IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.02.2008

CORAM

THE HONOURABLE MR. JUSTICE P. JYOTHIMANI

O.A. No. 1357 of 2007 in C.S. No. 1111 of 2007

and

O.A. No. 1272 of 2007 in C.S. No. 979 of 2007

Bajaj Auto Limited ... Applicant/Plaintiff

Vs.

TVS Motor Company Limited ... Respondent/Defendant

JUDGMENT

P. Jyothimani, J.

1. The plaintiff in C.S. No. 979 of 2007 is the defendant in C.S. No. 1111 of 2007.

2. C.S. No. 1111 of 2007 is a suit filed under Section 108 of the Patents Act, 1970 for the relief of permanent injunction in respect of the plaintiff's patent No. 195904 and/or from using the technology/invention described in the said patent and/or manufacturing, marketing, selling, offering for sale or exporting 2/3 wheelers, including the proposed 125-CC FLAME motorcycle containing an internal combustion engine or any internal combustion engine or product which infringes the plaintiff's patent No. 195904, claiming of damages for infringement of patent to the extent of Rs. 10,50,000/- etc. Pending the said suit, the plaintiff therein, namely Bajaj Auto Limited has filed O.A. 1357 of 2007 praying for an order of temporary injunction restraining the respondent from in any manner infringing the applicant's patent No. 195904 and/or from using the technology/

invention described in the said patent and / or manufacturing, marketing, selling, offering for sale or exporting 2/3 wheelers, including the proposed 125 cc FLAME motorcycle containing an internal combustion engine or any internal combustion engine or product which infringes the plaintiff's patent No. 195904.

3. Likewise, the plaintiff in C.S. No. 979 of 2907 M/s. TVS Motor Company Limited has filed the suit on the basis of groundless threat of infringement under Section 106 of the Patents Act, for declaring that the threats held out by the defendant on September 1 and 3, 2007 that the plaintiff is infringing the defendant's patent No. 195904 and that the defendant is proposing to take infringement action against the plaintiff are unjustified, for declaring that the plaintiff's product TVS Flame which uses 2 spark plugs with screw fitted sleeve and 3 valves does not infringe patent No. 195904 of the defendant, for permanent injunction restraining the defendant from continuing the issuance of threats that the plaintiff is infringing the defendant's patent No. 195904 directly or indirectly in any manner including by way of circulars, advertisements, communications orally or in writing to the plaintiff or any other person, and thereby interfering with the launch and sale of product TVS Flame apart from directing the defendant to compensate the plaintiff with a sum of Rs. 1 crore or as determined by this Court as damages sustained on account of the unjustified threats made by the plaintiff.

Pending the said suit, the plaintiff has filed O.A. 1272 of 2007 for an order of interim injunction restraining the respondent from interfering with the manufacture and marketing of applicant's products using IC engine with 3 valves and 2 spark plug.

4. This Court after hearing the respective counsel for the applicant and respondent, by an order dated 19.12.2007 has ordered in O.A. No. 1357 of 2007 in C.S. No. 1111 of 2007 as follows:

> I have carefully gone through the records. It is stated that number of motorcycles have been booked as on date. The number of motorcycles booked

> is not ascertainable immediately. In such circumstances, it is ordered that the respondent shall not receive any further booking in respect of the motorcycles containing the disputed engine Technology patent. Insofar as the motorcycles already booked/ the respondent is at liberty to deliver them subject to the following direction: That is the respondent is directed to maintain accounts for the motorcycles so delivered. List the suit along with C.S. No. 979 of 2007, on 3.1.2008.

5. The respondent in the said 0. A. 1357 of 2007 in C.S. No. 1111 of 2007 has filed an appeal in O.S.A. No. 420 of 2007 against the above said order dated 19.12.2007. The Hon'ble First Bench of this Court by order dated 20.12.2007, has suspended the said order of the learned single Judge and on the basis of an agreement between the parties that applications for injunction in both the suits as well as the appeal were directed to be heard by the Bench on 04.01.2008, has issued direction making it clear that the appellant, M/s. TVS Motor Company Limited will not be entitled to claim any equity on account of sale of its motor bikes in the meantime.

6. As the matters were subsequently not posted, the applicant in O.A.No. 1357 of 2007 in C.S. No. 1111 of 2007, who is the plaintiff, namely, Bajaj Auto Limited, has filed Civil Appeal No. 523 of 2008 before the Hon'ble Supreme Court against the above said order of the Bench dated 20.12.2007. The Hon'ble Supreme Court, by order dated 18.01.2008, while setting aside the above said order of the Division Bench, has requested the single Judge to hear and dispose of the application as an interim application after parties have exchanged their respective affidavits, in the following words:

> To put an end to the controversy, we set aside the impugned order passed by the Division Bench and we request the Single Judge to hear and dispose of the Application as an Interim Application after parties have exchanged their respective affidavits. They shall do so within one week from, today. We request the Single Judge to place the said Application for hearing on 29.01.2008.
>
> We make it clear that from today till 29.01.2008 respondent will not book further orders. However, booking done before this day (i.e.18.01.2008) will not stand cancelled. This order will apply only till 28.01.2000. If for some reason,

matter cannot be heard on 28.01.2000, Single Judge can be moved by party affected for appropriate interim orders.

7. It is by virtue of the above said directions, the above applications for injunction are posted before this Court.

8. When the applications were taken up for hearing on 29.01.2008, at the instance of the learned senior counsel appearing for the respondent in O.A.1357 of 2007 in C.S. No. 1111 of 2008, TVS Motor Company Limited, the following order was passed by consent and the applications in both the suits were heard in detail.

Heard the learned senior counsel Mr. C.A. Sundaram appearing for the applicant.

In view of the on going hearing, learned senior counsel appearing for the respondent in this application, viz., M/s. TVS Motor Company Limited on behalf of his clients submits and undertakes that the respondent shall not receive any further booking in respect of the motor cycle containing the disputed Engine Technology Patent. He also undertakes to maintain accounts for the motorcycles so delivered. The said undertaking is recorded.

Post the matter for further hearing on 30.01.2008.

9. In both the applications, the parties have exchanged their affidavit, counter affidavit, reply affidavit and rejoinder affidavit apart from filing the typed set of papers for the proper appreciation of the issue involved in these applications. I shall refer to the parties as arrayed in O.A.1357 of 2007 in C.S. No. 1111 of 2007, since that happens to be the suit filed for the relief against patent infringement.

10. According to the applicant Bajaj Auto Limited, it was granted Indian Patent No. 195904 in respect of a patent application titled "An Improved Internal combustion engine working on four stroke principle" with a priority date of 16th July 2002. The said invention relates to the use of twin spark plugs for efficient combustion of lean air fuel mixture in small bore ranging from 45 mm to 70 mm

internal combustion engine working on 4 stroke principle. The respondent, M/s. TVS Motor Company Limited has launched motor bikes of 125-CC on 13/14.12.2007 under the trade mark 'FLAME' powered with a lean burn internal combustion engine of bore size 54.5 mm with a twin spark plug configuration, which according to the applicant, infringes its patent No. 195904.

10(a). According to the applicant, which is a Company of the Bajaj Group has invented a unique technology of using two spark plugs for efficient burning of lean air fuel mixture in a small bore engine in the size between 45 mm and 70 mm. The use of two spark plugs in large bore engines or in high performance/racing bikes was known in the Automobile industry. However, the above said invention of the applicant was not known. In the industry, in some of the cases of large bore engines, where more than one spark plug is employed, the addition of a second spark plug ensures acceptable probability of combustion initiation of at least one of the spark plugs. Therefore, in respect of large bore engines, the history of user of automotive engines proves that only a small portion of large bore engines have been deploying twin spark plugs. In cases of racing applications, twin plugs have been applied in small bore air cooled engines which are not lean burn. These engines were used twin plugs as a means of mitigating knock which also gave added reliability by preventing loss of ignition/misfire. The twin plugs were also known to be applied in stratified engines applies to homogeneous engines.

10(b). The small bore engines do not need the second plug as they inherently have short flame travel distances and good charge motion inside the cylinder. When the bore diameter goes up, the effect of flame propagation distance is not linear. Conversely, when the bore size comes down to a small bore, the effect on flame propagation distance collapses, therefore in small bore engines, single plugs were found to be quite adequate. However, majority of the large bore engines make do with a single plug, even today.

10(c). Therefore, in small bore non-racing engines, with the flame propagation requirements not being an issue with a single plug, the need to have more than one spark plug was never thought necessary which has also failed commercially unviable in the absence of the known advantages of a dual spark plug in a small bore lean burn engine, with the added cost of a second plug. Therefore, according to the applicant, its invention laid in teaching the potential of applying twin plugs in small bore engine in a specific engine running condition of lean burn, to derive positive merits of improved fuel efficiency and emission characteristics. The applicant's invention which is called "DTS-i Technology" is a step of providing a second spark plug in a small bore engine running lean, was never thought of or implemented in the automobile industry, which according to the applicant & results in better combustion in a comparatively shorter duration of time leading to reduction in emission and improved fuel consumption while maintaining the predetermined level of performance. It is also of great technical advancement resulting in fuel consumption.

10(d). A valid patent No. 195904 was granted to the invention of the applicant, titled as "An Improved Internal Combustion engine working on four stroke principle". The applicant has applied for the grant of the patent on 16.07.2002 and the patent was granted on 07.07.2005, which was published in Issue No. 28/2005 dated 29.07.2005. According to the applicant, there was no opposition filed by anyone including the respondent either before or after the grant of patent. According to the applicant, being the patentee, the essential features of its invention are:

> (i) small displacement engine as reflected by a cylinder bore diameter between 45 mm and 70 mm.
>
> (ii) combustion of lean air fuel mixtures;
>
> (iii) using a pair of spark plugs to ignite the air fuel mixture at a predetermined instant. The invented product of the applicant is not known anywhere in the world and from 2003 till date the applicant has manufactured and sold more than 3.05 million vehicles with "DTS-i Technology". In the first eight months of the current financial year, the applicant has manufactured and marketed 814,393

two wheelers with "DTS-i Technology" out of a total of 1,501,241 two wheelers sold. Therefore, the said "DTS-i Technology" stated to have been invented by the applicant has accounted to 54.25% share of Bajaj two wheelers. They have spent considerable amount in marketing and advertising and received appreciation through out the world as recipients of various world awards and the product is of economic advantage of the country.

10(e). The applicant states that on 30.08.2007, the respondent (M/s. TVS Motor Company Limited) announced that it was planning to introduce seven new products which included a 125-CC motorcycle called FLAME. Since the website was not clear about the use of twin spark plugs, the applicant never thought that such technology of the respondent would infringe its right. When it was showcased by the respondent at Hosur to media persons, it was revealed that the respondent was intending to use twin spark plugs. It was on 30.08.2007, the applicant learnt that the proposed model of the respondent contained an engine infringing the applicant's patented technology and it was revealed that the essential features of the applicant's patent were adopted by the respondent's proposed model and therefore, the applicant has expressed its desire to protect its intellectual property right. The applicant has also learnt that only 7 days before the launch of the proposed 125-CC motorcycle, the respondent filed an application for revocation of applicant's patent No. 195904 before Indian Patents Appellate Board [in short, "IPAB"] under Section 64 of the Patents Act, 1970.

10(f). In October, 2007, the respondent filed the suit in C.S. No. 979 of 2007 before this Court under Sections 105 and 106 of the Patents Act, 1970 alleging that the statement made by the applicant on 01.09.2007 and 03.09.2007 constituted a groundless threat. They learnt that the respondent has also filed a suit for defamation against the applicant in the Bombay High Court. Contrary to the applicant's belief that the respondent would ensure sufficient changes made in the model before the same is introduced, the respondent on 13/14.12.2007 have launched 125-CC motorcycle 'FLAME', which infringed its patent and the respondent has also issued press notification expecting to sell 20,000 motorcycles a month priced at Rs. 45,000/- each. The patent granted to the

applicant is valid and subsisting. Therefore, the release by the respondent of the above said motorcycle containing 4 stroke combustion engine in small bore lean burn engine of size 54.5mm x 53.5mm and combusting lean air fuel mixture infringes the applicant's patent. The applicant also states that the admitted case of the respondent that it is using 3 valves in the engine does not dilute the infringement committed by the respondent since the number of valves is not an essential feature of the applicant's invention.

10(g). The specifications of the respondent in respect of TVS Flame 125-CC launched by it clearly show the similarities between the patenting technology of the applicant and the specification launched by the respondent. It is the further case of the applicant that if an order of injunction is not granted against the respondent, the statutory right of monopoly conferred on the applicant by virtue of the patent will become illusory and the use by the respondent would severely prejudice the statutory right apart from damaging the reputation and goodwill, which cannot be compensated in pecuniary terms. . The damage, which may be caused by the infringing act will have telling effect on the market share loss, relative position in the industry, impact on competitiveness, impact on industry rankings etc. of the applicant, which cannot be measured in terms of money. The applicant also states that it has launched its motorbike with effect from the year 2003 and steadily increased the sale in these long four years, whereas the respondents have launched "FLAME" 125-CC motorbike only on 14.12.2007 and they have not sold the said motorbike on an extensive scale and therefore, the applicant is entitled for an order of injunction.

