment in the case of ***Cipla Limited –vs- Union of India & Ors.*** reported in ***(2012) 13 SCC 429*** and submitted that the provisions of the Act and the Rules, therefore, clearly indicate that the Opposition Board has to make its recommendations after considering the written statement of opposition, reply statement and evidence adduced by the parties with reasons on each ground taken by the parties. He submits that Rule 62 also empowers the Controller to take into consideration, the reasons stated by Opposition Board in its report. In other words, the report of the Opposition Board has got considerable relevance while taking a decision by the Controller under Section 25(4) of the Act read with Rule 62(5) of the Rules.

He submits that the Learned Controller has merely reproduced the arguments of the parties on the Opposition Board's recommendations in the impugned order but has not given any weightage to the Opposition Board's recommendations which is against all settled legal principles.

8. Though the appellant had preferred the present appeal on different grounds on merit but at first Learned Counsel for the appellant had argued the matter for remand of the case on the ground that the Learned Controller has merely copy pasted the written submissions and arguments and pleadings of the parties but has not given any independent reasoning, interpretation, inference with regard to any of the submissions raised by both the parties.

9. Learned Advocate for the appellant had argued the matter at length as to why the order passed by the Learned Controller is required to be set aside and to remand the matter for fresh consideration. In reply to the submissions made by the Learned Counsel for the appellant, the Learned Counsel for the respondent no. 1 has agreed to remand the matter for fresh consideration but a dispute arose between the parties that whether the matter is to be sent to the same officer who has passed the impugned order or the officer other than the officer who has passed the impugned order. A dispute also arose between the parties from which stage the matter is to be remanded before the Authority.

10. Mr. S.N. Mookherjee, Learned Senior Advocate representing the respondent no. 1 submits that as per Order XLI Rule 25 of the Code of Civil Procedure, 1908, the matter is to be remanded to the same authority who has passed the impugned order. Mr. Mookherjee has relied upon the judgment in the case of ***National Sewing Thread Company Limited –vs- James Chadwick & Brothers Limited*** reported in ***AIR 1953 SC 357*** and submitted that Trade Marks Act does not provide or lay down any procedure for the future conduct or career of that appeal in the High Court, indeed Section 77 of the Act provides that the High Court if it likes make rules in the matter. Obviously after the appeal had reached the High Court it has to be determined according to the rules of practice and procedure of that Court and in accordance with the provisions of charter under which that court is constituted and which confers on it power in respect to the method and manner of exercising that jurisdiction. He submits that the rule is well settled that when a statue directs that an appeal shall lie to a court already, established, then that appeal must be regulated by the practice and procedure of the Court.

11. Mr. Mookherjee further relied upon the judgment in the case of ***Sabri – vs- Ganeshi*** reported in ***14 ALL 24*** and submitted that if the order is set aside and the court is of the view, that the matter is to be remanded, the same is to be sent to the same authority who has passed the impugned order.

12. Mr. Sibal submitted that the provisions of Order XLI Rule 25 is not applicable in the present case as upon plain reading of the said provision, it would be apparent that it applies to a decree in terms of Order XLIII Rule 2 of the Code of Civil Procedure, 1908. He submits that Order XLI also applies to appeals from orders. He submits that the impugned order is neither a decree nor order as per the definition of Section 2 (2) & 2 (14) of the Code of Civil Procedure, 1908. In support of his argument, Mr. Sibal has relied upon the judgment in the case of ***Promoshirt –vs- Armasuisse*** reported in ***2023 SCC OnLine Del 5531*** and submitted that the Hon'ble Division Bench of the Delhi High Court has decided the question whether Section 100A of the CPC would bar a second appeal under Letters Patent against an order passed by the Learned Single Judge in an appeal under Section 91 of the Trade Marks Act, 1999. The Delhi High Court held that the bar under the Code of Civil Procedure, 1908, could not apply in an appeal under Section 91 of the Trade Marks Act, 1999 and the same is neither an appeal against a decree or order as defined under Section 2 of the Code of Civil Procedure, 1908 and thus Section 100A would have no application.

