

Patent | Case Law Update

The Creation of the Intellectual Property Division: A Milestone in India's IP Adjudication Framework

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The abolishment of the Intellectual Property Appellate Board (IPAB) through the Tribunals Reforms Act, 2021 brought about a period of uncertainty in India's intellectual property (IP) ecosystem. With this change, all appeals and revocation proceedings which were hitherto handled by the IPAB, moved to the High Court's jurisdiction. Concerns, however, arose regarding the ability of High Courts to effectively handle the heavy backlog of transferred appeals and petitions, given the already overcrowded rosters of the High Court judges coupled with a potential lack of technical knowledge and specific expertise in Intellectual Property Rights (IPR).

However, rising to the crisis, the Delhi High Court (Court) seized the opportunity to establish India's first Intellectual Property Division (IPD), a specialized division within the Court, to exclusively handle IP matters. A little over a year into its operation, the IPD has showcased its capacity to navigate the complexities of IP law, dispose of a large number of transferred pending appeals and petitions, and deliver landmark judgments. To commemorate this achievement, the IPD has released a report titled, '[Delhi High Court Intellectual Property Division Annual Report 2022-23](#)' (Report). The Report provides a snapshot summary of the IPD's achievements, highlighting its contributions to the IP adjudication framework, effective case management, and the resolution of IPR disputes. It serves as a testament to the progress made in streamlining IP processes, delivering timely justice, and strengthening the country's IP ecosystem. K&S Partners brings you the highlights of this Report:

Establishing the IPD Against All Odds

The IPD emerged as a response to challenges faced by the closure of the IPAB, including delayed justice delivery and administrative burdens. It was to serve the need for judges having expertise in handling IP-related matters with a fair appreciation of the technical subject especially in patent matters, and how inventors and investors rely on IPR and drive business and economy.

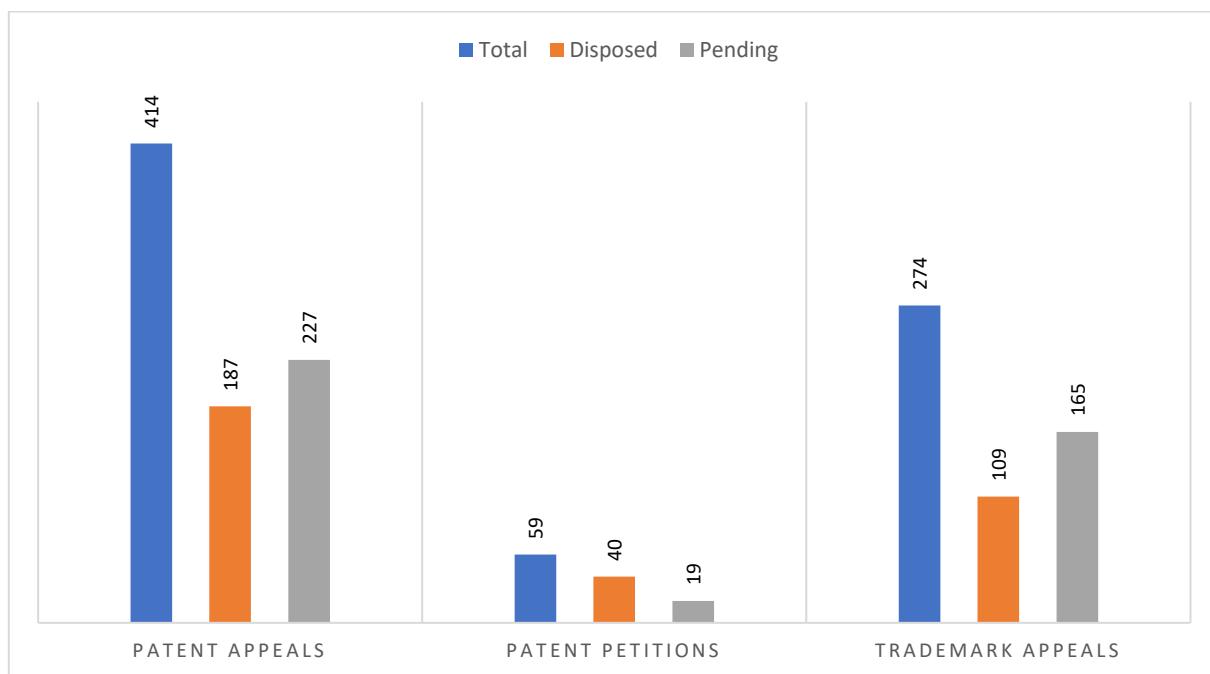
The Chief Justice of the Delhi High Court, Justice D.N. Patel, constituted an expert committee comprising of Justice Pratibha M. Singh and Justice Sanjeev Narula. This Committee proposed a blueprint of the IPD as a specialized division without specialized judges while blending best practices from various countries with the Code of Civil Procedure, 1908, and the Commercial Courts Act, 2015.