The above said averments are the applicant's counter in O.A. No. 1272 of 2007 in C.S. No. 979 of 2007 filed by the respondent herein.

11. The respondent in the counter would state that the applicant has unjustly threatened and defamed the respondent to secure illicit market advantage for its product over that of the respondent, instead of moving the Court to seek justice. According to the respondent, there are inherent and explicit contradictions in the

stand of the applicant as it is seen in the various documents relied upon by the applicant for protection of its Patent No. 195904. According to the respondent, the use of two spark plugs in an IC engine with three valves was a prior art and therefore, the applicant cannot seek patent for the use of two spark plugs in an IC engine, and in order to avoid the said situation, the applicant has resorted to an art of deception by introducing a limitation of bore size to the US Honda patent with full knowledge that US Honda patent did not have any such limitation.

11(a). According to the respondent, by filing an application for revocation of patent given to the applicant, the respondent has questioned the very validity of Patent No. 195984 on several grounds. It is the case of the respondent that the content of the complete specification and amended complete specification and the claims made by the applicant would establish that the applicant is not entitled for the patent at all and the use of twin spark plugs in a small size bore engine cannot be said to be an inventive step. The alleged invention suffers from vice of obviousness. It is the further case of the respondent that the applicant is not entitled for an order of injunction due to delay and laches. The respondent has filed an application for revocation of the applicant's patent before the IPAB, Chennai even on 24.08.2007, the applicant has taken four months time to file reply, but has chosen to file the present suit. It is the case of the respondent that inasmuch as the very validity of the patent of the applicant is in question and the same is in challenge, the applicant is not entitled for any injunction. The applicant who does not know what is its invention cannot be said to have made a prima facie case for grant of an order of injunction.

11(b). According to the respondent it has not infringed the applicant's patent. Even in the event of applicant succeeding in the suit, it can be compensated in terms of money and therefore, no injunction can be granted against the respondent. The US Honda Patent No. 4534322 dated 13.08.1985 has been in the public knowledge for over 20 years and the construction of three valve configuration and their working, in the engine is protected by patent granted to AVL being US Patent No. 6250 146 and Patent No. 196636, on the basis of

which the respondent has made claim and therefore, the patent granted to the applicant cannot be valid. According to the respondent, the claim of the applicant that it invented a spark plug centric engine comprising two spark plugs, which resulted in lean air fuel mixture is not an invention due to various reasons. While the applicant's claim is two spark plugs with two valves, the respondent's arrangement is two spark plugs with three valves. The applicant itself has conceded use of two spark plugs in small bore engine exists. The applicant has only attempted to confuse the functioning of IC engine and particularly that of the spark plugs and IC engine is common for automobiles, two wheelers, three wheelers and four wheelers and also for aeronautics. There are two kinds of IC engines, viz., 2 stroke and 4 stroke engines. While 2 stroke emission is otherwise amounting to pedalling, viz., up and down; the 4 stroke divides the 2 strokes into four functional strokes as what Americans called, "suck, squeeze, bang, blow" and the 4 stroke or four step is formalised by engineers as "intake stroke, compression stroke, power stroke and exhaust stroke".

11(c). The respondent has also explained the functioning of different components of the IC engine and transfer the power on to the wheels of the vehicle through the piston, which moves under above said four steps, viz., "intake stroke, compression stroke, power stroke and exhaust stroke". According to the respondent, out of the four steps, the spark plug comes in not to cause lean air fuel mixture, but to burn it. It is the further case of the respondent that the arrangement of installation of two spark plugs in the respondent's cylinder are exactly as per the arrangement in the expired Honda US Patent No. 4534322 dated 13.08.1985, which expired on 12.08.2005, which is the combination of two spark plugs with three valves and therefore, the respondent is entitled to use the same and the same is also based on AVL List GMBH Austria and licenced to the respondent. The licence given to the respondent is distinct and different from that of the applicant's patent No. 195984. It is also denied that the third valve in the three-valve arrangement of the respondent is ornamental. It is the further case of the respondent that the applicant has not chosen to challenge the licence

granted in India in respect of the three valve arrangement of AVL despite the fact that even on 03.09.2007, the respondent has disclosed that its, three valve arrangement, founded on AVL patent. In the absence of challenge to AVL patent, it is open to the respondent to use the arrangement with the AVL patent.

11(d). The respondent further submits that the applicant has changed from plug centric description to valve centric description from the specification of the year 2003 and the amended specification of the year 2004 and according to the respondent the said change by the applicant was due to the existence of Honda US patent No. 4534322, wherein the Honda was using three valve system and the change was effected by the applicant only to distinguish from that of the Honda, which was in use from 1985 and is available for use by every one. The respondent also reiterate that,

(i) the concept of two spark plugs is known as prior art;

(ii) the claim of the applicant that use of two spark plugs in engines with narrow bore size of 45mm-70mm is known in prior arc and therefore the claim of the applicant is not correct; and

(iii) the third valve arrangement of the respondent is protected by patent licensed to it by AVL List GMBH.

The prior art is specified as single spark plug ignition and need of a richer or more mixture of fuel and air are erroneous and deliberate. The respondent also places reliance on various published papers like Indian Patent Number 678 dated 17.07.2001 titled "Spark Ignition Four-Cycle Engine", the use of twin spark plugs in lean burn engines is known as US Patent No. 5320075 dated 14.07.1994, titled "Internal Combustion Engine with Dual Ignition for a lean burn" apart from Harish Chandra, a critical study of the dual versus single plug system in S.I. Engines, SAE technical paper to substantiate its stand of prior publication. That apart, the respondent has also referred to Takegawa Cylinder heads and Honda Bros, NC 25E. Apart from Kawasaki KZ 1000 SI, Kawasaki

KZ 1000 SI has the configuration of two valves per cylinder with twin plugs, cylinder bore size is 69.4mm. The respondent also refers to Honda NT 400, an advertisement by M/s. Worlds End Motorcycles Ltd., a spare parts seller in UK and the Honda NT 400 as per the specification stated above, contains 2 cylinders with each cylinder has a bore size of 64mm with 2 spark plugs per cylinder.

11(e). According to the respondent, the engine in its vehicle "FLAME" is based on twin spark ignition with one spark plug on the cam chain side fitted into the cylinder head using a sleeve, which is thread fitted as against push-fitting sleeve as claimed by the applicant's patent No. 195904. The respondent also refers to various provisions of Patent Act, 1970 to state that there is no infringement of a patent unless each and every one of the claimed elements was present in the article, which is alleged to infringe the patent and further, such element also act in relation to one another in the manner claimed, and according to the respondent, its product is different from that of the applicant and therefore its product does not infringe the patent of the applicant by explaining the technical reasons. Therefore, the balance of convenience is in favour of the respondent and the applicant has not made out a prima facie case.

The above said contentions in the counter affidavit of the respondent is the averment in the affidavit filed by it in support of the application in O.A. No. 1272 of 2007 in C.S. No. 979 of 2007.

12. The applicant has also filed reply affidavit stating that there is no deviation or difference between the final complete specification and the amended specification. According to the applicant even in the year of 2005 and till now the Honda has not launched motorbikes with small bore engines having twin spark plugs for combustion of lean burn air fuel mixtures and Honda Patent 322 is neither in respect of small bore engine nor it teaches twin plugs in efficient combustion of lean mixture and the applicant has not concealed the Honda Patent 4534522. It is the further case of the applicant that the respondent has admitted in the counter affidavit that there is no limitation of bore diameter in

Honda 322 Patent. However the essential feature of the applicant's Patent No. 195904 is different. The reply affidavit also explains the characteristics -of TVS FLAME as to how the third valve has no role to play in driving cycle condition and it is only ornamental. The additional valve does not materially affect the working of the applicant's invention. The applicant's objection is only in respect of respondent using of small bore 4 stroke engines involving twin spark plugs for improved combustion of lean fuel air mixture. It is also reiterated that the respondent has failed to explain as to why no one has launched motorbikes with twin spark plug small bore engines operating with lean air fuel mixtures "DTS-i Technology" prior to that of the applicant's invention throughout the world. The technical papers relied on by the respondent are not relatable to the invention of the applicant. In respect of the Takegawa cylinder head kits, they are tuning kits, used for improving power and' torque and are not used for lean burn.. In respect of Honda Shadow range, it relates to large 1100-CC capacity as shown in the 'Wikipedia'. The NT 400 Bros is a powerful 400-CC bike producing 37 BHP which has the output of 800-CC Maruti 800 car indicating that NT 400 runs on rich mixtures which is completely different from small bore engines operating with lean air fuel mixture and teachings of applicant's patent No. 195904.

13. The respondent has also filed a rejoinder affidavit reiterating its stand in the counter affidavit originally filed, stating that the applicant's invention is a prior art. The respondent has also chosen to state about the various technical literatures long back from 1979 regarding the lean bore system, which has been working in 92 mm engine by M/s. Oblander as per the document of the ImechE conference of 1999. It is the further case of the respondent that there is nothing in the applicant's claim for patent to suggest, why the prior art would not work on bore size between 45 and 70 mm. It is further reiterated that all the 3 valves in the respondent engine are open and functioning at all times. It is also the further case of the respondent that the respondent has received from the collaborators viz., M/s. AVL List GMBH a technical paper that AVL presented at the Society of Automotive Engineers Conference as long back as on 29.10.2002.

14. Mr. C.A. Sundaram, learned Senior Counsel appearing for the applicant while narrating the historical events to show that the applicant has spent enormous amounts on research and development from the year 1992-93, has submitted that AVL List GmbH, Austria from whom the respondent claims the right as licensee, was granted patent for 3 valve system and was not in respect of twin spark plugs in small bore engine operating with lean burn air fuel mixtures. Therefore, any agreement which the respondent stated to have entered with AVL List GmbH on 13.11.2000 cannot be a ground to come to a conclusion that the respondent has not infringed the patent of the applicant.

14(a). He would submit that the characteristic features of the applicant's invention as it is seen in the provisional specification, complete specification and amended specification with twin spark plugs small bore engine for improved combustion with lean burn air fuel mixture and therefore, the triple characteristic of the invention of the applicant are as stated above. According to the learned senior counsel, the basis of the invention of the applicant is that it was designed based on chemical correct ratio of air fuel for complete reaction of oxygen and fuel with the aim of concentration on fuel economy and such invention has never been in use throughout the world before the invention of the applicant.

14(b). The learned senior counsel would also submit on facts that the applicant's application along with provisional specification was on 16.07.2002 and the patent was granted on 29.07.2805 with priority date of 16.07.2002 and in fact, the product has been launched by the applicant in the year 2003. By launch of its bikes Bajaj Pulsar using invented "DTS-i Technology" and as per the statistics which are filed, ever since 2003 till date nearly 3.05 million vehicles have been sold and the applicant's market share has also increased.

14(c). According to the learned senior counsel, the applicant has made an application in the form of provisional specification on 16.07.2002 and has spent huge expenditure not only for research and development but also incurred advertising expenditure in respect of "DTS-i Technology" and ultimately, the

complete specification was submitted on 07.07.2003, within the time stipulated under the Patents Act and the invention of the applicant relates to the improved lean burn small bore engine. He. has also submitted that the applicant's product which was launched as stated above was welcomed world wide and many awards have been given and therefore, prima facie the applicant has established marketing of the new products based on invention which has been duly patented in accordance with law by an order dated 29.07.2005 with priority date from the date of application viz., 16.07.2002. The patent has been given with essential features of invention as small displacement lean burn engines.

14(d). According to the learned senior counsel, in all these periods, no one has raised any objection including the respondent either pre or post grant of the patent. According to the learned senior counsel, the respondent having waited without raising any objection, suddenly has filed a revocation petition on 24.08.2007 under Section 64 of the Patents Act, 1970 before IPAB seeking to revoke the applicant's patent and within six days thereafter, announced the introduction of various products including 125-CC motorcycle called 'FLAME', which according to the learned senior counsel, shows the ulterior motive of the respondent. It is the contention of the learned senior counsel that the respondent has launched the product in the name of 'FLAME' on 14.12.2007, which happens to be Friday and on 17.12.2007, the applicant has filed the present suit in C.S. No. 1111 of 2007 for infringement and the interim order was granted by this Court on 19.12.2007 stating that the respondent should not book any further orders. Therefore, the respondent has not marketed its product yet.

14(e). According to the learned senior counsel, the technical collaboration stated to have been entered by the respondent with AVL List GMBH is relating to 3 valve converted from the existing 125-CC two valve engine and by the time the collaboration stated to have been entered by the respondent with the said AVL List GMBH, the applicant's technology in "DTS-i" has been widely successful throughout the world. The Honda group which is the leader in the automotives themselves have made it clear on 20.07.2005 that twin spark plugs will be the

success in future stating that the new innovation with the engine called 100-CC to 125-CC class charged low friction engine achieve improved combustion efficiency introducing 2 spark plugs and the innovative process will improve the fuel economy by 13% compared to the level on 2005, and therefore, the learned senior counsel submits that by declaration of the Honda itself it is admitted that its product relate to higher CC large bore engine and not similar to the product of applicant's. Therefore, according the learned senior counsel, the applicant has made a prima facie case of not only the invention of the applicant in the said "DTS-i Technology", but also proved the success of the said invention which has been widely used throughout the world and marked successfully and therefore the invention of the applicant is not merely theoretical or hypothetical in nature, but it has been put in action.