13. Mr. Sibal relied upon the judgment in the case of ***ART Screw Companies Limited –vs- Assistant Controller of Patent and Designs*** reported in ***2022 SCC OnLine Del 4429, Kanaklata –vs- State (NCT of Delhi) & Ors.*** reported in ***(2015) 6 SCC 617*** and ***Palanisamy –vs- The State, represented by the Inspector of Police, Erode District*** reported in ***2016 SCC OnLine Mad 19740*** and

submitted that the patent was examined by an Examiner under Section 14 and then the process of examination was conducted by Mr. Ajit Kumar, Asst. Controller of the Patent Office and then the patent was granted by one Mr. O.P. Gupta, Controller of the Patent Office. The notice of opposition was sent by one Mr. Jayant Anand, Asst. Controller of the Patent Office, the Opposition Board which gave the recommendations based on the pleadings and evidence of both the parties comprised of another Asst. Controller of the Patent Office, Mr. Ram Sundar Patel along with two examiners, i.e. Mr. Rohit Kumar Singh and Dwaipayan Mahato.

He submitted that the Deputy Controller, Mr. Vinod Kumar finally conducted the hearing one day and passed the impugned order. Referring the above, Mr. Sibal submits that the purported rationale that the same judge who conducted the trial should hear and decide the matter is not applicable in the instant case as the Deputy Controller has heard the matter only one day and passed the impugned order.

14. Mr. Sibal had relied upon the following judgments:

i. (2001) 7 SCC 318 (Anil Rai –vs- State of Bihar).

ii. (1976) 3 SCC 574 (R.C. Sharma –vs- Union of India).

iii. Unreported judgment passed in the case of Britannia Industries Limited –vs- The Controller Patents of Patent & Designs & Anr., IPDPTA 27 of 2023.

iv. Unreported judgment passed in the case of Blackberry Ltd. –vs- Assistant Controller of Patents & Designs, C.A. (COMM.IPD-PAT) 301/2022 order dated 22.03.2023.

v. *2023 SCC OnLine Del 211 (Impact Selector International LLC v. Controller of Patents).*

vi. *Unreported judgment passed in the case of Procter & Gamble Company –vs- Controller of Patents & Designs, C.A. (COMM.IPD-PAT) 268/2022.*

vii. *Unreported judgment passed in the case of Arkema France –vs- Assistant Controller of Patents & Designs, (T)CMA (PT)/59/2023.*

viii. *Unreported judgment passed in the case of Starpharma PTY Ltd. –vs- Assistant Controller of Patents & Designs, (T)CMA(PT)/22/2023.*

ix. *Sugen Inc. & Ors. –vs- Controller of Patents & Designs, IPAB Order 107/2013 in OA/5/2013/PT/DEL & M.P. No. 13/2013 in OA/5/2013/PT/DEL.*

Relying upon the said judgments, Learned Counsel for the appellant submits that all the Hon'ble Courts while setting aside the orders of the Controller, has remanded the matter with the direction to dispose of the application within a certain period but it was clarified that the application shall be decided by other officer except the officer who has passed the impugned order. Learned Advocate submits that the matter is required to be sent to another officer for taking appropriate decision as there might be a possibility of apprehension of pre-determination.

15. Each and every patent application depending on the field of technology and the nature of the prior arts may require different approaches or tests to be followed or applied. In the ultimate analysis, an Examiner in

the Patent Office adjudicating the issue needs to identify the elements in the prior arts and compare the same with the claims in question from the point of the view of a person skilled in the art.