Today, the IPD acts as a specialized bench in the High Court and handles all original and appellate proceedings, relating to Intellectual Property Rights disputes. This includes Writ Petitions (Civil), Civil Misc. (Mains), Regular First Appeal (RFA), and First Appeal Order (FAO) etc., except matters that require the attention of a Division Bench.

IP Justice Fast-tracked

The IPD's establishment has led to streamlined and expedited resolution of IPR disputes. In fact, over the course of the year, the IPD has demonstrated remarkable progress in disposing IP-related appeals, petitions, and trademark applications.

According to the Report, in February 2022, the IPD received 2000 cases from the now-defunct IPAB and within a year, managed to resolve approximately 30% (600) of these cases. Out of the 414 patent appeal cases that were received, 45% (187) of patent cases and 40% (109) of the total 274 trademark appeals were disposed of. Other patent petitions showed a higher resolution rate with approximately 68% (40) of 59 cases being disposed of. The figures are represented in the accompanying chart.



In the same period, the IPD also witnessed a remarkable surge in the fresh filing of IP suits and appeals receiving over 1,000 fresh cases. The IPD's efficiency is evident as more than 750 cases involving IPR disputes and over 500 commercial suits were disposed of within this period.

International Recognition and Expansion: The IPD Journey Continues

The Report concludes that the establishment of the IPD has not only enhanced India's reputation within the international IP community but has also played a significant role in the country's rise in the Global Innovation Index. India's impressive ascent from the 81st rank in 2015 to the 40th rank in 2022, as reported by WIPO, is a testament to the positive impact of the IPD on India's image and innovation ecosystem.

As a recent development, the Madras High Court notified the Madras High Court Intellectual Property Rights Division Rules, 2022, and successfully inaugurated the IPD in the Madras High Court, which has since commenced its proceedings.

With such remarkable milestones, the Delhi High Court IPD also recommended the establishment of similar divisions in several High Courts such as Karnataka, Gujarat, and Telangana, with a national coordination panel for best practices. It has also recommended a scientific advisory panel to help the judges handle complex patent matters effectively.

Progressive Development of Jurisprudence: Significant Judgments by the IPD:

Design			
Bench	Parties	Summary of the case	Judgement
Justice C. Hari Shankar	Plaintiff- TTK Prestige Defendant- KCM Appliances Pvt. Ltd.	<p>The case revolved around design piracy and an unprecedented objection made by Defendant that six designs were being registered under one certificate, which was impermissible.</p> <p>The Court relied on a juxtaposed reading of Section 6(1), 2(d) and (i) and 47 of the Designs Act read with Rule 10(1) and the classes of goods as defined in the Locarno Classification.</p>	<p>The Court held that the six pressure cookers differed only in their capacity, so they would constitute one design and hence would be entitled to a single certificate of design registration.</p> <p>On the aspect of piracy, it was held that there was no substantial difference between the lids, forming the subject matter of the suit design and the impugned design.</p> <p>Hence, Defendant's design was held to infringe on Plaintiff's design.</p>