14(f). He further submits that at this stage of interim application, while considering the prima facie case and the balance of convenience, the Patents (Amendment) Act, 2002 (Act 38 of 2002), which has come into effect from 20.05.2003 and Amendment Act 2005, which came into effect from 01.01.2005 have to be taken into consideration, since there are remarkable changes in the right of Patentee. Before the Amendment, the patentee was having, an exclusive right to use the patented product, whereas, after the amendment, as per Section 48 of the Patents Act, 1970, it gives an exclusive right to the patentee to prevent the third parties from using the patent. Therefore, according to the learned senior counsel, there is ample change, in the rights of the patentee, and in the light of the amended provisions of Section 48 of the Patents Act, more weight must be given to the patent already granted unless and until it is revoked in the manner known to law. It is his contention that even in respect of the definition "inventive step" which was substituted by the Amendment Act, 2005 it is relevant in the light of the patent granted to the applicant. He also referred to the provisional, complete and amended specifications made by the applicant to contend that there are no deviation and they were only explanation.

14(g). The learned senior counsel would submit that the action of the respondent in filing application for revocation of applicant's patent itself cannot result in the presumption that the patent granted to the applicant is invalid especially at the interim application stage. He would rely upon the judgment of this Court in K. Ramu v. Adyar Ananda Bhavan Muthulakshmi Bhavan 2007 (34) PTC 689. He would also submit that on the factual position, when the applicant had marketed the patented product even in the year 2003 and in these long four years the sales have been effected throughout the world in large numbers, the invention has been proved to be world worthy and therefore at this stage, prima facie case has been made out by the applicant about the validity of the patent especially in the light of the amended Section 48 of the Patents Act, 1970 and the applicant cannot be made to suffer the complexity of the trial and wait for a long period. He would also rely upon the Division Bench judgment of, the Delhi High Court in Telemecanigue & Controls (I) Limited v. Scheneider Electric Industries SA 2002 (24) PTC 632 and the judgement in Monsanto Company v. Starlffer Chemical Company 1984 FSR 574 to support his contentions.

14(h). It is his submission that the balance of convenience in granting an order of injunction is in favour of the applicant because the patent itself is for a period of 20 years and after expiry of the said period, everybody has the right to use the same and therefore, the loss which would be caused to the applicant in the event of not granting injunction, if the plaintiff succeeds in the suit cannot be compensated in terms of money. He would submit that the balance of convenience should be considered in a different angle in respect of patent and not as per the normal rules. He rely upon the judgment of Lord Buckley in Corruplast Limited v. George Harrison (Agencies) Ltd. 1978 (25) RPC 761. He submits that the respondent' s case that such a technique is already in existence is not correct. In any event, when the respondent has not objected to the specification of the applicant for nearly five years and variant by the respondent is not relating to two spark plugs but relating to three valves and also when the specific case of the applicant is that the third valve is only ornamental in nature,

the same has to be proved during trial. According to the learned senior counsel, at the interim application stage the question of deciding the triable issue against the patentee would not arise, especially under Indian Law. In respect of infringement of patent, he would also rely upon section 104A of the Patents Act which was inserted by Act 38 of 2002 and also the judgment in The General Tire & Rubber Company v. The Firestone Tyre and Rubber Company Ltd. and Ors. 1972 RPC 457. He would refer to a Full Bench judgment of the Delhi High Court in Metro Plastic Industries (Regd.) v. Galaxy Footwear, Delhi to contend that the applicant uses its patent was for a long period.

14(i). The learned senior counsel would submit that the essential features of the invention are what patentee says in pith and marrow by relying upon the judgment in Catnic Component Ltd. and Anr. v. Hill & Smith Ltd. 1982 RPC 183. The interpretation of specifications must be based on the knowledge of the skilled persons in that field using the common general knowledge existing at the time of specifications which is the relevant time by placing reliance on the judgment in Lubrizol Corporation and Anr. v. Esso Petroleum Co. Ltd. and Ors. 1998 RPC 727. He submits that the interpretation must be purposive in nature as held in Catnic Component Ltd. and Anr. v. Hill & Smith Ltd. 1982 RPC 183 and Kastner v. Rizla Ltd. and Anr. 1985 RPC 585 and the judgment in Sandow Ld. v. Szalaly 1906 RPC 6, Patent Exploitation, Ld. v. Siemens Brothers & Co. Ltd. 1903 RPC 225 and Muto Industrial Company Limited's Application 1978 RPC 70. He would also submit that if two interpretations of specifications are possible, the interpretation which validates the patent has to be adopted, by placing reliance on the judgment in William Needham and James Kite v. Johnson and Co. 1884 RPC 49. He further relied upon the judgment in Consolidated Car Heating Company v. Came 1903 (20) RPC 745, Raj Prakash v. Mangat Ram Choudhary and Ors. , William Needham and James Kite v. Johnson and Co. 1884 RPC 49 and Improver Corporation and Ors. v. Remington Consumer Products Ltd. and Ors. 1990 FSR 181 regarding variation claimed by the respondent. Therefore, according to the learned senior counsel, the applicant

has proved the prima facie case and the balance of convenience in granting injunction is in favour of the applicant and any amount of damages cannot compensate any loss which may be caused to the applicant and in view of the same, he submits that order of injunction must be granted on the factual situation.

15. Per contra, Mr. AL. Somayaji, learned senior counsel for the respondent would submit that as per Section 10 of the Patents Act which speaks about the specifications, complete specification must meet the original claim made by a patentee and that should be taken as the scope of intention. His submission is that while deciding about the infringement of patent, the patentee property should be construed and it must be compared with the defendant's product. He submits that there is remarkable variation between the provisional specification, complete specification and amended specification made by the applicant in respect of its alleged invention. He submits that a reference to the provisional specification of the applicant shows decreased emission, decreased fuel consumption and good drivability and the same can never be treated as invention. On the other hand, he would submit that the applicant who has given in the provisional specification as valve centric has switched over to plug centric in the complete specification and there is no mention about the lean burn air fuel mixture or two valves except mentioning about the twin spark plugs. His further submission is that in the amended specification of 2004, once again the applicant has gone back to valve centric instead of spark plug centric, however, in the affidavit filed in support of the application for injunction, the applicant has chosen to explain about the spark plug centric and therefore, different stands have been taken by the applicant at different points of time and it is not known as to what is the patent of the applicant. According to him, the applicant has not proved the prima facie case that the patent is valid. His submission is that in the amended specification, the applicant has chosen to refer to two valves because the applicant has come to know that two spark plugs were already available in

the market as it is seen in the Honda Market and it is only to get over the same, deliberately, the applicant has switched over to two valve system once again.

15(a). The learned senior counsel made it clear that in respect of Honda patent as well as AVL Licence, the respondent is a licensee relating to three valve engines. He also submit that Section 48 as amended has no meaning as long as section 13(4) makes it clear that there is no warrant about the. validity of the patent, which remains unamended and therefore, the grant of patent itself cannot be deemed to be a prima facia case on the side of the patentee and it is the duty of the patentee to prove the prima facie case as any other case of application for injunction. According to him, the third valve in the product of the respondent is not merely an ornamental, but it is functional. He would further submit that even assuming that the applicant has a patent, there is no infringement for the reason that the claim of the applicant is two valve engines and the claim of the respondent is three valve engines and two spark plugs were already used in Honda and therefore it cannot be said to be the invention of the applicant. He submits that the applicant has to prove infringement by the respondent in respect of each and every component of invention. He submits that the diameter of 45 mm. x 70 mm. is not newly invented by the applicant, because the Honda diameter is not restricted to any limitation.

15(b). His further submission is that the concept of two spark plugs is a public domain since the Honda has already invented the same in 1985. He further submits that lean burn air fuel mixture is not the object of invention. His further submission is that fuel efficiency itself cannot be an invention. He would submit that the applicant cannot rely upon newspaper report, as decided in 2007 (1) CTC 705. He submits that each and every one of the essential ingress has to be proved, based on the judgment in 1968 FSR 100. He would also rely upon the literature of Janice M. Mueller on Introduction to Patent Law wherein it is stated that each element of patent must be construed. He would also relies upon the judgment in Bishwanath Parsed Radhey Shyara v. Hindustan Metal Industries to substantiate his contention about the prior publication. His further submission is

that if, in the amended specification, there is no nexus with the complete specification, it is to be deemed that the complete specification has been surrendered. He would submit that to draw a prima facie validity is different from the prima facie infringement relying upon the judgment in Franz Xaver Huemer v. New Yash Engineers , he submits that when the products, are popularly known, there is no patent and also for the purpose of proving prima facie case for injunction, he would rely upon;

(i) Monsanto Company v. Coramandal Indag Products (P) Ltd. ;

(ii) Shining Industries and Anr. v. Shri Krishna Industries ;

(iii) Hindusthan Lever Limited v. Godrej Soaps Ltd. and Ors. ; and

(iv) Niky Tasha India Private Ltd. v. Faridabad Gas Gadgets Private Ltd. AIR 1985 Delhi 136.

15(c). His further submission is that M/s. TVS Motor Company Ltd., has entered into a collaboration agreement with AVL List GMBH which is an international company known for development of engines and that collaboration was made on 13.11.2800, whereas the applicant Bajaj Auto Limited has filed its first application one year afterwards and AVL List GMBH has obtained a patent for four stroke combustion engine with at least two inlet valves on 25.5.2000 in Austria and the same has not been challenged by anyone including the applicant. He also submits that in fact, the respondent has spent enormous amount for the purpose of research and development and also it has obtained experts' opinion from various authorities from 14.9.2007 to 18.9.2007 and a certificate of registration of licence was entered between AVL List GMBH and M/s. TVS Motor Company Ltd, and it was after the statement made by the applicant, a suit for damages was filed before the Bombay High Court on 22.10.2007.

15(d). The learned senior counsel submits that while granting an order of interim injunction, the Court must satisfy itself that there is a triable issue. He would submit that once an application for revocation is filed by the respondent, it

cannot be contended that prima facie case lies in favour of the applicant. He relies upon the judgment in Standipack Pvt. Ltd. v. Oswal Trading Co. Ltd. . He submits that if injunction as sought for is granted, the respondent M/s. TVS Motor Company Limited, which has manufactured the materials and also taken steps to release the same, would incur huge loss which cannot be compensated. On the other hand, according to the learned senior counsel, the applicant itself has stated that from 2003 it has manufactured the product and marketed the same and hence, based on the existing market, the compensation can be ascertained even if the injunction is not granted and in the event of the applicant winning the case finally. On the other hand, according to him, the respondent is a reputed company and its market loss cannot be determined and compensated, in the circumstances of the case. Mr. A.L. Somayaji, learned senior counsel for the respondent has referred to judgments given by various High Courts, including,

(i) Dhanpat Seth and Ors. v. Nil Kamal Plastic Crates Ltd. 2006 (33) PTC 339;

(ii) Bilcare Limited v. Supreme Industries Ltd. 2007 (34) PTC 444 (Del.);

(iii) Kalindi Medicare Pvt. Ltd. v. Intis Pharmaceuticals Ltd. and Anr. 2007(34) PTC 18;

(iv) Novartis AG v. Mehar Pharma 2005 BCR (3) 191; and

(v) Garware-Wall Ropes Ltd. v. Anant Kanoi 2006 (TLS) 216693 to substantiate his contention that as long as Section 13(4) remains unamended, the amendment of Section 48 is of no consequence and therefore, normal rule of injunction is to be followed in cases of patent also and the plaintiff must prove the balance of convenience, prima facie case etc.

16. Mr. P.S. Raman, learned senior counsel also appearing for the respondent, M/s. TVS Motor Company Ltd., apart from adopting the arguments of Mr. AL. Somayaji, learned senior counsel, would submit that he would restrict his contentions in respect of the fact that the respondent has not infringed the product of the applicant. The learned senior counsel submits that the applicant

has not made out a prima facie case to the effect that the respondent has infringed the applicant's invention. His submission is that the applicant's claim is not on intrinsic components of invention and according to him, there is no invention at all and a common man knows about the product of the applicant, since it is a prior art. He submits that it is the duty of the applicant to prove that the invention was not obvious to a person skilled in the art in addition to the technical advancement or economic significance so as to establish that he has made inventive steps and in the present case, it cannot be stated that the applicant has prima facie proved that the invention is not obvious, but the fact remains that by way of prior art, the so called invention of the applicant has been known to everyone. The technical advancement or economic significance cannot be scrutinised and the meaning has to be restricted. According to him, either economic significance or technical advancement cannot be a subject matter of the patent.

16(a). He would submit that there must be nexus between the provisional specification and the complete specification and the complete specification must be based on provisional specification as per section 11 of the Patents Act so as to enable the applicant to claim priority in the matter of date of user from the date of provisional specification, viz., the date of original application. He would submit that the amended specification can be only investigative in nature which would depend upon the original specification. Therefore, according to him, if these three, viz., provisional, complete and amended specifications do not correlate to each other, the patent so granted, cannot be deemed to be a valid patent. To meet the contention of the learned senior counsel for the applicant that the respondent has never objected to the specification made by the applicant, the learned senior counsel Mr. P.S. Raman would submit that under Section 25 of the Patents Act, the question of either pre-grant, post-grant or revocation will not arise for revocation of the patent of the applicant and it can be made only when the respondent is affected. According to him, the revocation petition was filed by the respondent under Section 64 of the Patents Act, 1970 on 24.08.2007, and the

applicant having taken so many adjournments before the IPAB for filing counter in the revocation petition, has chosen to file the suit for infringement after four months time.