16. The Deputy Controller has passed the impugned order containing 119 pages out of which from page no. 05 to 166, the Deputy Controller has recorded the submissions and written arguments of the parties as well as the observations of opponent on recommendations of Opposition Board and in the conclusion part, the Deputy Controller has recorded the claim 1 to claim 10 and finally, in paragraph 28 at page 118 and in paragraph 29 at page 119 of the impugned order dated 2nd March, 2023, held as follows:

> ***"28.*** *After going through the argument of the both parties, written submissions, affidavits of the both parties, report of the Opposition Board and in view of above conclusions it is observed that the opponent is not succeeded to establish any opposition grounds (para 19) under Section 25(2) of the Act.*
>
> ***29.*** *In view of the findings upon the facts of this case, upon consideration of the Notice of Opposition, Statements and evidences/affidavits of both the parties, and the arguments put forwarded by their learned counsels at the hearing and all the circumstances of the case it is hereby ordered that the post-grant Opposition lodged against the Patent No. 307249 (application no. 1033/KOL/2013) is dismissed and patent shall be continued. There is no order as to cost."*

17. The Deputy Controller ought to have disclosed reasons to support his conclusion. Reasoning through a speaking order is a vital aspect of the

principles of natural justice and is of utmost importance, which needs to be underscored. If the Patent Office's orders lack proper reasoning, it may be difficult for the applicant to identify the grounds for appeal. The legal proposition that an order of such kind should be supported by reasons, needs no reiteration. Not only does this benefit, the applicant whose rights are likely to be affected, but also assists the Court in ascertaining how the concerned officer applied their minds and reached the impugned conclusion, while exercises judicial review.

18. The entire text of the impugned order has been dedicated to noting the details of the invention, claims made therein and how the proceedings were conducted. That may be necessary, and no fault lies there; however, the crux of the issue is lack of reasoning supporting the final decision, a task at which the Deputy Controller has completely fallen short. This makes the decision arbitrary, suggesting a subjective determination without any objective criteria. Such kind of mechanical, template and cut-and-paste orders cannot sustain and must be strictly discouraged.

19. The impugned order fails to satisfy the basic requirements of any order adjudicating on patentability of an invention. It is for this arbitrary approach of the Deputy Controller that the Court is not in a position to examine the impugned order on merits. Accordingly, same is quashed and set aside.

20. Now the question whether the matter is remanded to the same officer or the other officer for fresh consideration.

21. Order XLI, Rule 25 of the Code of Civil Procedure, 1908, reads as follows:

> ***"25. Where Appellate Court may frame issues and refer them for trial to Court whose decree appealed from.***- *Where the Court from whose decree the appeal is preferred has omitted to frame or try any issue, or to determine any question of fact, which appears to the Appellate Court essential to the right decision of the suit upon the merits, the Appellate Court may, if necessary, frame issues, and refer the same for trial to the Court from whose decree the appeal is preferred, and in such case shall direct such Court to take the additional evidence required; and such Court shall proceed to try such issues, and shall return the evidence to the Appellate Court together with its findings thereon and the reasons therefor [within such time as may be fixed by the Appellate Court or extended by it from time to time]."*

Order XLI, Rule 25 deals with the decree and the Appellate Court may if necessary frame issue and refer the same for trial to the Court from whose decree, the appeal is preferred and direct such Court to take additional evidence if required and such Court shall proceeded to try such issues and shall return the evidence to the Appellate Court together with findings and the reasons.

Section 2(2) of the CPC, 1908, reads as follows :

> *"(2) "decree" means the formal expression of an adjudication which, so far as regards the Court expressing it, conclusively determines the rights of the parties with regard to all or any of the matters*

in controversy in the suit and may be either preliminary or final. It shall be deemed to include the rejection of a plaint and the determination of any question within [***] section 144, but shall not include –

(a) any adjudication from which an appeal lies as an appeal from an order, or
(b) any order of dismissal for default.

Explanation.- A decree is preliminary when further proceedings have to be taken before the suit can be completely disposed of. It is final when such adjudication completely disposes of the suit. It may be party preliminary and partly final;."

Section 2(14) of the CPC, 1908, reads as follows:

"(14) "order" means the formal expression of any decision of a Civil Court which is not a decree;."