Patent			
Bench	Parties	Summary of the case	Judgement
Justice Prathiba M. Singh	Appellant- Ace Technologies Respondent- Communication Components Antenna Inc.	<p>In this appeal, the grounds raised by the Appellant included challenge to the validity of the suit patent, non-infringement, and insufficiency of disclosure.</p> <p>This case is one of the first instances where, in a non-Standard Essential Patent case, a large security deposit was directed by the Court.</p>	<p>IPD upheld a Single Judge decision directing the Appellant to furnish security of Rs. 54.5 cr (~ USD 6,642,341) as the beam patterns of the Appellant's antennas were similar to those disclosed in the suit patent. The Court opined that claims of a patent must be read in conjunction with the description.</p>
Justice C. Hari Shankar	Appellant- Diamond Star Global SDN BHD Respondent- Joint Controller of Patents	<p>The Appellant's application for patenting a product "Hygiene Wash" was disallowed by the Controller under Section 3 (c) of the Patents Act.</p>	<p>The Court held that Section 3(c) was required to be understood keeping in mind the concept of a "new product" as explained in the case, <i>Novartis AG v U.O.I.</i></p> <p>The decision of the Controller was set aside as the Court observed that the Rhizophora Apiculata tree, as the source of the wood vinegar to be used, and the titration of the exact concentration (18 to 22%) in which it was to be added to skin care preparations to selectively target harmful bacteria, leaving beneficial bacteria intact, and also be free from any pungent smell, was sufficiently novel to justify granting a patent.</p>
Justice Ajay Mohan Goel	Plaintiff- Boehringer Ingelheim Pharma GmbH & Co. Defendant- Drugs and Pharmaceuticals	<p>The High Court dealt with various issues pertaining to the presumption of validity in cases of old patents and the presumption of validity on account of non-filing of post-grant or pre-grant opposition against a patent.</p>	<p>The Court held that the act of attempting to patent both the genus and species patent would amount to the evergreening of patent protection, which is not permissible under the Indian patent law. The</p>

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	Private Ltd. (along with other connected suits)	The Court provided clarity on Section 13(4) of the Patents Act and observed that granting a patent would not, in any manner, warrant its validity. The Court also considered the aspect of public interest while rendering the decision.	Court also cited Section 3(d) of the Patents Act. The Court dismissed the interim applications and concluded that the suit patent was vulnerable to revocation.
Justice Manmohan, Justice Dinesh Kumar Sharma	Plaintiff- Telefonaktiebolaget LM Ericsson Defendant- Intex Technologies (India) Ltd.	<p>In this case, the Division Bench dealt with cross-appeals against the order of Single Judge where Defendant was directed to pay 50% in the form of royalty to Plaintiff and the balance 50% in the form of a bank guarantee as the defendant had infringed upon the suit patents and was unwilling to execute a FRAND license. As per the order, eight suit patents of the Plaintiff were <i>prima facie</i> valid and essential and the patents were infringed by Defendant.</p> <p>Plaintiff demonstrated compliance with its FRAND obligations. Defendant had displayed an unwillingness to execute a FRAND license by initiating proceedings before the Competition Commission of India and IPAB during licensing negotiations.</p> <p>Defendant contended the Plaintiff's patents to be vulnerable to revocation under section 64(1)(j) & (m) and violation of Section 8(1) and 8(2) of the Patents Act, 1970.</p> <p>The Court was of the view that the indirect test of infringement, which is analogous to the law of transitivity, is the preferable method of proving both infringement and essentiality in Standard Essential Patent (SEP) matters.</p>	<p>The Court opined that reference to foreign court decisions is feasible for the harmonization of fundamental legal principles if such principles are not in conflict with domestic laws and SEP cases. There is no bar against granting injunctions if the infringer is found to be an unwilling licensee. The Court observed that global portfolio licenses are capable of being FRAND.</p> <p>The Court, in agreement with the findings of the Single Judge, held that no credible challenge had been raised by Defendant showing the asserted patents to be vulnerable to revocation and directed Defendant to pay the entire royalty amount to Plaintiff within four weeks.</p>
Justice Amit Bansal	Appellant- Societe Des Produits Nestle Sa Respondent- Controller of Patents & Designs	<p>This case deals with the scope of sections 3(i) and 3(e) and the applicability of section 2(1)(ja) and section 59 of the Patents Act, 1970.</p> <p>The Court observed that there is no specific bar for the amendment even at the appellate stage. The High Court, sitting in appeal over the decision of the Controller, should also have similar powers to direct the patent applicant to amend claims to its satisfaction.</p>	<p>The Court set aside the order of the Controller and granted the patent. The Court held that the mere use of the expression 'treatment' in the claim does not render a claim falling under section 3(i) of the Patents Act, 1970.</p> <p>Regarding sufficiency of disclosure, the Court held that when the best method known to the patentee is disclosed, it satisfies the requirement of sufficiency under section 10(4) of the Act.</p> <p>The disclosure of a patent does not need to be adequate to enable the skilled person to carry out all</p>