16(b). It is his further submission that when admittedly the applicant has not even seen the product of the respondent, it is not known as to how the suit for infringement is maintainable. He would submit that the action of the respondent in filing revocation petition and thereafter launching its product would show the good conduct of the respondent which would reverse the mala fide attitude as claimed by the learned senior counsel for the applicant. He would submit that if an order of injunction is granted against the respondent which is a reputed organisation, it will create a slur on the moral conduct of the respondent and it is immaterial that injunction is granted only for three months, six months or one year, because it would impute the reputation of the respondent organisation.

16(c). He would submit that when once an application under Section 64 of the Patents Act is filed for revocation of the patent, which includes the fact that the patent of the applicant herein is not real invention, the complete specification is not a new one and it was popularly known and the complete specification does not sufficiently or fairly describe the invention, and when false suggestion is made, a presumption should be drawn that the patentee cannot have a prima facie right over the patent.

16(d). He would submit that the provisional specification dated 15.7.2082, which relates to two spark plugs and its location is admittedly a prior art, which was already available in Honda Products. He would also submit that the claim Nos. 1,6 and 7 of the applicant in the complete specification cannot be taken as an invention and if that is taken as an invention, no auto engine can be driven. According to the learned senior counsel, the claims of the applicant do not constitute any invention. He submits that US Honda 1985 was relating to three valve, 2 spark plug screw fitted engines, while AVL patent related to three valve low fuel combustion and two valve small volume motor cycles and that was

already patented and. the applicant has not chosen to challenge the same. He would submit that even assuming that the applicant has got patent right, there is absolutely no infringement on the part of the respondent, as while the applicant claims two valve, the respondent claims three valves. His further submission is that the claim of the applicant that the third valve of the respondent is only non-functional and ornamental cannot be decided at this stage, since it can be decided only in the trial and in the mean time, there cannot be any presumption that the third valve is ornamental arid therefore, according to the learned Counsel, there is a total difference between the product of the applicant and that of the respondent.

16(e). He would also produce various diagrams of the engines of the applicant as well as the respondent and contend that they are totally different and the issue involved is a triable one which creates a suspicion about the patent of the applicant. According to the learned senior counsel, even if one essential element is different, there is no infringement of patent and that has to be decided at the time of trial and the balance of convenience in granting an order of injunction is not in favour of the applicant. He would submit that if the applicant succeeds in the suit, the compensation is always possible since the respondent is a very reputed organisation. His submission is that the respondent being a reputed organisation is not going to leave the country and in fact it is bound by the Motor Vehicles Act and assessable to other taxes and therefore, it is not impossible for the applicant to recover any compensation even if the applicant succeeds in the suit.

16(f). The learned senior counsel would again rely upon Section 13(4) of the Patents Act, 1970 in respect of examination and invention done and that it does not warrant any validity of patent, and therefore, relying upon the judgment in Bishwanath Prasad Radhey Shyam v. Hindustan Metal Industries , though he would submit that inference must be made prima facie, the patent is invalid on the facts and circumstances of the case. He would submit that only in cases where the defendant is not challenging the patent or revocation is not filed, the

injunction will follow. On the other hand, in the present case by revocation petition under Section 64 of the Patents Act, 1970, the respondent has challenged the patent of the applicant. He would rely upon the judgment in Bilcare Limited v. Supreme Industries Ltd. 2007 (34) PTC 444 (Del.) and K. Ramu v. Adyar Ananda Bhavan Muthulakshmi Bhavan .

17. I have carefully considered the pleadings, affidavits, counter affidavits, reply affidavits, rejoinder affidavits and various documents filed by both the parties and given my anxious thought to various aspects of the case.

18. Normally, in cases of interlocutory injunction, including any patent action, the principle is the same, viz,

(i) the plaintiff must prove/show prima facie case that the patent is valid and infringed;

(ii) balance of convenience is in favour of plaintiff; and

(iii) irreparable loss that may be caused to the plaintiff by not granting an order of injunction.

19. Undoubtedly, these are the normal principles to be decided in any interlocutory injunction applications. However, the learned senior counsel appearing for the applicant Mr. C.A. Sundaram, has raised a point that after the Act 38 of 2002, by which Section 48 of the Patents Act, 1970 was amended by way of substitution, the patentees right is better protected than what was in existence in the said provision before the amendment.

According to him, after the said amendment and as Section 48 of the Patents Act, 1970 stands today, it should be treated that once a patentee files a suit for infringement based on the patent granted to him, it should be prima facie presumed to be valid until the same is revoked or set aside in the manner known to law either by revocation under any one of the grounds under Section 64 of the Patents Act, 1970 or in any other manner. Therefore, it is relevant to extract Section 48 of the Patents Act, 1970, which was in existence before the Act 38 of

2002, which came into force with effect from 20.05.2003 and the Section as it stands after the amendment. Before the amendment, Section 48 of the Patents Act, 1970 stood as follows:

> Section 48. Rights of patentees.-(1) Subject to the other provisions contained in this Act, a patent granted before the commencement of this Act, shall confer on the patentee the exclusive right by himself, his agents or licensees to make, use, exercise, sell or distribute the invention in India.
>
> (2) Subject to the other provisions contained in this Act and the conditions specified in Section 47, a patent granted after the commencement of this Act shall confer upon the patentee-
>
> (a) Where the patent is for an article or substance, the exclusive right by himself, his agents or licensees to make, use, exercise, sell or distribute such article or substance in India;
>
> (b) where a patent is for a method or process of manufacturing an article or substance, the exclusive right by himself, his agents or licensees to use or exercise the method or process in India.

20. After amendment with effect from 20.05.2003, Section 48 stands as on date is as follows:

> Section 48. Rights of patentees.-Subject to the other provisions contained in this Act and the conditions specified in Section 47, a patent granted under this Act shall confer upon the patentee-
>
> (a) where the subject-matter of the patent is a product, the exclusive right to prevent third parties, who do not have his consent, from the act of making, using, offering for sale, selling or importing for those purposes that produce in India;
>
> (b) where the subject-matter of the patent is a process, the exclusive right to prevent third parties, who do not have his consent, from the act of using that process, and from the act of using, offering for sale, selling or importing for those purposes the product obtained directly by that process in India.

21. The difference in the said provision before the amendment and after the amendment is that before the amendment, by Act 38 of 2002, the patentee was conferred an exclusive right to use himself or through agents or through

licencees and also to exercise or sell or distribute the inventions in India. The patent to which the patentee was entitled to the exclusive user related to article or substance and to a method or process of manufacturing or substance. . After amendment, the right of the patentee in respect of product and in respect of the process is conferred on the patentee, an exclusive right to prevent third parties from using or selling etc.

22. The contention of the learned senior counsel for the applicant Mr. C.A. Sundaram is that, by virtue of the amendment, the patentee's right has been enlarged not merely allowing him to the exclusive use himself, but also effectively prevent the third parties from using his patent and therefore, his submission is that, while deciding the prima facie case in granting an order of injunction pending suit, it must be taken that unless and until the patent granted to a patentee is revoked in the manner known to law, it must be presumed to be prima facie valid.

23. On the other hand, Mr. A.L. Somayaji, learned senior counsel appearing for the respondent would heavily rely upon Section 13(4) of the Patents Act, 1970, in which it is expressly made that the validity of the patent is merely because it is examined and investigated by the authority under the Act cannot be said to be warranted. His submission is that so long as Section 13(4) of the Patents Act, 1970 remains unchanged even after the amendment of Section 48 of the Patents Act, 1970, no more importance can be given to a patentee, merely because his patent has been registered. Since Section 13(4) of the Patents Act, 1970 also deals with the examination of applications for patent prescribed under Section 12, it is necessary to reproduce Sections 12 and 13 of the Act, which are as follows:

> Section 12. Examination of application.-(1) [When a request for examination has been made in respect of an application for a patent in the prescribed manner [under Sub-section (1) of Sub-section (3) of Section 11B, the application and specification and other documents related thereto shall be referred at the earliest by the Controller] to an examiner for making a report to him in respect of the following matters, namely:-

(a) whether the application and the [specification and other documents relating thereto] are in accordance with the requirements of this Act and of any rules made thereunder;

(b) whether there is any lawful ground of objection to the grant of the patent under this Act in pursuance of the application;

(c) the result of investigations made under section 13; and

(d) any other matter which may be prescribed.

(2) The examiner to whom the application and the [specification and other documents relating thereto] are referred under Sub-section (1) shall ordinarily make the report to the Controller within [such period as may be prescribed].

13. Search for anticipation by previous publication and by prior claim.-

(1) The examiner to whom an application for a patent is referred under Section 12 shall make investigation for the purpose of ascertaining whether the invention so far as claimed in any claim of the complete specification-

(a) has been anticipated by publication before the date of filing of the applicant's complete specification in any specification filed in pursuance of an application for a patent made in India and dated on or after the 1st day of January,1912;

(b) is claimed in any claim of any other complete specification published on or after the date of filing of the applicant's complete specification being a specification filed in pursuance of an application for a patent made in India and dated before or claiming the priority date earlier than that date.

(2) The examiner shall, in addition, make such investigation for the purpose of ascertaining whether the invention, so far as claimed in any claim of the complete specification, has been anticipated by publication in India or elsewhere in any document other than those mentioned in Sub-section (1) before the date of filing of the applicant's complete specification.

(3) Where a complete specification is amended under the provisions of this Act before [the grant of a patent], the amended specification shall be examined and

investigated in like manner as the original specification.

(4) The examination and investigations required under Section 12 and this section shall not be deemed in any way to warrant the validity of any patent, and no liability shall be incurred by the Central Government or any officer thereof by reason of, or in connection with, any such examination or investigation or any report or other proceedings consequent thereon.

24. The general tendency regarding interlocutory injunctions in patent cases has been that the onus in showing a prima facie case in justifying the grant of injunction is heavy on the plaintiff and it is comparatively easy for the defendant to establish a defence. Even though it can be contended that Section 13(4) of the Patents Act, 1970 stating that the validity of patent is not warranted is in relation to the examination of application for patent and search for anticipation made by the examiner regarding previous publication and prior claim, the effect of Section 13(4) has been clearly held by the Hon'ble Supreme Court in Bishwanath Prasad Radhey Shyam v. Hindustan Metal Industries in the following words.

33. It is noteworthy that the grant and sealing of the patent, or the decision rendered by the Controller in the case of opposition, does not guarantee the validity of the patent, which can be challenged before the High Court on various grounds in revocation or infringement proceedings. It is pertinent to note that this position, viz., the validity of a patent is not guaranteed by the grant, is now expressly provided in Section 13(4) of the Patents Act, 1970. In the light of this principle, Mr. Mehta's argument that there is a presumption in favour of the validity of the patent cannot be accepted.

25. Therefore, by virtue of the amended provision of Section 48 as stated above, one can only come to a conclusion that while deciding about the prima facie case, even though no presumption of the validity of the patent can be drawn, certainly the patent obtained after the amendment is having more significance. Therefore, the patent obtained by the patentee can be given more weight for

deciding the prima facie case, however, the onus of proving prima facie case about the validity of the patent and its infringement is still on the plaintiff and the amendment to Section 48 by Act 32 of 2002 has not made any significant change on the celebrated principle of prima facie case to be proved by the plaintiff before granting an order of injunction pending disposal of the suit.

26. Therefore, we have to proceed on the basis of the materials available to decide the triple test of an interim injunction, viz., prima facie case; balance of convenience; and inadequacy of compensation.

27. Patent relates to invention or in otherwise. As per Halsbury's Laws of England, the word Patent is used denoting a monopoly right in respect of an invention.

28. Section 2(m) of the Patents Act, 1970 defines "patent" means a patent for any invention granted under this Act.

The said definition itself was substituted by the Patents (Amendment) Act, 2005 (Act 15 of 2085) with effect from 01.01.2005. Prior to the said Amendment, Section 2(m) defined "patent" as, "patent" means a patent granted under this Act.

29. The term "invention" is defined under Section 2(j) of Patents Act, 1970 as, "invention", means a new product or process involving an inventive step and capable of industrial application.

The said definition of "invention" itself was substituted by Act 38 of 2002 and before that the said Section 2(j) stood as follows:

> "invention" means any new and useful-
>
> (i) art, process, method or manner of manufacture,
>
> (ii) machine, apparatus or other article,
>
> (iii) substance produced by manufacture, and includes any new and useful improvement of any of them and an alleged invention.

30. The term "inventive step" came to be defined under Act 15 of 2005 with effect from 01.01.2005 under Section 2(ja), which is as follows:

> 2(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.
>
> Therefore, an "inventive step" which is a necessary ingredient of invention in order to make an applicant eligible for grant of patent under the Act must be relating to an invention involving technical advance or having economic significance or both along with a necessary factor that such invention should make it "not obvious to a person skilled in the art.

