

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

% ***Date of Decision : 17th January, 2023***

+ **C.A.(COMM.IPD-PAT) 138/2022**

IMPACT SELECTOR INTERNATIONAL LLC Appellant

Through: Mr. Rohit Rangi with Mr. Vineet Rohilla, Mr. Debashish Banerjee and Mr. Ankush Verma, Advocates.

versus

CONTROLLER OF PATENTS

..... Respondent

Through: Mr. Harish Vaidyanathan Shankar, CGSC with Mr. Srish Kumar Mishra, Mr. Sagar Mehlawat and Mr. Alexander Mathai Paikaday, Advocates.

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

AMIT BANSAL, J. (Oral)

1. The present appeal has been filed under Section 117-A of the Patents Act, 1970 impugning the order dated 12th July, 2017 passed by the Assistant Controller of Patents and Designs in the Indian Patent Application No. 2366/DELNP/2006 (hereinafter “subject application”) filed on 28th April, 2006 for the invention titled “Field Adjustable Impact JAR” (hereinafter “subject invention”).

2. Brief facts relevant to decide the present appeal are as follows:

2.1 The appellant had filed the subject application on 28th April, 2006 at the Patent Office, New Delhi as a national phase application under Patent Cooperation Treaty (PCT) claiming priority from US Application No.10/696,823 dated 30th October, 2003.

2.2 After much delay, the Patent Office examined the subject application

and issued a First Examination Report (FER) on 12th February, 2014, in which 9 objections were raised on behalf of the Patent Office. The main objection pertained to lack of inventive steps in terms of Section 2(1)(ja) of the Patents Act, 1970.

2.3 A detailed response was filed on behalf of the appellant to the aforesaid FER on 14th October, 2014, wherein the appellant distinguished the subject invention from the prior art and made submissions with regard to the subject invention being novel and inventive.

2.4 On 26th May, 2017, the Patent Office issued a hearing notice fixing the date of hearing for 12th July, 2017, wherein once again, an objection was taken with regard to lack of inventive steps in view of the prior art. At the oral hearing, the appellant made submissions with regard to novelty and inventive steps, especially in light of the cited prior art documents.

2.5 In terms of Rule 28 (7) of the Patent Rules, 2003, the appellant had the right to file written submissions within 15 days from the date of hearing. However, at the insistence of the Assistant Controller of Patents and Designs, the written submissions dealing with the prior art cited by the Patent Office and explaining how the subject invention is discernible from the prior art, were filed on the same date under protest.

3. The impugned order dated 12th July, 2017 was passed by the Assistant Controller of Patents and Designs on the very same date when the hearing took place and the written submissions were filed, rejecting the subject application on the ground of lack of inventive steps under Section 2(1)(j) read with Section 2(1)(ja) of the Patents Act, 1970 in view of the prior art references GB499616 and US5267613. The relevant part of the impugned order is set out below:

“After going through the oral and written submissions made by Ld. Agent for Applicant with regard to the inventive step in view of citations GB499616 and US5267613 and the amended claims 1-49 produced before me during hearing , It is opined that the claims lacks inventive step and shall be obvious to the skilled person in the art.

Therefore this application is refused patent u/s 15 of The Patent Act 1970 in contravention to the section 2(1)(j) read with 2(1)(ja).

The application stands disposed off”

4. Counsel appearing on behalf of the appellant submits that detailed submissions were made on behalf of the appellant in response to the FER as well as the written submissions, wherein the subject invention has been distinguished from the prior art cited by the Patent Office. However, the Patent Office has passed a cryptic order without dealing with any of the submissions made on behalf of the appellant. He further submits that subject application has been granted patents in other jurisdictions, especially Australia, Canada, China etc.

5. I have examined the record and heard the counsels for the parties.

6. At the outset, a reference may be made to Rule 28(7) of the Patents Rules, 2003:

“28. Procedure in case of anticipation by prior publication.

(7) In all cases of hearing, written submissions and the relevant documents, if any, shall be filed within fifteen days from the date of hearing.”

7. As per the aforesaid rule, the appellant had the right to file the written submissions within fifteen days from the date of hearing. However, the Assistant Controller of Patent and Designs insisted the appellant to file the written submissions on the date of hearing. In my view, it is a clear violation

of the Rule 28(7) of the Patent Rules, 2003. Once the said rule provides that the written submissions shall be filed within fifteen days from the date of hearing, the Assistant Controller of Patents and Designs should have granted fifteen days' time to the appellant to file written submissions.

8. Now, I shall deal with the submission of the appellant that the impugned order is cryptic and unreasoned. In this regard, a reference may be made to the judgment of a Co-ordinate Bench of this Court in ***Agriboard International LLC v. Deputy Controller of Patents and Designs***, 2022 SCC OnLine Del 940, followed by a Coordinate Bench of this Court in the judgment dated 27th September, 2022 in C.A.(COMM-IPD-PAT) 8/2022 titled ***Auckland Uniservices Limited v. Assistant Controller of Patents and Designs*** and also by me in ***N.V. Satheesh Madhav and Anr. v. Deputy Controller of Patents and Designs***, 2022 SCC OnLine Del 4568 and the judgment dated 12th January, 2023 in C.A.(COMM-IPD-PAT) 435/2022 titled ***Alfred Von Schukmann v. The Controller General of Patents, Designs and Trademarks and Ors.***, wherein it was held that the Patent Office is required to pass a speaking order analyzing what is the existing knowledge and how the subject invention lacks inventiveness in light of the prior art. The relevant observation of this Court in ***Agriboard international*** (supra) are set out below:

***“23. The said reasoning has been reiterated by the Supreme Court in Manohar v. State of Maharashtra & Ors. AIR 2013 SC 681 wherein it has been categorically observed that application of mind and recording of reasoned decision are the basic elements of natural justice. There can be no doubt that scrupulous adherence to these principles would be required while rejecting patent applications.*”**

24. *In the opinion of this Court, while rejecting an invention for lack of inventive step, the Controller has to consider three elements-*

- *the invention disclosed in the prior art,*
- *the invention disclosed in the application under consideration, and*
- *the manner in which subject invention would be obvious to a person skilled in the art.*

25. *Without a discussion on these three elements, arriving at a bare conclusion that the subject invention is lacking inventive step would not be permissible, unless it is a case where the same is absolutely clear. Section 2(1)(ja) of the Act defines „inventive step“ as under:*

(ja) “inventive step” means a feature of an invention that involves technical advance as compared to the existing knowledge or having economic significance or both and that makes the invention not obvious to a person skilled in the art.

26. **Thus, the Controller has to analyse as to what is the existing knowledge and how the person skilled in the art would move from the existing knowledge to the subject invention, captured in the application under consideration. Without such an analysis, the rejection of the patent application under Section 2(1)(ja) of the Act would be contrary to the provision itself.** *The remaining prior arts which are cited by Id. Counsel having not been considered in the impugned order, the Court does not wish to render any opinion in this regard.”*

[emphasis supplied]

9. In the present case, detailed submissions were filed on behalf of the appellant in response to the objections in the hearing notice, showing how

the subject invention was different from the prior art. The relevant portion of the written submissions is as under:

“Objection 2

The Learned Controller is of the opinion that the pending claims lack inventive step in view of the citations GB499616 (D1) and US5267613 (D2). We resist the objection and respectfully submit that the citations D1-D2 do not render the subject invention as obvious and the subject invention is distinguishable from D1-D2 for at least reasons mentioned below. However, without prejudice to the above and in order to clarify and explain the present invention, claims have been amended to make them consistent with the claims granted in the counterpart EP patent no. 1697613. A marked-up copy of claims is enclosed for the Learned Controller's reference.

Inventive Step:

We respectfully submit that Claim 1 of the present application defines an impact jar comprising an externally accessible adjuster, which is configurable in response to motion of a tool within an adjustment window formed in the impactor to adjust the value of a tensile force required to disengage a biasable member of the impact jar to cause an impactor and impactee of the impact jar to impact. The impact jar of claim 1 thereby provides an impact jar that may be adjusted without the down-hole tool connectors being disconnected.

Neither D1 nor D2 discloses an impact jar having the features of amended claim 1.

D1 discloses a rotary jar comprising a lower member (1) having a threaded pin connector (5) and being coupled to a hammer (24). The rotary jar of D1 also comprises an upper member (2) having a threaded box connector (14) and forming an anvil (23) to be struck by the hammer (24). D1 therefore defines an impact jar having a similar general arrangement to

the impact jar defined in amended claim 1. The difference between the rotary jar of D1 and the impact jar of claim 1 of the present invention is the provision of an externally accessible adjuster and an adjustment window, allowing adjustment of the impact jar without disengagement of either of the first or second down-hole tool connectors. The technical effect of this difference is reduced operational time required for adjusting the device.

D2 discloses an impact jar- comprising a two-part impactor housing, the length of which may be adjusted at a threaded portion 18 to affect the position at which a hammer disengages from a spindle in order to impact against an anvil provided on the casing. The jarring force provided may therefore be adjusted by adjusting the length of the housing. Considering D2, the skilled person would therefore be taught that the operation of impact jar should be adjusted by allowing the length of a housing of the impact jar to be varied.

D2 does not disclose the feature of an externally accessible adjuster or an adjustment window, as required by claim 1. Hence, D2 cannot teach the skilled person to solve the above mentioned technical problem in the same way as the present invention.

Claim 1 is therefore inventive over D1 and D2.

Claim 31 defines a method of dislodging down-hole equipment from a well-bore using the impact jar of claim 1. Claim 31 defines each of the above-mentioned features of claim 1, and hence, claim 31 is inventive over the prior art for the same reasons as claim 1.

In view of the above, Applicant asserts that the subject matter of the claimed invention is novel and inventive over D1-D2 and constitutes an invention as defined under Section 2(1)(j) of the Patents Act. Withdrawal of the objection is respectfully requested.”

10. Despite the above submissions seeking to distinguish the prior art from the subject invention, the impugned order has been passed in a cryptic manner without going into the explanation/justification offered on behalf of the appellant with regard to the prior art. The impugned order simply jumps to a conclusion that the subject invention lacks inventive steps. However, there is no discussion as to why the subject invention would be hit by the prior art.

11. In view of the above, the impugned order dated 12th July, 2017 rejecting the patent application of the appellant is set aside and the matter is remanded back to the Patent Office for fresh consideration. The fresh consideration would take into account the material already on record and more particularly, the submissions filed on behalf of the appellant with regard to the prior art.

12. In the facts and circumstances of the present case and in order to obviate the possibility of any apprehension of pre-determination, I deem it appropriate that the matter be placed before an Officer other than the Officer who has passed the impugned order.

13. The Officer shall endeavor to pass a reasoned order taking into account all the relevant considerations within four months from today.

14. The Registry is directed to supply a copy of the present order to the Office of the CGPDTM on the e-mail ID- llc-ipo@gov.in for compliance.

AMIT BANSAL, J.

JANUARY 17, 2023

at