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			probable ways of operating the invention.
Justice Manmohan Justice Navin Chawla	Plaintiff- Communication Components Antenna INC Defendant- Mobi Antenna Technologies (Shenzhen) Co. Ltd.	This case dealt with the provisions of Section 64(1)(h) or Section 64(1)(k) of the Patents Act, 1970 in the context of Section 10 of the said Act. It was held that to dislodge the patent's validity, Defendant would have to demonstrate through the pleadings how the claim construction is liable to be revoked pertinently when the sufficiency of disclosure is in question. Where Section 64(1)(h) is invoked, it would have to be shown that the complete specification is not by itself sufficient to enable a person possessing average skill or knowledge of the art to which the invention relates.	The court held that to dislodge the patent's validity, the defendant would have to establish how the claim construction is liable to be revoked particularly, when the validity is questioned in respect of the sufficiency of disclosure. The court could not hold the Plaintiff's patent to be liable to be revoked, since the Defendant failed to make a specific pleading qua insufficiency of disclosure in patent claims and lead evidence thereon.
Justice Sanjeev Narula	Plaintiff- Sotefin SA Defendant- Indraprastha Cancer Society and Research Center	In this case, the Court observed that the wording of Section 107A(b) of the Patents Act, 1970 cannot be interpreted to mean that as long as the imported product is patented in any jurisdiction, it would not invite liability of infringement, as IPR are inherently territorial.	An injunction was granted in Plaintiff's favour restraining Defendants from using the Smart Dollies. The Court held that if the pith and marrow of the Plaintiff's invention are found in the infringing product, it would be sufficient to determine patent infringement. The Court held that for determining infringement, the non-essential or marginal variations or additions in the product would not be relevant, so long as the substance of the invention is found to be copied. For such analysis, pure literal construction is not to be adopted, rather, the doctrine of purposive construction should be applied.
Justice C. Hari Shankar	Plaintiff- Bolt Technology OU Defendant- Ujoy Technology Pvt. Ltd.,	The Court observed that urgent relief in IPR cases is extremely important, as such reliefs are usually granted by Courts not merely for the protection of statutory and common law rights, but also in order to protect the large interest of the consumer of the product/service in question.	The Court allowed the Plaintiff's application while holding that a suit which contemplates urgent relief is exempt from the clutches of Section 12A of the Commercial Courts Act, 2015. There was no need to resort to pre-litigation mediation in terms of Section 12A of the CCA. The matter was referred to Delhi High Court Mediation and Conciliation Center on the basis of the submissions made during the hearing.
Justice Jyoti Singh	Plaintiff- Best Agrolife Limited Defendant- Deputy Controller of Patents & Anr	The Court, in the instant matter, remanded an Order of Patent grant by the Indian Patent Office (IPO) for reconsideration of the pre-grant opposition, confined of course to the issues raised before this Court in the	The Court held that IPO's impugned order suffered from legal infirmities as it was a non-speaking and unreasonable order. It also violated the principles of natural justice. The

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		context of Section 25(1)(f) read with Section 3(d) of the Patents Act, 1970.	Court remanded the patent granted by the IPO for a fresh consideration
Justice Prathiba M. Singh	Appellant- Nippon A&L Inc. Respondent- The Controller of Patents	In an appeal under section 117A of the Patents Act, 1970, the Court examined whether an amendment of 'product by process' claims to 'process' claims is permissible under the Indian patent law.	The Court held that the claims were merely narrowed in scope and the process sought to be claimed had been disclosed in the patent specification. The Court placed the reliance on the judgment of the European Board of Appeals in Konica/Sensitizing [1994] EPOR 142 wherein it was held that change in the claim's category from 'product by process' to 'process' is admissible under Article 123 (2) of the European Patent Convention, 1973. The Court remanded the matter to the Indian Patent Office.
Justice Prathiba M. Singh	Petitioner- European Union Defendant- Union of India	The Court addressed the question, can the Controller of Patents and/or the High Court, exercising writ jurisdiction under Articles 226 and 226, condone the delay in filing a response to FER which was due to mistake of the patent agent?	The Court held that the Controller does not have the power under Rule 138 of the Patent Rules, 2003, to condone delay in filing a response to an FER. However, while exercising writ jurisdiction under Articles 226 and 227 the High Court can, in exceptional circumstances, restore the application and permit an applicant to rectify the defects in the application. The Court directed the Controller General of Patents to take the responses to FERs on record and to restore the patent applications to their original position.
Justice Prathiba M. Singh	Plaintiff- FMC Corporation Defendant- Best Crop. Science LLP	In this case, the Plaintiff alleged infringement of their two patents, a product patent and a process patent in respect of the product Chlorantraniliprole (CTPR) and the process thereof. Taking advantage of Section 107(1) of the Patents Act, the defendants disputed the validity of the suit patents, particularly the product. FMC did not dispute that CTPR was covered by earlier genus patent", however, contended that though covered, CTPR was not disclosed in earlier genus patent". More specifically, FMC contended that there was no enabling disclosure, in earlier genus patent". The fundamental problem considered was whether there was any distinction between "coverage" and "disclosure". After analysis of the judgement, Novartis AG v the Union of India, the	The Court rejected the submission of the defendant alleging the vulnerability of the suit patent to invalidity and granted the interlocutory injunction.