31. Even though the term "obvious" has not been denied under the Patents Act, it can be safely stated to be a circumstance where a person of skill in the field, on going through the specification would complete the product. Therefore, even if any of the two ingredients, viz., technical advance or economic significance or both are available, if such invention enables a person of skill in the filed, on going through the specification would complete the product, such invention can never be treated as an "inventive step" and consequently no patent can be validly issued. Therefore, it is clear that a patent must have the characters of novelty, non-obviousness and enablement, out of which, enablement being the concept of putting the novelty into action and all the above said ingredients must consecutively be present to have a valid patent.

32. Therefore, it is clear that even after the grant of patent under Section 43 of the Patents Act, 1970, which is given effect from the date of filing of application for the patent under Section 53(1)(i), it is open to a party, who is opposing the patent to prove that there are no inventive step in the invention of a patentee and therefore, the patent granted need not be taken into consideration atleast at the stage of granting an order of interim injunction.

33. The principle objections raised by both the learned senior counsel appearing for the respondent, viz., M/s. A.L. Somayaji and P.S. Raman, is that on the

factual assertions, the product of the applicant to which patent has been granted under the Act is not an invention at all. Their submission is that the applicant does not know what is its invention, since according to them different stands have been taken by the applicant on various stages before grant of patent, viz., provisional specification, complete specification and amended specification made by the applicant. Therefore, it is relevant to point out factually about the prima facie validity of the patent claimed by the applicant in the sense of non-contradiction in its stand to decide about the interim injunction.

34. The applicant made the application along with the provisional specification under the Patents Act for the issuance of patent on 16.07.2002; the applicant has made the complete specification on 07.07.2003; the amended specification was made by the applicant on 08.11.2004; and ultimately, the patent was granted on 29.07.2005 in Patent No. 195904. It is not in dispute that the patent granted in the above patent number to the applicant is deemed to have come into effect from the date of its application, viz., provisional specification dated 16.07.2002.

35. By applying Sections 11(2) and 11(3) of the Patents Act, 1970 to the facts of the case, prima facie, there is no difficulty to come to the conclusion that the applicant has launched the product in 2003 on complete specification, which was on 07.07.2003, and therefore, that may 'be taken as the actual priority date of the claim of complete specification.

36. For the purpose of deciding the prima facie case, it is relevant to refer to the provisional specification, complete specification and amended specification submitted by the applicant/plaintiff in the light of the submissions made by the respective counsel.

37. Under the provisional specification submitted by the applicant on 16.07.2002, the applicant has made it clear that its invention relates to improvement in the combustion characteristics of a single cylinder internal combustion engine working on 4 stroke principle, and stated that the said invention, particularly relates to engines employed as prime movers for

operation of 2 and 3 wheeled vehicles, after explaining various disadvantages of engines provided with two valves with a spark plug and the location of spark plug tip, velocity of the charge, the direction of swirl which are decided as important parameters stated to be the known methods of improvement.

38. The provisional specification further states that the disadvantages explained are due to use of only one spark plug in the combustion resulting in loss of power, fuel wastage, increase in emission and there was need of a richer mixture of fuel and air in the charge in achieving better drivability results. It is stated in nutshell as follows:

> In order to avoid above difficulties and to provide improved combustion characteristics for lean air fuel mixture burning, we have invented an engine, wherein there are two spark plugs provided for generating the spark. These spark plugs are located in the cylinder head one on timing chain side and the other plug being opposite to the timing chain side.
>
> (a) The provisional specification also states, In order to have the spark plug on the timing chain side and to prevent the above disadvantage, we have developed a design and an arrangement wherein the plug is located on the same side of the timing chain by providing a replaceable sleeve, which encompasses the spark plug.
>
> (b) By providing two spark plugs, the initiation of the spark starts at two places, i.e. Tips (21a & 22a) in the combustion chamber. These places are diametrically opposite to each other. Due to this, the flame propagates faster and covers the entire volume comparatively in shorter time and thus achieving near complete combustion of the lean air fuel mixture. This reduced time of achieving near complete combustion permits use of a leaner mixture helping saving of fuel without affecting performance.
>
> (c) Ultimately, the specification concludes as follows:
>
> It is will be appreciated that the invented engine with improved combustion characteristics for lean air fuel mixture burning as described and illustrated in the drawings that it would be possible to modify and/or alter the various features thereof by person skilled in the art without deviating from the scope of the invention. The applicant intends to include those modifications and variations within the scope and the ambit of this invention.

39. Under the complete specification submitted by the applicant on 07.07.2003, the applicant specifically explains that its invention is relating to small displacement engines of cubic capacity ranging from 75 to 250 CC preferably 100 to 200 CC per cylinder employed, as under:

> This invention relates to improvement in the combustion characteristics of an internal combustion engine working on 4 stroke principle. This invention particularly relates to small displacement engines of cubic capacity ranging from 75 to 250 cc preferably 100 to 200 CC per cylinder employed as prime movers for operation of 2 and 3 wheeled vehicles. Internal combustion engine wherever referred to in this specification means and includes either single cylinder or its duplication thereof.
>
> (a) The concept of 2 spark plugs which was available in the provisional specification is also explained in detail in the complete specification, which is as follows:
>
> In order to avoid above difficulty and provide for improved combustion characteristics through rapid completion of the combustion even with a lean air fuel mixture, we have invented an engine wherein there are two spark plugs provided for generating sparks at two predetermined locations at the same time. These spark plugs are located in the cylinder head one on timing chain side and the other plug opposite to the timing chain side. Thus, the twin spark plug arrangement enables the engine to run efficiently which results in decreased emission, decreased fuel consumption and good drivability.
>
> (b) The provision of 2 spark plugs is again explained as under:
>
> By providing two spark plugs, the initiation of the spark starts at two places i.e. Tips (21a. & 22a) in the combustion chamber. These places are opposite to each other. Due to this the combustion is completed in a comparatively shorter duration of time leading to reduction in emission and improved fuel consumption while maintaining the desired level of performance. This reduced time of achieving near complete combustion permits use of less amount of fuel air mixture or lean mixture without affecting the performance for the same power out put, especially at part throttle condition.
>
> (c) Ultimately, in claim Nos. 1 and 6 of the complete specification, the applicant has explained about its invention, as under:
>
> 1. An improved Internal Combustion Engine for efficient burning of lean air fuel mixture used. in engines working on four stroke principle, characterised in

that said Internal Combustion Engine comprising a pair of spark plugs (21 & 22), a cylinder head (25), a sleeve (23), a pair of sealing means (24 & 24a), a fixing means (26) and sleeve cap (27); the said pair of spark plugs (21 & 22) being fitted to the said cylinder head (25) to ignite air fuel mixture at predetermined instant; said spark plug (22) being housed within said sleeve (23), said sleeve (23), being detachably fixed to the said cylinder head (25) and held in position by said fixing means (26), said sealing means (24 & 24a) being provided between the said cylinder head (25) and the outer periphery of the said sleeve (23) and the said sleeve cap (27) being fitted on to said sleeve (23).

6. An improved Internal Combustion working on four stroke principle, characterised in that said Internal Combustion Engines comprising of a spark plugs (22), a cylinder head 925), a sleeve (23), a pair of sealing means (24 and 24a), a fixing means (26) and sleeve cap (27); the said spark plug (22) being housed within said sleeve (23) and being fitted to the said cylinder head (25) on timing chain side (7) so as to provide spark at predetermined instant to ignite air fuel mixture; the said sleeve (23) being detachably fixed to said cylinder head (25) and held in- position by said fixing means (26), the said pair ,of sealing means (24 & 24a) being provided between the said cylinder head (25) and the outer periphery of the said sleeve (23) and the said sleeve cap (27), made of resilient material such as Nylon, PVS, rubber being fitted on said cylinder head (25).

40. In the amended specification dated 08.11.2004, 'the applicant makes it clear that the invention particularly relates to small displacement engines and in explanation of the complete specification dated 07.07.2003. The said amended part of the specification is as follows:

This invention particularly relates to small displacement engines of swept cylinder volume ranging from 75 cc to 225 cc and cylinder bore diameter 45 mm to 70 mm, preferably in the range of 100 cc to 200 cc, employed as prime movers for operation of 2 and 3 wheeled vehicles or other motorized vehicles. For the simplicity of explanation, such engines are termed as 'engines' in the subsequent paragraphs in this specification.

(a) The applicant has also referred to about the Honda patent in existence and explained as to how the specification of the applicant is in contrast to the same.

Use of two spark plugs in an engine with 3 valves and of relatively larger bore diameter (more than 70 mm) is known, eg. As described in US Patent No.

4534322 A1. In the engines with 3 valves, the space restriction in the cylinder head does not provide an optimum place for the spark plug (ideally to be mounted centrally) and it is necessary to adopt two spark plugs to achieve proper combustion even with the normal mixture ratios. Use of two spark plugs for an engine with only two valves is therefore not normally necessitated from space constrains. Further more, as the bore size (and therefore the swept volume) of a cylinder increases the flame propagation distance increases and therefore the use of twin spark plugs becomes a consideration. In contrast, it is counterintuitive to consider the use of twin spark plugs in a small bore cylinder; application as the flame propagation distance is not normally an issue that arises in conventional engines.

(b) The activity of the 2 spark plug has also been explained in the amended specification along with the research conducted on 05.11.2004, which is as follows:

> By providing two spark plugs, the initiation of the spark starts at two places, i.e. Tips (21a& 22a) in the combustion chamber. These places are diametrically opposite to each other. Due to this, the combustion is completed in a comparatively shorter duration of time leading to reduction in emission and improved fuel consumption while maintaining the predetermined level of performance. This reduced time of achieving near complete combustion permits use of less amount of fuel air mixture or lean mixture without affecting the performance, especially at part throttle condition.
>
> The applicants have developed in two valve, per cylinder 150 cc capacity engines with invented features of this application and the same has been evaluated. The table given below indicates the comparative test values of the engines with and without the invented feature. The emission values are as tested with statutorily applicable Indian Driving Cycle on Chassis dynamometer.
>
> Test results conducted on a 150 cc engine.
>
> No. Parameters Single Spark Plug Configuration Twin Spark Plug Configuration CO mass emission (g/km) 0.6 HC mass Emission (g/km) 0.7 0.5 Nox mass omission (g/km) 0.5 0.5 Fuel consumption (km/1) Max power (Ps) 11.7 12.5

(c) Again Claim Nos. 1,6 and 7 in the amended claim of the applicant are as follows:

1. An improved Internal Combustion Engine working on four stroke principle, having two valves per cylinder for efficient burning of lean air fuel mixture used in engines where the diameter of cylinder bore ranges between 45 mm and 70 mm characterised in that said Internal Combustion Engine comprises a pair of spark plugs, namely a first spark plug (21) and a second spark plug (22), a cylinder head (25), a sleeve cup (27), said first and second spark plugs (21 and 22) being fitted to said cylinder head (25) and capable of igniting air fuel mixture at predetermined instant; said second spark plug (22)n being housed within said sleeve (23) located within timing chain cavity; said sleeve (23) being detachably push fitted to said cylinder head (25) and held in position by said fixing means (26), said sealing means (24, 241) being adapted between said cylinder head (25) and the outer periphery of said sleeve (23) and said sleeve cap (27) being fitted on said cylinder head (25).

6. An improved Internal Combustion Engine working on four stroke principle, having two valves per cylinder, for efficient burning of lean air fuel mixture used in engines wherein the diameter of cylinder bore ranges between 45 mm and 70 mm characterised in that said Internal Combustion Engine comprises a spark plug (22), a cylinder head (25); a sleeve- (23), a pair of sealing means (24,24a), fixing means (26) and a sleeve cap (27); said spark plug (22) being fitted to said cylinder head (25) and capable of igniting air fuel mixture at predetermined instant; said spark plug (22) being*housed within said sleeve (23) located within timing chain cavity; said sleeve (23) being detachably push fitted to said cylinder head (25) and held in position by said ' fixing means (26),,said sealing means (24, 24a) being adapted between said cylinder head (25) and the outer periphery of said sleeve (23), and said sleeve cap (27) being fitted on said cylinder head (25).

7. An improved single cylinder Internal Combustion Engine working on four stroke principle having two valves for efficient burning of lean air fuel mixture used in engines wherein the diameter of said cylinder bore ranges between 45 mm and 7 5 mm substantially as herein described and as illustrated in the drawings accompanying the Specification.

41. The main contention of Mr. A.L. Somayaji, learned senior counsel for the respondent is that the applicant, in its specification, is not certain about its invention stating that in the provisional specification the claim of the applicant

was spark plug centered while in the complete specification it has become valve centered and ultimately in the amended specification it is stated as spark plug centered. He has also stated that in the amended specification the applicant has chosen to state for the first time about the diameter of cylinder bore as ranging from 45 mm to 70 mm which was not available in the previous specifications.

