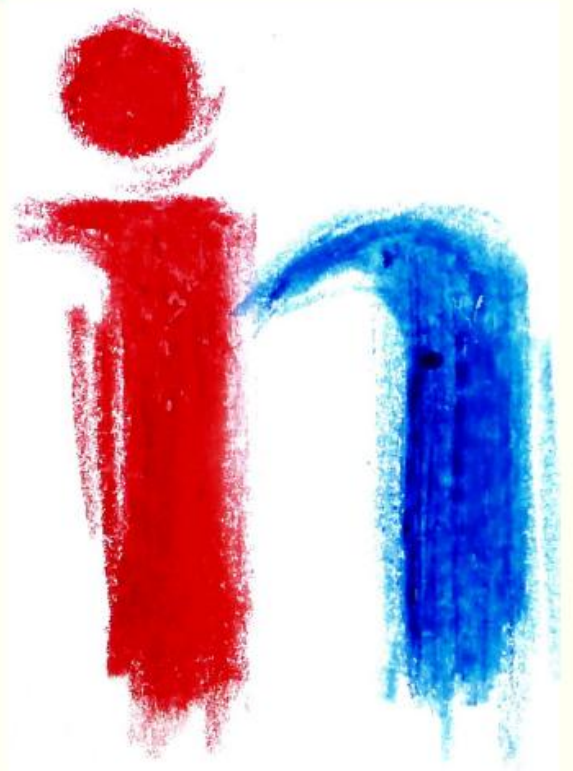


# Intlectual *focus*

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## FROM THE MANAGING PARTNER'S DESK

Dear Friends,

It gives me immense pleasure to bring this newsletter to you wherein, we have made efforts to bring to your kind attention some of the interesting and significant developments in the field of Intellectual Property Laws in India in the recent past.

We bring to you vide this newsletter a landmark and a significant judgment delivered by the Supreme Court of India.

For this edition, we tried to assess the developments in Patent Laws through the judicial pronouncement of Supreme Court of India in **Dr. Aloys Wobben & Anr. Vs Yogesh Mehra & Ors. in Civil Appeal No. 6718 OF 2013.**

**The Supreme Court of India** has pronounced its judgment as of 2<sup>nd</sup> June 2014 having far reaching implications in the manner in which a patent infringement suit would be adjudicated in India.

We welcome your suggestions and feedback on this newsletter.



**Mr. Hemant Singh,  
Managing Partner**

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## SUPREME COURT RULES ON DICHOTOMY IN PATENT INVALIDITY PROCEEDINGS BEFORE COURT & IPAB

**The Supreme Court of India** has pronounced its judgment as of 2<sup>nd</sup> June 2014 having far reaching implications in the manner in which a patent infringement suit would be adjudicated in India. It is important for Patentees all over the world to take note of this development as it would be a crucial factor in strategizing patent infringement enforcement actions in India.

The judgment addresses the issue of dichotomy of jurisdiction that the Patents Act, 1970 of India confers on a High Court on one hand and the Intellectual Property Appellate Board (hereinafter referred to as '*IPAB*') on the other, to determine the issue of invalidity of a patent.

The background facts relevant for understanding the issue at hand are:

- I. Dr. Wobben, the Patentee sued the defendant, Yogesh Mehra and other directors of a company which was earlier licensed to use the patented invention. The Defendants continued using the patented invention even after termination of the license and in a suit for infringement filed before the High Court of Delhi, the defendants assailed the validity of the patent by way of counter claim in the suit. The first suit was followed by several other suits for infringement of other patents as well of the same Plaintiff against the same defendants. The defendants challenged the validity of such patents by way of counter claims. The defendants also filed revocation petitions against the patents before IPAB. The IPAB gave its decision in respect of some of the patents while the suits for infringement were pending. The revocation petitions were pursued by the defendants notwithstanding the consent order of Delhi High Court recording that the issue of invalidity will be determined in the counter claim filed in the infringement suit.
- II. Dr. Wobben challenged the revocation petition pursued by the defendants before the IPAB on the ground that having allowed to pursue the counter claims in the infringement actions, the defendants should not be permitted to pursue the revocation petitions before the IPAB. The High Court of Delhi ruled in favour of the defendants saying that The Patents Act does not envisage such Doctrine of Election and hence, both the proceedings were

to be proceeded concurrently till the satisfaction of either of them suit of decision involved. The issue was taken up in appeal before the Supreme Court of India.

Some of the relevant observations and findings of the Supreme Court are reproduced here-in-below:

**“Para 26.**

- i.** *Firstly*, if “any person interested” has filed proceedings under Section 25(2) of the Patents Act, the same would eclipse all similar rights available to the very same person under Section 64(1) of the Patents Act. This would include the right to file a “revocation petition” in the capacity of “any person interested” (under Section 64(1) of the Patents Act), as also, the right to seek the revocation of a patent in the capacity of a defendant through a “counter-claim” (also under Section 64(1) of the Patents Act).
- ii.** *Secondly*, if a “revocation petition” is filed by “any person interested” in exercise of the liberty vested in him under Section 64(1) of the Patents Act, prior to the institution of an “infringement suit” against him, he would be disentitled in law from seeking the revocation of the patent (on the basis whereof an “infringement suit” has been filed against him) through a “counter-claim”. This denial of the remedy granted to him by way of a “counter-claim” under Section 64(1) of the Patents Act, is based on the principle of law narrated in paragraph 24 above.
- iii.** *Thirdly*, where in response to an “infringement suit”, the defendant has already sought the revocation of a patent (on the basis whereof the “infringement suit” has been filed) through a “counter-claim”, the defendant cannot thereafter, in his capacity as “any person interested” assail the concerned patent, by way of a “revocation petition”. This denial of remedy granted to him by way of a “revocation petition” under Section 64(1) of the Patents Act, is also based on the same principle of law expressed in paragraph 24 above.”

**“Para 27** - The sixth contention advanced at the hands of the learned counsel for the appellants was, that insofar as the present controversy is concerned, the same was liable to be governed by the consent order, which was passed by the High Court on 1.9.2010, wherein the respondents (as defendants) had agreed, that the suits and “counter-claims” pending between the parties should be consolidated, and should be heard by the High Court itself. ...”

**“Para 30** - In our discussion recorded while dealing with the submission advanced by the learned counsel for the appellants, we have accepted the contention advanced at the hands of the learned counsel for the appellants, that only one out of two remedies available under Section 64 of the Patents Act, can be availed of, so as to assail the grant of a patent. Accordingly the said remedy may be availed of in the capacity of either “any person interested”, or in the capacity of a defendant in a “counter-claim”.”

It would be significant for a patentee proposing to initiate an infringement action before the Courts of India to keep in mind, the fallout of the above observations of the Supreme Court as they would directly impact the manner in which the suit for infringement would proceed, predominantly effecting the efficacy of the remedy and the relief that a patentee would like to claim from Courts in India.



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