		Court concluded that the judgment itself recognised that coverage and disclosure were not the same. It was further recognised, in the said decision, that hindsight analysis, by cherry-picking substituents, could not be a basis to question the validity of a pharmaceutical patent.	
Justice Prathiba M. Singh	Plaintiff- Dr. Reddy's Laboratories Defendant- Controller of Patents	The question before the Court was whether High Courts across the country had jurisdiction to entertain revocation petitions and appeals under the Patents Act, 1970 in the post IPAB era.	Regarding the jurisdiction for handling patent revocation petitions, the Court, applying the doctrine of 'cause of action', held that the location where the patent's impact is felt, and the commercial interest of the person interested are affected is tied to the dispute. Consecutively, a revocation petition under Section 64 of the Patent Act, 1970 can be filed at that place. With respect to appeals against the order of the Controller rejecting the patent application, the Court opined that the appropriate office is the 'situs' of a patent application. Thus, the High Court exercising jurisdiction over the 'appropriate office' would have jurisdiction to hear the appeal against the decision of the Patent Office.
Justice M. Pratibha Singh	Plaintiff- Avery Dennison Corporation Defendant- Controller of Patents	The Court re-emphasised that an invention should be seen from the lens of an unbiased skilled person in the art and the simplicity of invention should not form the basis of its rejection. Additionally, the Court reiterated that the invention should be analysed without hindsight and revisited the approaches to assess the inventive step, established in the various judgements.	This case is the first of its kind where an IPD bench re-evaluated the decision of the Controller of Patents and ordered the grant of a Patent.
Justice C. Hari Shankar	Plaintiff- Interdigital Technology Corporation Defendant- Xiaomi Corporation	This was a unique case in which an Indian court restrained a party from enforcing an order passed by a foreign court. This is a kind of anti-execution injunction or an anti-anti-suit injunction. The case also involved the issue of <i>res integra</i> , there being no earlier decision on the point.	The Court held that it could not allow a foreign court to interdict legally valid proceedings, instituted by the plaintiff before the Court when such proceedings could not have been instituted elsewhere. This was especially when the foreign court had no jurisdiction to deal with the said proceeding.

Trademark

Bench	Parties	Summary of the case	Judgement
Justice C. Hari Shankar	Plaintiff- Armasuisse Defendant- Trade Mark Registry	This case dealt with the dispute of whether the mark  and the SWISS MILITARY mark, individually or in conjunction with each other, could be registered.	In view of the finding on Section 2(1)(i)(I) read with Section 9(2)(a) of the Trade Marks Act, the Court held the impugned mark ineligible for registration, and set aside the order of the Registrar, granting such registration.