42. I am afraid that factually the same may not be correct. Even though in the provisional specification the applicant has not specifically explained the diameter of the cylinder, it was its specific case that the invention, particularly relates to engine prime mover for operation of 2 and 3 wheeled vehicles. This was subsequently explained by the applicant in its complete specification dated 87.87.2003 that "this invention particularly relates to small displacement engines of cubic capacity ranging from 75 to 250 CC preferably 100 to 200 CC per cylinder employed as prima movers for operation of 2 and 2 wheeled vehicles" and therefore, the applicant has chosen to explain the importance of 2 spark plugs with lean burn air fuel mixture, etc. That was again the claim made by the applicant in the amended specification on (28.11.2004. In fact, in the amended specification the applicant has referred to US Patent No. 4534322, which relates to use of 2 spark plugs in an engine with three valves with relatively larger diameter more than 70 mm.

43. In fact, a reference to the description of US Patent regarding Honda, as produced by the respondent, while explaining about the disadvantages of a 3 valve engine, shows that it has-less performance than a 4 valve cylinder head above 7000 rpm; big bore (>70 mm) only works well with twin spark. Therefore, even as per the Honda specification, which is stated to have been followed by the respondent it is admitted that more than 70 mm is deemed to be big bore and on the basis of the record, it cannot be said at least at the prima facie stage that there is any deviation in the specification made by the applicant in these three stages.

44. In this regard it is relevant to note that a final claim cannot be invalidated merely, because it gives more construction than what was available earlier during the time of provisional specification. That was the view taken along with establishing the right of fair and reasonable monopoly on the part of a patentee in Muto Industrial Company Limited's Application 1978 RPC 70. The relevant portion of the judgment is as follows:

> The criteria fundamental to fair basis are set out in Mond Nickel Co. Ltd.'s Application [1956] R.P.C. 189 and I.C.I. Ltd.'s Patent [I960] R.P.C.223 but the application of the three tests there propounded is commented on in Letraset Ltd. v. Rexel Ltd. [1974] R.P.C. 175 at 196 where it is stated that the decision on fair basis "must be directed to giving the patentee a fair and reasonable monopoly having regard to his disclosure and at the same time to ensure that, as for example by the manipulation of dates, the public are not improperly prejudiced. The cases cited provide a useful test which can be applied, but must I think always be read with this general intention in mind." In the case of Letraset's patent, the provisional specification described the transfer of indicia from a carrier sheet to a sheet to be coated by rubbing with a stylus or other hard object whereas the complete specification referred in the claims to detachment of the indicia from the carrier sheet "by local stretching .... by application of pressure to the back surface of the carrier sheet". It was held that the feature of stretch release was not inconsistent with the disclosure of the provisional and indeed it was a result that necessarily followed from the disclosure of the provisional specification; nor did it matter that the provisional specification did not mention such results specifically.
>
> That was also the view in Patent Exploitation Ld. v. Siemens Berothers & Co. Ltd. 1903 RPC 225, wherein the Court 'of Appeal has held as follows:
>
> A Patentee's rights are defined by his Specification and claim. The Plaintiffs cannot supplement their Letters Patent by proving that the batteries as in fact made under their Letters Patent show invention and invention of such a character as to constitute good subject - matter. But, on the other hand, it is important when the Court comes to construe the Plaintiffs' Specification, to look and see whether the Plaintiffs' battery in so far as it exhibits novelty constitutes a useful invention, and in making this inquiry the Court should have regard to the past history of the subject-matter of the Patent, which is in this case galvanic batteries, and should have regard to the past history of the subject-matter of the Patent, which is in this case galvanic batteries > and should have regard to the

recognised deficiencies of galvanic batteries upto date and to the utility of the Plaintiff's battery in meeting those deficiencies as evidenced by the adoption of that battery in the market and in daily use to the exclusion largely of its predecessors. And the Court should have, in my opinion, regard also in construing a Specification to common knowledge up to date. If the Court finds that the Plaintiffs' battery as made meets a recognised deficiency then if the Specification is capable of more constructions than one, including a construction which will read the Specification as defining a battery such as that which has attained a practical success, the Court will be . astute to adopt that construction, and in order to do so, will not hesitate to reject even the natural construction of words on the ground that such natural construction so inconsistent with up to date common knowledge that it is impossible that the Patentee could have used the words in question in their mere natural sense.

It was held in Sandow Ld. v. Szalay 1906 RPC 6 that the provisional specification is to ascertain and describe the nature of invention while the complete specification may also explain in what manner the invention is to be carried out in execution and therefore, either in a complete specification or amended specification, if an explanation is made to a provisional explanation, it cannot be said as if the patentee has abandoned a part of his claim. The relevant portion of the judgment of the House of Lord Macnaghten, Lord Robertson and Lord Lindley is as follows:

My Lords, I venture to think that that is perfectly correct and I must protest against the proposition which was in effect laid down by the learned Lords Justices that you are to compare the Complete Specification with the Provisional Specification, and if you find something dropped out you are to come to the conclusion that it has been deliberately abandoned. I think that is not paying due attention to what the office and purpose of the Provisional Specification is. The purpose of the Provisional Specification is to ascertain and describe the nature of the invention. But the Complete Specification must ascertain and particularly describe the nature of the invention and also in what manner it is to be carried into execution. My Lords, I think that in this case in the Complete Specification the Patentee has ascertained and described the nature of the invention and sufficiently pointed out how it is to be carried into execution, and I think that the Defendant, the Respondent in this case, has infringed the Patent.

45. The next aspect to be considered is about the product of the applicant, which has been patented and its value. It is the specific case of the applicant that the

product invented by it is not known earlier and the invention is having economic significance, apart from not being "obvious". Ever since the date of provisional specification, which was on 16.07.2002 and even after the applicant has introduced the product, viz., Bajaj Pulsar motor cycle in the open market in1 the year 2003, the respondent has not raised objection at any point of time and the applicant has in fact stated that in the year 2003-2004, the share of "DTS-i Technology", which is the invention patented in this case in respect of Bajaj Pulsar was 9.8%/ which got increased in the year 2004-2005 to 26.98%; in 2005-2006 to 36.54%; 2006-2007 to 38.96% and 2007-2008 (April-November) 54.25%. In such circumstances, there is no difficulty to come to the conclusion that prima facie the product of the applicant for which the patent was granted as invention has found a special place in the market.

46. On the other hand, it is the clear conduct of the respondent, who has not objected to the product of the applicant ever since the year the patent application was made in 2002, has chosen to file a revocation petition under Section 64 of the Patents Act, 1970 before the IPAB, challenging the patent granted to the applicant for the first time on 24.08.2007. It is also significant to note that immediately within six days from the date of filing of the revocation petition, the respondent has chosen to introduce its products, including 125-CC motor cycle called "FLAME". This certainly cannot be taken as a bona fide conduct of the respondent, by looking into the over all factual situation in this case.

47. The patent granted to the applicant relates back to the date of application, viz., 16.07.2002 or in any event from the date of introduction of the product by the applicant, viz., Bajaj Pulsar "DTS-i Technology", which was in the year 2003 and the same is valid for a period of 20 years as per the provisions of the Patents Act, 1970. By referring to the amendment introduced by Act 38 of 2002, it was held in K. Ramu v. Adyar Ananda Bhavan Muthulakshmi Bhavan 2007 (34) PTC 689 by S. Rajeswaran, J. that when issuance of a patent right is an admitted fact and the same is valid for a period of 20 years, the plaintiff is deemed to have discharged its initial responsibility of proving that they are protected by the

certificate issued by the competent authorities under the Patents Act and therefore, it should be presumed to be a prima facie case on the strength of the certificate. The operative portion of the judgment is as follows:

> 16. It is an admitted fact that the Plaintiff has been issued with patent rights for both process and product. The process is for preparation of low glycemic sweets for a term of twenty years from 13th February, 2003. Similarly, they are also entitled to patent for the product for twenty years from July, 2004. Thus, the plaintiff has discharged his initial responsibility by proving that they are protected by the certificate issued by the authorities under the Patents Act, 1970. In-other words, the Plaintiffs have established a prima facie case on the strength of their two certificates. In such circumstances, Section 48 of the Patents Act, 1970 will hold the field according to which a patent granted under, this Act shall confer upon the patentee, the exclusive right to prevent third parties from the act of making , using, selling or importing that product in India if the subject matter of the patent is a product. Similarly, if the subject matter of the patent is a process, the patentee has the exclusive right to prevent third parties from the act of using the process for sale, selling for those purpose the product obtained directly by that process in India. Therefore, the plaintiff having obtained the patent for both the process and product under the Patent Act, 1970 has got the statutory right to prevent third parties from infringing those rights.
>
> 17. When third parties infringe the rights granted under the Patent Act then Section 108 of the Act will come into operation according to which, in case of infringement the Court may grant the reliefs including injunction and ordering the goods to be seized, forfeited or destroyed.

48. While it is true that after the amendment, there is a significant change, nevertheless, as I have stated above, it is the duty of the plaintiff to prove the prima facie case, balance of convenience and irreparable injury in the event of not granting interlocutory injunction. The three imminent factors which are necessary for consideration while dealing with the issue of interim injunction during pendency of legal proceedings are stated by the Division Bench of this Court in Wockhardt Ltd. v. Hetero Drugs Ltd. and Ors. 2006 (32) PTC 65 (Madras), wherein by relying upon the observation of the Supreme Court, the Division Bench has laid down the principles to be followed while granting an order of interim injunction as under:

16. The above observations of the Supreme Court would make it clear that the following guidelines have to be taken into consideration, while dealing with the issue of grant of an interlocutory injunction during the pendency of legal proceedings, which require the exercise of the discretion of the Court. While exercising the said discretion, the Court applies the following tests:

(a) Whether the plaintiff has a prima facie case;

(b) Whether the balance of convenience is in favour of the plaintiff; and

(c) Whether. the plaintiff would suffer an irreparable injury, if his prayer for interlocutory injunction is disallowed.

17. Relief by way of interlocutory injunction is granted to mitigate the risk of injustice to the Plaintiff during the period before that uncertainty could be resolved. The object of the interlocutory injunction is to protect to plaintiff against injury by violation of his right for which he could not be adequately compensated in damages recoverable in the action if the uncertainty were resolved in his favour at the trial.

Applying the said principles to the facts I have stated above, adding to the conduct of the respondent, there is no difficulty to come to the conclusion that the applicant has proved the prima facie case in its favour in respect of the patent granted to its product.

49. As far as the revocation application filed by the respondent under Section 64 of the Patents Act, 1970, it cannot be said that by mere filing of such application, presumption should be drawn against the validity of patent, while it is true that the grant of patent itself will not certify the validity of the same. As it is incorporated under Section 13(4) of the Patents Act, 1970. Certainly, under Section 64 of the Patents Act, when a revocation petition is filed under anyone of the grounds stated therein, the same can be operative only after a final decision is rendered by the authority competent to decide the same and in the meantime, it cannot be said that the patent validly granted should be presumed to be suspicious. The validity or otherwise of the patent depends upon the complexity of issues involved while arriving at a conclusion as to whether there has been an

inventive step or as to whether the invention of the patentee was a prior art or whether it was obvious that the person possessed of average skill or average knowledge of the art to which the invention relates and on going through the specification would be able to accomplish, or whether there was a false suggestion or representation; these are all matters involving complexity of trial and at this stage it is only the prima facie view which can be taken into consideration.

50. The fact that the patent creates a statutory monopoly, of course, protects the patentee against any unlicensed user of the patented devise enabling the patentee to get an order of injunction, and considering that a patent has been in existence for more than 5 years, the patentee must be treated as actual user and there is a presumption of its validity. In this connection it is relevant to refer to the judgment of a Division Bench of Delhi High Court in Telemecanique & Controls (I) Ltd. v. Schneider Electric Industries SA 2002 (24) PTC 632 (Del) wherein it has been held as follows:

> 29. Mr. Mukul Rohatgi, learned Counsel for the respondent, has also relied upon National Research Development Corporation of India, New Delhi v. The Delhi Cloth and General Mills Co. Ltd. and Ors. AIR 1980 Delhi 132, to contend that if the patents are more than 6 years old and there has been actual user, there must be presumption of validity of patent. In the present case the patents have existed unchallenged for a period of 8 years. It has been further contended by Mr. Rohatgi that it is not required in case of a violation of the patent that the person violating the patent knew about it in view of the monopoly having been created in favour of the appellant.
>
> 30. It has to be appreciated that undoubtedly patent creates a statutory monopoly protecting the patentee against any unlicensed user of the patented device. Thus once a violation is established in case of a registered patent, subject of course, to the patent being used, it will not be permissible to contend that the said patentee is not entitled to an injunction. A monopoly of the patent is the reward of the inventor. It is also to be appreciated that law of the patent is slightly different from the law of copyright and trademark as the patent is granted only for a period of 14 years....

Applying the said yardstick in the present case, it is not in dispute that from 2003 till date the applicant has been marketing its products, which has been patented with "DTS-i Technology" and the same has obtained a significant place in the market, since the number of products sold by the applicant throughout the world in these years is steadily increasing and the same has not been denied with any material and therefore, certainly the applicant has proved the prima facie case in its favour.

