OIPD-9

IN THE HIGH COURT AT CALCUTTA
ORIGINAL SIDE
Intellectual Property Rights Division

IPDPTA/6/2024
ITC LTD
VS
ASSISTANT CONTROLLER OF PATENTS AND DESIGNS

Before:
The Hon'ble Justice RAVI KRISHAN KAPUR
Date: 24th July, 2025

Appearance:
Mr. S.N. Mookherjee, Sr. Adv.
Mr. Tarun Khurana, Adv.
Mr. Sourav Bhagat, Adv.
Mr. Sarathi Dasgupta, Adv.
Miss. Yamini Mookherjee, Adv.
Mr. Jishnujit Roy, Adv.
...for appellant

Mr. R.P. Mukherjee, Adv.
Mrs. Priti Jain, Adv.
..for the Controller

The Court: This appeal is against an order dated March 27, 2024 passed under section 15 of the Patents Act, 1970 rejecting Patent Application No. 201731045826 in respect of an invention titled "METHOD OF PRODUCING AEROSOL GENERATING SUBSTRATE".

In passing the impugned order, the respondent has dismissed the application on the grounds of non-patentability under section 3(b) of the Act as also on the ground of lack of inventive step under section 2(1)(j) of the Act and for lack of industrial application.

One of the principal grounds urged by the appellant is that the impugned order has been passed in violation of the principles of natural justice.

It is contended that in passing the impugned order, the Controller has relied on technical and scientific materials, details of which were admittedly not furnished to the appellant either at the stage of issuance of the hearing notice or during the course of the hearing. The hearing notice issued on 4 December 2023 in connection with the prosecution of the concerned application merely cites that the invention is not patentable under section 3(b) without reference to any other materials in support of such conclusion. In such circumstances, the Controller has for the first time relied on several documents and materials in the impugned order without affording an opportunity to the appellant to deal with such materials which form the basis of the impugned order.

It is submitted on behalf of the appellant, that in two recent decisions [judgment in *IPDPTA/121/2023, ITC Limited vs. The Controller of Patents, Designs & Trademark* dated 30th April 2025 (paragraphs 24 to 29 and 36) and the in *IPDPTA/13/2024, ITC Limited vs. The Controller of Patents Designs and Trademark* dated 20th May 2025 (paragraph 14)], this Court has been pleased to set aside the relevant orders under challenge and remand the matters for fresh hearing on

similar grounds of violation of the principles of natural justice. Significantly, in all such cases the relevant materials both scientific and technical relied on in the impugned order had not been furnished to the appellant.

It is also contended that even the findings in the impugned order in relating to section 2(1)(j) of the Act are vitiated and contrary to well established principles. It is submitted by the appellant that the hearing notice cursorily deals with the prior arts very briefly without furnishing any relevance of the prior arts or how they combine to teach the interplay between the three parameters being the width of the substrate ranges from 1-40 mm, packing density ranges from 450-700 mg/cc, and the circumference ranges from 20-25mm. There is no mapping nor basis in the hearing notice to suggest or explain as to how and why the prior art references D1-D3 teach the above interplay between specific parameters, and respective ranges claimed therein. On the other hand, the impugned order transgresses into a new territory for the first time by trying to further analyse and show the relevance of each of the prior arts, particularly D2, thereby giving no opportunity to the appellant to present its view and arguments. This is also not in consonance with the basic principles of natural justice.

With regard to section 3(b), it has been submitted on behalf of the appellant that the impugned order falls foul of the parameters set in the above judgment in *IPDPTA/121/2023 ITC Limited vs. The Controller of Patents, Designs & Trademark* dated 30th April 2025 and *IPDPTA/13/2024 ITC Limited vs. The Controller of Patents Designs and Trademark* dated 20th May 2025 respectively in connection with the true meaning and purport of the relevant law. All these appeals raised common questions of law and fact.

In this regard this court in an unreported decision in *IPDPTA/121/2023, ITC Limited vs. The Controller of Patents, Designs & Trademark* dated 30th April 2025 has held as follows:

> *"38. Article 27.2 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), it is mentioned that:*
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> > *"27.2. Members may exclude from patentability inventions, the prevention within their territory of the commercial exploitation of which is necessary to protect order public or morality, including to protect human, animal or plant life or health or to avoid serious prejudice to the environment, provided that such exclusion is not made merely because the exploitation is prohibited by their law."*
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> *Article 4quarter of the Paris Convention read as follows:*
>
> > *"Patents: Patentability in Case of Restrictions of Sale by Law*
> > *The Grant of a patent shall not be refused and a patent shall not be invalidated on the ground that the sale of the patented product or of a product obtained by means of a patented process*

is subject to restrictions or limitations resulting from the domestic law."

Taking into consideration, this Court finds that the grant of patent shall not be refused on the ground that the sale of the patented product or of a product obtained by means of a patented process is subject to restrictions and limitations resulting from the domestic law.

39. Section 83(d) and (e) of the Patents Act, 1970 reads as follows :

"83. General principles applicable to working of patented inventions.—

Without prejudice to the other provisions contained in this Act, in exercising the powers conferred by this Chapter, regard shall be had to the following general considerations, namely;—
(d) that patents granted do not impede protection of public health and nutrition and should act as instrument to promote public interest specially in sectors of vital importance for socio-economic and technological development of India;
(e) that patents granted do not in any way prohibit Central Government in taking measures to protect public health."

The patents are granted to encourage inventions and to secure that the inventions are works in India on a Commercial Scale and to the fullest extent that is reasonably practicable without undue delay. The patents granted do not in any way prohibit Central Government in taking measures to protect public health."

The materials and evidence relied upon by the Controller in passing the impugned Order were not brought to the attention of the appellant at any prior stage. This practice is *ex facie* in violation of the principles of natural justice. Such serious procedural infirmity can in no way be overlooked or ignored. Hence, the impugned order is remanded to the Registrar for hearing afresh, in accordance with law.

In such view of the matter and also in view of the indisputable factual position, there is no need to go into the merits of the case.

IPDPTA/6/2024 is allowed.

The impugned order dated 27th March, 2024 is set aside. The matter is remanded to the respondent for adjudication afresh in accordance with law. It is made clear that there has been no adjudication on the merits of the case and all issues are left open to be decided afresh. The above exercise ought to be completed within a period of 3 (three) months from the date of communication of this order to the respondent.

(RAVI KRISHAN KAPUR, J.)

Arsad, AR(CR)