In the case of ***Promoshirt (supra),*** the Division Bench of the Delhi High Court held as follows:

"74. *Reverting then to the facts which obtain in these appeals we find that undisputedly, the Registrar of Trade Marks is not a civil court. Even though some of the powers that are otherwise available with a civil court may be placed in its hands and be exercised by it, the same would not make it a civil court. We have no hesitation in holding that it would not qualify the test of "trappings of a court" in light of the decisions in Anglo-French Drug Co. and Khoday Distilleries. Section 91 of the 1999 TM Act does not prescribe the appellate remedy to be governed by the provisions of the Code. This as we have found above is a departure from Section 76 of the 1940 TM Act and Section 109 of the 1958 TM Act as well as Section 299 of the Indian Succession Act, 1925 on the basis of which the Full Bench came to rule and decide Avtar Narain Behal. All of the above would tend to indicate that the LPA against*

an order passed by a Single Judge while exercising the Section 91 power would not be barred.

77. *We would think that the intent of Section 100A would be confined to a second appeal when preferred against a judgment of a Single Judge exercising appellate powers provided it pertained to a decree or order as defined by the Code. The bar would thus only operate where the decree or order against which the appeal was preferred before the Single Judge was of a civil court. We further note that Section 2(14) uses the expression "civil court" and not "court". It would thus be doubtful whether the "trappings of a court" test as generally formulated would have any application. However, even if we were to proceed on the basis that such a test could be justifiably invoked for the purposes of Section 100A, the Registrar of Trademarks would not qualify the standards as enunciated."*

22. The Hon'ble Division Bench of Delhi High Court held that the Registrar of Trade Mark is not a Civil Court. Section 100A of the Civil Procedure Code, 1908 confines to a second appeal. The bar would only operate where a decree or appeal was preferred before the Single Judge was of a Civil Court. In the present case, the impugned order passed by the Deputy Controller under the Patent Act and the appellant preferred an appeal under the provisions of Patent Act and thus the Order XLI Rule 25 is not applicable in the present case.

23. The appellant has relied upon several judgments wherein several High Courts including this Court as well as co-ordinate Bench of this Court after setting aside the order passed by Controller, Asst. Controller or Deputy Controller as the case may be remanded the matter to the officer other than the officer who has passed the impugned order. By remanding the matter to the officer other than the officer who passed

the order was only on the ground that there is a possibility of pre-determination.

24. In the present case, though the appellant has not taken the specific ground of biasness of the Deputy Controller who passed the impugned order but in grounds of appeal, the appellant has specifically mentioned that the Deputy Controller has recorded the submissions of the parties as well as the contentions raised in the written argument but has not assigned any reason. There is no mandatory provision that the matter should be remanded to the same officer or some other officer than the officer who passed the impugned order. This Court is of the view that the litigant should get proper justice. If there is any possibility of pre-determination, the litigant may not get proper justice and to avoid any complications and to avoid multiplicity of proceedings, it would be proper to remand the matter to any officer other than the officer who passed the impugned order.

25. Now the question from which stage, the matter should be remanded for fresh consideration. It is found from record that all proceedings have been completed and the parties have also filed their written argument. In this situation, it would be proper to remand the matter from the stage of argument so as to enable the parties to get an opportunity of fresh argument and to bring all materials available on record to the notice of the concern officer.

26. In view of the above, the impugned order passed by the Deputy Controller of patent and design dated 2nd March, 2023 is set aside and quashed and the matter is remanded for re-consideration. Such re-consideration shall be under taken on the following terms :

(1) In order to preclude the possibility of pre-determination, such re-consideration shall be undertaken by the officer other than the officer who passed the impugned order.

(2) After providing opportunity of argument to all the parties, on the basis of the documents and materials available on record, the dispute of the post-grant opposition in respect of Indian Patent No. 307249 filed by the appellant shall dispose of by passing a reasoned and speaking order within a period of six months from the date of receipt of a copy of this order.

(3) It is made clear that no opinion is being expressed herein on the merits of the patent application.

27. IPDAID No. 4 of 2024 (Old No. A.I.D. 8 of 2023) is **disposed of**.

(Krishna Rao, J.)