51. Now coming to the question of infringement, it is not in much dispute that except the use of three valves, the product which is attempted to be marketed by the respondent is prima facie similar to the applicant's patented product. In this regard, the applicant has chosen to state with great emphasis that the third valve which has been included by the respondent in its product is of no action or otherwise is stated to be cosmetic in nature because both the applicant's patent as well as the respondent's TVS "FLAME" motor-cycle are relating to internal combustion engine, working on 4 stroke principle with the diameter of bore ranging from 45 mm to 70 mm, two spark plugs for lean burn, etc. The respondent, who claims to have adopted either Honda patent or AVL patent which is the licensor of the respondent, has chosen to have the diameter of the bore as 54.4 mm, which is certainly not a large engine, but a small engine. In the context of the applicant's specific statement in the plaint as well as in the application for interim injunction that the third valve used by the respondent has no material effect on the applicant's invention, it is a matter of evidence, which can be decided only after full-fledged trial.

52. In this regard, it is relevant to refer to a judgment of English Court in Court of Appeal in William Needham and James Kite v. Johnson and Co. 1884 JRPC 49. While referring to the variant aspect, the Court has held as follows:

> Then arises the question whether, if that is the claim, the Defendants have infringed it, have infringed the combination. They have infringed it sif they have used that combination. If they have used that combination, and also something added to it, that combination remaining a necessary part of their

> machine, but the addition to it being an improvement, and if they have used that, but without acknowledgement, that is to say, without acknowledgement that they are only using an improvement, that would be an infringement, no doubt. If they had invented such a machine as I have described, . they would have been entitled to take out a patent, not for that machine as a new machine, but for an improvement upon the Plaintiffs' machine. If they had claimed the improvement on the Plaintiffs' machine, they could not use their improved machine without paying the proper price to the Plaintiffs for having used their machine although improved. If they used it without paying, they would infringe.
>
> Therefore, it is clear that the defence of variant must be real and essential to the features and purpose of plaintiff's product.

53. While deciding the test for variant raised as a defence by the defendant, the three questions have been raised and answered by the English Court in Improver Corporation and Ors. v. Remington Consumer Products Ltd. and Ors. 1990 FSR 181, which are as follows:

> The proper approach to the interpretation of patents registered under the Patents Act 1949 was explained by Lord Diplock in Catnic Components Ltd. v. Hill & Smith Ltd. The language should be given a "purposive" and not necessarily a literal construction. If the issue was whether a feature embodied in an alleged infringement which fell outside the primary, literal or a contextual meaning of a descriptive word or phrase in the claim ("a variant") was nevertheless within its language as properly interpreted, the court should ask itself the following three questions:
>
> (1) Does the variant have a material effect upon the way the invention works? If yes;, the variant is outside the claim. If no -
>
> (2) Would this (i.e. that the variant had no material effect) have been obvious at the date of publication of the patent- to a reader skilled in the art. If no, the variant is outside the claim. If yes -
>
> (3) Would the reader skilled in the art nevertheless have understood from the language of the claim that the patentee intended that strict compliance with the primary meaning was an essential requirement of the invention. If yes, the variant is outside the claim.

54. It is also clear as per the decisions, for the purpose of deciding the novel features to constitute "pith and marrow" a purposive construction has to be given

in order to make it essential requirement of the invention that any variant would follow outside the monopoly even if it could not have material effect upon the working of invention. That was the view taken by the House of Lords in Catnic Components Ltd. and Anr. v. Hill & Smith Ltd. 1982 RPC 183. Their Lordships have explored the legal issue in that regard as follows:

> My Lords, a patent specification is a unilateral statement by the patentee, in words of his own choosing, addressed to those likely to have a practical interest in the subject matter of his invention (i.e. "skilled in the art"), by which he informs them what he claims to be the essential features of the new product or process for which the letters patent grant him a monopoly. It is those novel features only that he claims to be essential that constitute the so-called "pith and marrow" of the claim. A patent specification should be given a purposive construction rather than a purely literal one derived from applying to it the kind of meticulous verbal analysis in which lawyers are too often tempted by their training to indulge. The question in each case is: whether persons with practical knowledge and experience of the kind of work in which the invention was intended to be used, would understand that strict compliance with a particular descriptive word or phrase appearing in a claim was intended by the patentee to be an essential requirement of the invention so that any variant would fall outside the monopoly claimed, even though it could have no material effect upon the way the invention worked.

55. The effect of patent granted under the Act and its consequential user apart from a third person using the patented product in the substance equivalent to the patented article has been dealt with by the Division Bench of Delhi High Court in Raj Prakash v. Mangat Ram Choudhary and Ors. , which is as follows:

> 24. The effect of the grant of a patent is quid pro quo. Quid is the knowledge disclosed to the public and quo is the monopoly granted for the term of the patent. Section 12 of the Patents and Designs Act, 1911 sets out that a patent once granted confers on the patentee the exclusive privilege of making, selling and using the invention throughout India and of authorising others so to do. This is the quo. The quid is compliance with the various provisions resulting in the grant of the patent. The very simple device upheld in John Lord Hinde v. Osborne Garrett and Co. 1884 (1) R.P.C 221, and an infringing hair-pin was held as piracy of the plaintiff's invention with the following observations:-

The inventor says, I ask you, the public or rather I ask the Crown, to give me a monopoly for a certain number of years and in consideration of their giving me that monopoly I will tell them in my specification the nature and manner of using the invention. I claim, and therefore at the expiration of the time that is guaranteed for my monopoly the public will be the gainers because they will learn how to do this. If a man obtains a patent, and thus obtains a monopoly, it makes no difference that somebody else who has not got a patent has thought of the same thing and has used it. He is not permitted to do that where the monopoly has been secured to an inventor.

This law is codified in India by the provisions already referred to.

25. The patented article or where there is a process, then the process, has to be compared with the infringing article or process to find out whether the patent has been infringed. This is the simplest way and indeed the only sure way to find out whether there is piracy. This is what was done in the hair - pin case above referred to, and is indeed always done. Unessential features in an infringing article or process are of no account, If the infringing goods are made with the same object in view which is attained by the patented article then a minor variation does not mean that there is no piracy. A person is guilty of infringement if he makes what is in substance the equivalent of the patented article. Some trifling or unessential variation has to be ignored. There is a catena of authority in support of this view. We need not cite all those cases which were brought to our notice at the Bar. Suffice it to quote the words of Lord Denning, M.R. In Beecham Group Ltd. v. Bristol Laboratories Ltd. 1967 R.P.C 406:-

The evidence here shows that in making hetacillin in the United-States the defendants use a principal part of the processes which are protected here by the English patents. The importation and sale here is prima facie an infringement.

There is a further point. A person is guilty of infringement if he makes what is in substance the equivalent of the patented article. He cannot get out of it by some trifling or unessential variation..... On the evidence as it stands, there is ground for saying that hetacillin is medically equivalent to ampicillin. As soon as it is put into the human body, it does, after an interval, by delayed action, have the same effect as ampicillin. In these circumstances, I think there is a prima facie case for saying there was an infringement. The process is so similar and the product so equivalent that it is in substance the same as ampicillin.

Therefore, it is clear that the applicant has made out a prima facie case for injunction against the respondent.

56. Now, coming to the next point to be decided in the interlocutory application, viz., balance of convenience, the first ingredient is about the use of the patent by the applicant and the respondent. It is true that in cases where the use of the applicant's patent is recent in origin or the patentee has not even used or commenced to release its product, then such patentee is not entitled for the grant of injunction.

57. While considering about the grant of interim injunction under Order XXXIX Rule 1 and 2 of Code of Civil Procedure, in the light of the Designs Act, 1911, a Full Bench of the Delhi High Court in Metro Plastic Industries (Regd.) v. Galaxy Footwear, Delhi AIR 2000 Del. 177 FB, has considered the Division Bench judgment in Niky Tasha India Private Ltd. v. Faridabad Gas Gadgets Private Ltd. AIR 1985 Delhi 136, where the Division Bench held that every ground on which a design may be cancelled under the Act should be available by way of defence to a suit for infringement and that on the strength of a recent design, the plaintiff can claim absolute restrain against everyone else from carrying on his business unless and until the plaintiff's design is cancelled in appropriate proceedings by the competent court of law and Another. Division Bench judgment of the Calcutta High Court in Rotomac Pens Ltd. v. Milap Chand & Co. IPLR 1999 April, 149, wherein the Division Bench of the Calcutta High Court while dealing with the Designs Act has held, comparing the Indian and English laws on the subject that Section 53 of the Designs Act gives statutory right to a registered owner to sue for protection of his exclusive right, finally held that even if a registered design is of recent in nature, Section 53 of Designs Act confers a power on the proprietor to restrain others unlike in UK. Ultimately, the Full Bench of the Delhi High Court has not accepted both the above decisions, by harmoniously construing Sections 51 and 53 of the Designs Act, in the following words:

> 33. Therefore, in our view, neither the extreme view taken in Nicky Tasha's case or in Rotomac Pen's case are correct.

58. In Bilcare Limited v. Supreme Industries Ltd. 2007 (34) PTC 444 (Del), the Delhi High Court, while deciding on a patent regarding issuance of temporary injunction under Order XXXIX Rule 1 and 2 of Code of Civil Procedure, has held that use of a patent for two years cannot be said to be sufficiently old as follows:

> 25. After assessing the pros and cons of these cases the following factors emerge. The patent in question is new one. It was registered in the year 2004. The appellants filed the suit in the year 2006, i.e., after the lapse of two years only. By no stretch of imagination it can be said to be sufficiently old. There are no conflictions on the point that the patent is less than six years old. Secondly, there are tangible grounds for suspicion of the alleged invention. There lies no rub in granting damages which would provide an adequate remedy should the claim succeed. Above all it will not be proper to upset the well reasoned judgment of the trial court at this stage. The trial court has meticulously checked the record with precision and clarity. All the three essential conditions viz, prima facie case, balance of convenience and irreparable loss lean on the side of the respondents.

59. However, as I have stated above, in the present case, the applicant's patent has been in use from 2003, nearly five years and the applicant has sold 126335 Bajaj 2 Wheelers with "DTS-i Technology" in 2003-2004; 431712 in 2004-2005; 741441 in 2005-2006; 934935 in 2006-2007; and 814393 in 2007-2008 upto November, 2007 and therefore, it cannot be said that the applicant's use of the patented product is of recent in nature.

60. That apart, prima facie it can be held safely that it has achieved economic significance as one of the ingredients of the term "inventive step" under Section 2(ja) of the Patents Act, 1970, especially when the factum of sale of such large number of products is not under dispute.

61. The test of balance of convenience has been aptly explained by the Court of Appeal in Corruplast Ltd. v. George Harrison (Agencies) Ltd. 1978 RPC 761 as follows:

> In so regarding the matter, in my opinion the learned judge was taking too narrow a view upon the question of balance of convenience. If the plaintiffs are

> right about infringement, they are entitled to be protected by their patents against competition by the defendants until those patents expire. They are struggling to establish a new market and to establish themselves in that market; they are, or they appear to be, at a crucial stage of that development, and if the defendants are allowed to compete with the plaintiffs, not only will the plaintiffs' present efforts be hindered, but also at the expiry of their patents, when other competitors may come on the market as well as the defendants, they will find that instead of being the only known and established suppliers in this country, they will have to compete with the defendants, who may by then have built a significant bridgehead in the market, giving them an advantage over other suppliers, and the plaintiff company will find itself confronted by stronger competition than would otherwise be the case.
>
> ...
>
> ...In every case of this kind the function of the court must, I think, be to consider which course, either the granting or withholding of an injunction, is the one which is likely to make it most easy for the trial court, when the issues in the action have been decided, to adjust the rights of the parties and do justice between them; and in the present case it seems to me that the balance of convenience is substantially in favour of granting an injunction.
>
> Therefore, prima facie when it is made clear that the applicant/plaintiff is in the market and its patent is for a limited period and it is in a crucial stage of development, the respondent/defendant cannot be permitted to interfere, especially when the defendant is a strong competitor to the plaintiff.

62. More over, on the factual position in this case, the applicant has come up in the world market by sale of its product as stated above and its period is only for 20 years and there is every possibility for a new invention in the field by bringing the new product even before the time of expiry of patent granted to the applicant and such invention may be brought by the applicant itself and hence, the quantum of damages which the applicant may suffer in not granting injunction cannot be ascertained in monetary sense. On the other hand, the respondent claiming itself to be a licensor of AVL products has not even marketed its product. On the face of the validity of the patent, prima facie proved by the applicant, certainly, the applicant is entitled to prevent any competition

and that is the test of balance of convenience as laid down by the English Court as stated above.

63. At this stage, it is relevant to point out one other judgment of the Bombay High Court in Farbweke Hoechst Aktiengesellschaft Vormals Meister Lucius & Bruning a Corporation etc. v. Unichem Laboratories and Ors. , wherein it is held that when a person challenges the validity of patent, the onus is on him to prove against its validity. The relevant portion of the judgment is as follows:

> 13. From what is discussed in the preceding paragraph it will therefore, be clear that the main heads of the alleged invalidity of the plaintiffs' patent on which the defendants rely by way of defence are only four viz., (1) insufficiency of description; (2) want of novelty; (3) no inventive step and (4) want of utility. It may be stated that the onus in regard to all objections to validity lies on the defendant (Halsbury, (3rd ed.) Vol.29 p.106 paragraph 218). I shall now proceed to deal with each of those grounds.