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Justice Prathiba M. Singh	Plaintiff- Vishal Pipes Ltd. Defendant- Bhavya Pipe Industry	<p>In this case, the issue before the Court was whether IPR suits filed before District Courts which are valued below Rs. 3 lakhs (~ USD 3656), ought to be listed before and adjudicated upon by the District Judges (Commercial) under the provisions of the Commercial Courts Act, 2015 (CCA) or by District Judges (non-Commercial) as normal civil suits. The Court interpreted Section 12(1)(d) of CCA, in context of IPR disputes.</p>	<p>The Court held if the subject-matter IP in the plaint is valued below 3 lakhs rupees, the Court shall examine whether the valuation is correct or not.</p> <p>Upon such examination, the concerned Court would pass appropriate orders in accordance with the law either directing the Plaintiff to amend the plaint and pay the requisite court fee, or to proceed with the suit as a non-commercial suit. If the valuation is found to be above or equal to 3 lakhs rupees, the suit will be treated as a commercial suit as per the CCA.</p>
Justice Jyoti Singh	Plaintiff- V. Guard Industries Ltd. Defendant- Crompton Greaves Consumer Electricals Ltd	<p>In a case of infringement as well as passing off, while relying on various judicial dicta of the Supreme Court as well as the Delhi High Court, the Court observed that the Plaintiff had extensively used the mark in question. They were also the first in the market for it and carried considerable goodwill.</p>	<p>The Court ruled that Section 29 (4) of the Trade Marks Act, 1999 is distinct and different from Section 29(1) to (3) of the Act, as it lacks the need to prove the 'likelihood of confusion' is absent in the provision. In view of the above and the rights of a proprietor in a registered trademark under Section 28 of the Act, the Court held that an infringement case as well as passing off was made by Plaintiff and granted an order of injunction in favor of the Plaintiff.</p>
Justice Navin Chawla	Plaintiff- M/s Aman Engineering Works Defendant- Registrar Trademark, Trade Marks Registry	<p>The court interpreted Section 127(c) of the Trade Marks Act, 1999, read with Rule 119 of the Trade Marks Rules, 2017.</p>	<p>The Court held that Section 127(c) which gives power to the Registrar to 'review his own decision', has to be read together with Rule 119. The court held that the Registrar of Trade Marks has no power to condone the delay in filing of an application seeking review beyond one month from the date of the decision of which the review is sought.</p>
Justice Prathiba M. Singh	Plaintiff- ITC Ltd Defendants- Central Park Estates Pvt. Ltd.	<p>In this case, Plaintiff sought a permanent injunction against Defendant in respect of the use of the mark 'BALKH BUKHARA'. Additionally, Plaintiff sought to have the mark 'BUKHARA' declared as a well-known mark under Section 2(za) of the Trade Marks Act, 1999.</p> <p>It was brought to the attention of the Court that the mark 'BUKHARA' was denied protection by the US Courts.</p> <p>After examining this decision, the Court opined that these judgments would not apply in India, as the mark originated in the country, and</p>	<p>The Court relied upon the principles laid down in the judgment of the Id. Single judge of the Delhi High Court in the case <i>Tata Sons Ltd. v Manoj Dodia</i>, and <i>Toyota Jidosha Kabushiki Kaisha v M/s. Prius Auto Industries Limited</i> and held 'BUKHARA' to be a well-known mark under Section 2(zg) read with Section 11(2) of the Act.</p>

		also because India recognizes the concept of 'cross border reputation'.	
Justice Jyoti Singh	Plaintiff- Frankfinn Aviation Services Pvt. Ltd Defendant- Tata Sia Airlines Ltd.	The Court observed a distinction between the terminologies 'mark' and 'trademark' and the intent of the Legislature to keep the two separate as they have different connotations.	The Court held that if the Defendant is able to prove that the use of the allegedly infringing trademark is not as a trademark but merely descriptive of its goods, it can escape the rigors of Section 29 of the Trademarks Act, 1999. The Court vacated its ex parte ad interim injunction against Defendant-owned Vitara's promotional campaign 'FLY HIGHER' and held it descriptive of its services.
Justice Asha Menon	Plaintiff- G.M. Modular Pvt. Ltd. Defendant- Syska LED Lights Pvt. Ltd.	The Court considered Section 2(d) of the Designs Act, 2000 and Section 2(1)(z)(b) of the Trademarks Act, 1999. The Court opined that if the registered design per se is used as a trademark, it cannot be registered as a 'design' under the Act and such registration, if granted, is liable to be cancelled under Section 19 of the Designs Act.	The Court held that seeking registration in the shape of the product as a trademark simultaneously with the application for registration of the same as a design under the Designs Act would render the registration of the design doubtful and the plaintiff will not be entitled to an ad interim relief. Also, in assessing a prayer for interim relief, a defence that the design registration is liable to be cancelled shall be considered <i>prima facie</i> and will be given due weightage.

Copyright

Bench	Parties	Summary of the case	Judgement
Justice Prathiba M. Singh	Plaintiff- Neetu Singh & Anr. Defendant- Telegram FZ LLC & Ors	The Court sought to decide whether event organisers needed to take a license from the Copyright Societies for commercially exploiting copyrighted works in events including weddings and related festivities. The Court observed that Section 81 of the IT Act and its provisions are supplemental to the provisions of the Copyright Act, 1957. The fact that the messaging platform, Telegram is an 'intermediary' mandates disclosure of originator information in case of specific offences as per the IT (Intermediary Guidelines and Digital Media Ethics), 2021.	The Court held that Plaintiffs' work being circulated on the Telegram platform constituted 'electronic infringing copies' under the Copyright Act. The Defendant was directed to take down the channels which were being used for broadcasting the infringing material.