64. In the context of the facts and situation of the present case, I am of the considered view that the contention that triable issues against the patent must be found out by the Court before granting an order of injunction is not sustainable, in the light of the amended provision of Section 48 of the. Patents Act, 1970 (Amended Act 38 of 2002 with effect from 20.05.2803), by which a patentee is given a exclusive right to prevent third parties from using its patent and product.

65. It is relevant, as correctly pointed out by the learned senior counsel for the applicant, to find out the reason for such change in the legal position, which can be culled out from the Statement of Objects and Reasons for the said Amendment Act 38 of 2002, which has come into effect from 20.05.2003. The Statement of Objects^ and Reasons refers to the agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) and states that one of the salient features of the said Bill was to,

(c) to align rights of patentee as per Article 28 of the TRIPS Agreement;

The relevant portion of the Objects and Reasons in this regard is, The law relating to patents is contained in the Patents Act, 1970 which came into force on

the 20th April, 1972. The Act was last amended in March, 1999 to meet India's obligations under the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) which forms part of the Agreement establishing the World Trade Organisation (WTO). Apart from the aforesaid amendment, the Act has not undergone any change so far. Since 1972, there has been considerable technological innovations and development of knowledge and the concept of intellectual property as a resource for knowledge based industries has become well recognised the world over. Development of technological capability in India, coupled with the need for integrating the intellectual property system with international practices and intellectual property regimes, requires that the Act be modified into a modern, harmonised and user-friendly legislation to adequately protect national and public interests while simultaneously meeting India's international obligations under the TRIPS Agreement which are to be fulfilled by 31st December, 1999.

Keeping in view the Statement of Objects and Reasons stated above and also the salient features of the Bill, Section 48 has been amended to give better rights to the patentees and the entire aspect has to be looked into in that angle also. Since the purpose is the concept of globalisation and for the development of the " intellectual property system in India on par with international practice, such rights are given. On the other hand, the triable issue against patent sought to be raised on behalf of the respondent is that the specifications in various stages differ and therefore, the applicant itself is not aware of its invention, which prima facie I have found as not correct. In such factual situation, the question of raising a triable issue against the patent granted to the applicant at this stage does not arise.

66. It is also relevant to refer to the judgment of the Court of Appeal in Monsanto Company v. Stauffer Chemical Company 1984 FSR 574, wherein the Court of Appeal, while holding that the trial Court will answer the question of, infringement on different materials untrammelled by the tentative views expressed on interlocutory application, has held, on the concept of payment of

compensation in the event of granting injunction and " not granting injunction in the interlocutory application, as follows:

> We find Mr. Gatwick's submissions, noticed above, very cogent on the material which is before us, and we have no doubt that the plaintiffs amply discharge the onus that is on them of showing that (as Falconer J. held) there is a serious question to be tried on infringement. At the trial there will no doubt be much fuller exposition in evidence and by cross examination of the chemical aspects of the case, and of the extent of knowledge of the skilled reader at the relevant date. The trial judge will therefore have to answer the question of infringement on different material, untrammelled by any tentative views expressed on this interlocutory application.
>
> We turn to the matter of balance of convenience.
>
> What has to be considered first under this heading is whether, if the plaintiffs were to succeed at the trial in establishing their right to a permanent injunction, they would be adequately compensated by an award of damages for the loss they would have sustained between the time of this present application and the time of the trial. What has next to be considered is whether, on the contrary hypothesis that the defendants were to succeed at the trial in establishing their right to do what is sought to be enjoined, they would be adequately compensated under the plaintiffs' undertaking as to damages for the loss they would have sustained by being prevented from doing so between the present time and the time of the trial. It is not in dispute that in the present case each side is well able to pay any damages which may be awarded against it.
>
> Therefore, the second aspect of grant of interim injunction-, viz., the balance of convenience is also in favour of the applicant for granting an order of injunction.

67. The last and final test regarding the grant of interim injunction is about the payment of damages, whether the same can compensate the parties while granting or not granting an interlocutory order of injunction.

68. As I have stated earlier, the test is as to whether the plaintiff should be made to face the adverse effect of competition. Further, a contention was raised by the learned Counsel for the respondent in these applications, viz., that the applicant is capable of being ascertained with an amount of calculated damages, with

reasonable certainty, ultimately when the applicant succeeds in the suit, since the amount of applicant's sales will be known and the sales in the previous year can be taken into consideration for the purpose of measurement of damages to be quantified on royalty basis. A similar contention was rejected by the Court of Appeal in Netlon v. Bridport-Gundry Ltd. 1979 FSR 530. While granting injunction at the appellate stage, the Court of Appeal has answered as follows:

> I must now proceed to consider the question of damages. The respondents say that any damage that the appellants would suffer by not obtaining an injunction, if they ultimately prove right at the trial, is capable of being calculated with reasonable certainty and so damages are an adequate remedy. They say that the amount of the respondent's sales will be known, so also will those of Netlon in previous years, so that the measure of the diminution of business as the result of their activities can be ascertained and the damages quantified by calculation on a royalty basis. For my part, I am unable to accept this argument. The first year would be a building-up one so that one would have to look at least to the second, but then, I think, it would be impossible * to distinguish sales due to the early start with the assistance of the patented material and sales which the respondents would have made anyway. The truth, in my judgment, is that it is quite impossible to calculate the adverse effect upon the appellants of their having to face competition a year-earlier than they would have to do if the respondents had to wait for supplies of unquestionably unoffending material.

69. The further plea of the respondent that the patent given to the applicant is "obvious", since the components explained by the applicant are known to the entire world and there is no specialty in the invention of, the applicant, is also not acceptable, especially at this interlocutory stage. In Bishwanath Prasad Radhey Shyam v. Hindustan Metal Industries the Supreme Court observed that under Section 13(4) of the Patents Act, 1970, the validity of a patent is not guaranteed and the same can be challenged. While dealing about the concept of "inventive step" the Supreme Court held that it is a mixed question of law and fact to decide about the novelty or subject matter. It also explained the concept of "obvious" and held that a patented invention may be a combination of different matters already known, but it must be something more than a mere

workshop improvement. The object of patent law has been very aptly explained by the Hon'ble Supreme Court in the following words:

> 17. The object of Patent Law is to encourage scientific research, new technology and industrial progress. Grant of exclusive privilege to own, use or sell the method or the product patented for a limited period, stimulates new inventions of commercial utility. The price of the grant of the monopoly is the disclosure of the invention at the Patent Office, which, after the expiry of the fixed period of the monopoly, passes into the public domain.
>
> 18. The fundamental principle of Patent Law is that a patent is granted only for an invention which must be new and useful. That is to say, it must have novelty and utility. It is essential for the validity of a patent that it must be the inventor's own discovery as opposed to mere verification of what was already known before the date of the patent.
>
> 19. "Invention" means any manner' of new manufacture and includes an improvement and an allied invention". (Section 2 (8) of 1911 Act). It is to be noted that unlike the Patents Act 1970 the Act of 1911 does not specify the requirement of being useful in the definition of 'invention'. But Courts have always taken the view that a patentable invention, apart from being a new manufacture must also be useful. The foundation for this judicial interpretation is to be found in the fact that Section 26(1) (f) of the 1911 Act recognised lack of utility as one of the grounds on which a patent can be revoked.
>
> 20. ...
>
> 21. It is important to bear in mind that in order to be patentable an improvement on something known before or a combination of different matters already known, should be something more than a mere workshop improvement; and must independently satisfy the test of invention or an "inventive step". To be patentable the improvement or the combination must produce a new result, or a new article or a better or cheaper article than before. The combination of- old known integers may be so combined that by their working interrelation they produce a new process or improved result. Mere collection of more than one integers or things, not involving the exercise of any inventive faculty, does not qualify for the grant of a patent. 'It is not enough' said Lord Davey in Rickmann v. Thierry 1896-14 RPC 105 (HL) 'that the purpose is new or that there is novelty in the application, so that the article produced is in that sense new, but there must be novelty in the mode of application. By that, I understand that in adopting the old contrivance to the new purpose, there must be difficulties to be

overcome, requiring what is called invention, or there may be some ingenuity in the mode of making the adoption'. As Cotton L.J. Put in Blakey and Co. v. Lathem and Co. (1889) 6 RPC 184 (CA), "to be new in the patent sense, the novelty must show invention". In other words, in order to be patentable, the new subject matter must involve 'invention' over what is old. Determination of this question, which in reality is a crucial test, has been one of the most difficult aspects of patent law, and has led to considerable conflict of judicial opinions.

22. ...

23. ...

24. Whether an alleged invention involves novelty and an 'inventive step' is a mixed question of law and fact, depending largely on the circumstances of the case. Although no absolute test uniformly applicable in all circumstances can be devised, certain broad criteria can be indicated, whether the "manner of manufacture" patented, was publicly known, used and practised in the country before or at the date of the patent? If the answer to this question is 'Yes', it will negative novelty or 'subject-matter1. Prior public knowledge of the alleged invention which would disqualify the grant of a patent can be by word of mouth or by publication through books or other media. "If the public once becomes possessed of an invention", says Hindmarch on Patents (quoted with approval by Fry L.J. In Humpherson v. Syer 1887-4 RPC 407 "by any means whatsoever, no subsequent patent for it can be granted either to the true or first inventor himself or any other person: for the public cannot be deprived of the right to use the invention..... the public already possessing everything that he could give".

25. The expression "does not involve any inventive step" used in Section 26(1) (e) of the Act and its equivalent word "obvious", have acquired special significance in the terminology of Patent Law. The 'obviousness' has to be strictly and objectively judged. For the determination several forms of the question have been suggested. The one suggested by Salmond L.J. In Rado v. John Tye and Son Ltd. (1967) RPC 297, is appositel. It is:

Whether the alleged discovery lies so much out of the Track of what was known before as not naturally to suggest itself to a person thinking on the subject, it must not be the obvious or natural suggestion of what was previously known.

26. Another test of whether a document is a publication which would negative existence of novelty or an "inventive step" is suggested, as under:

> Had the document been placed in the hands of a competent draftsman (or engineer as distinguished from a mere artisan), endowed with the common general knowledge at the 'priority date', who was faced with the problem solved by the patentee but without knowledge of the patented invention, would he have said, "this gives me what I want?" (Encyclopaedia Britannica; ibid). To put it in another form: "was it for practical purposes obvious to a skilled worker, in the field concerned, in the state of knowledge existing at the date of the patent to be found in the literature then available to him, that he would or should make the invention the subject of the claim concerned?" Halsbury, 3rd Edn., Vol. 29, p. 42 referred to by Vimadalal J. of Bombay High Court in Farbwerke Hoechst and B. Corporation v. Unichem Laboratories .

70. The usability of the patented product in the manner of anticipation as one of the basic concept of novelty has been explained by the Privy Council in Pope Appliance Corporation v. Spanish River Pulp and Paper Mills Ltd. AIR 1929 PC 38, as follows:

> The test of anticipation has been dealt with in many cases. They were enumerated in the very recent case of British Thomson Houston Co. v. Metropolitan Vickers Electrical Co. (2). At p.23 the judgment runs thus:-
>
> In Otto v. Linford (3) at p. 44, Lord Justice Holker expresses himself thus: 'We have it declared in Hill v. Evans as the law, and it seems very reasonable, that the specification which is relied upon as an anticipation of the invention must give you the same knowledge as the specification of the invention itself.' And in Flour Oxydising Co. v. Carr & Co. (4), Mr. Justice Parker (afterwards Lord Parker) says: 'When the question is solely a question of prior publication, it is not, in my opinion, enough, to prove that the apparatus described in an earlier specification could be made to produce this or that result. It must also be shown that the specification contains clear and unmistakable directions so to use it. ' And the remarks of Lord Dunedin in Armstrong Whitworth & Co. v. Hardcastle (5), are quite in line with these dicta.
>
> In the same case the test is stated at p.22, and turning the particular instance to the general may be expressed thus - Would a man who was grappling with the problems solved by the patent attacked, and having no knowledge of that patent, if he had had the alleged anticipation in his hand have said, "That gives me what I wish?"

71. In any event, the test of "obviousness" which forms part of the term "inventive step" under Section 2(ja) of the Patents Act, 1970 will have to be decided only in an appropriate manner in a full-fledged trial. Suffice it to say now at this stage, prima facie there is novelty which means an invention and the same has been registered under the Patents Act with priority date and the enablement of novelty has been on the face of it proved by the applicant by marketing the product in such large extent and also without objection fairly for long 5 years and it is not proved that so far the product of the applicant is "obvious". I am therefore of the considered view that the concepts of prima facie case, balance of convenience and inadequacy of damages lean largely towards the applicant/plaintiff and the necessary conclusion can only be the grant of injunction in favour of the applicant/plaintiff.

72. I have taken into consideration while arriving at such conclusion the novelty stated to have been achieved by the applicant by way of patent, coupled with its enablement, as proved by putting the product in the market and that has earned usage in large extent and both novelty and enablement have been established by the applicant for the purpose of granting the order of injunction in favour of the applicant/plaintiff.

73. In view of the same, interim injunction as prayed for in O.A. No. 1357 of 2007 in C.S. No. 1111 of 2007, is granted. Accordingly, O.A. No. 1357 of 2007 in CS. No. 1111 of 2007 stands allowed. Consequently, O.A. No. 1272 of 2007 in C.S. No. 979 of 2007, stands dismissed. There will be no order as to costs.