IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

OMP No. 320 of 2023 in COMS No. 6 of 2023
Reserved on: April 25, 2025
Decided on: June 6, 2025

SML Limited **...Applicant/Plaintiff**

Versus

Mohan & Company &Anr. **…....Non-applicants/Defendants**

Coram

Hon'ble Mr. Justice Sandeep Sharma, Judge.
Whether approved for reporting? Yes.

For the Applicant/ Plaintiff Mr. Vinay Kuthiala, Senior Advocate with Dr. Sanjay Kumar, Ms. Arpita Sawhney, Mr. Atul Jhingan, Mr. Harshit Dixit, Mr. Priyansh Sharma, Mr. Ankit Thakur and Mr. Sanket Singh Sengan, Advocates.

For the Non-applicants/ Defendants : Mr. Rajesh Kashyap, Advocate for defendant No. No.1

Mr. Shrawan Dogra, Senior Advocate with Mr. Adarsh Ramanujan and Mr. Vipul Sharda, Advocates, for defendant No.2.

Sandeep Sharma, J.

Plaintiff has filed a suit for permanent prohibitory injunction restraining the defendants from infringing the patent owned by the plaintiff and other consequential reliefs under Order VII, rules 1 and 2 of the Code of Civil Procedure, 1908 read with Section 108 of the Patents Act, 1970. The plaintiff, which is a company incorporated under the Companies Act, 1956, claims to be a research-driven organization involved in developing

and promoting the use of advanced high-performance end to end solutions in crop nutrition, crop protection, bio-stimulants and bio-fertilizers. Plaintiff claims to be owner of various patents inter alia Indian Patent No. 282092, which was granted to the plaintiff on 30.3.2017 under Section 43 of the Patents Act, 1970, for agricultural composition entitled "Agricultural Composition" for twenty years. Plaintiff claims to have received rights qua suit patent through assignment agreement from one Mr. Deepak Pranjivandas Shah. Plaintiff claims that as many as 13 countries have granted patents in respect of suit patent. Plaintiff avers that no pre or post grant oppositions were filed by defendants, though two such petitions were filed by two entities which were dismissed vide order dated 30.3.2017. Thereafter two post-grant oppositions under Section 25(2) of Patents Act, 1970 were filed by two entities, which were also dismissed on 16.6.2023.

2. Section 48 of the Act *ibid* defines rights of patentee, clause (a) whereof provides, "*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 product in India; ..*" Case of plaintiff is that it has been granted such exclusive right qua the suit patent and defendants have no right to use or offer for sale etc. the suit patent.

3. Plaintiff has alleged infringement acts on the part of defendants by offering to sell the suit patent under the brand name, "Aladdin" and thus alleged infringement of rights of the plaintiff qua the suit patent. The suit

has been filed seeking permanent injunction against the defendants from infringing the patent rights of plaintiff qua suit patent and to remove product from any website and also sought decree for recovery of Rs.1.02 Crores by way of damages, destroy the stocks of the product.

4. Alongwith suit, plaintiff filed present application under Order XXXIX, rules 1 and 2 read with Section 151 of the Code of Civil Procedure stating that unauthorized launch, advertisement, manufacture, market use, sale, offer for sale and/or export of the infringing product covered by the suit patent in the Indian market within the territorial jurisdiction of this Court by the respondents is ongoing and therefore, there is an urgency to restrain the respondents from infringing the patent rights of plaintiff qua suit patent by making, advertising, launching, using, offering for sale, selling, importing and/or exporting of the infringing product, sold under brand name “Aladdin” or any other product under any brand. Plaintiff has claimed to suffer irreparable loss and injury and prima facie case in its favour and infringement of intellectual rights of the plaintiff. Prayer has been made by the plaintiff to restrain the respondents by themselves, through Directors, partners, licensees, stockiests and distributor agents and/or anyone claiming through any of them, jointly and severally from infringing the patent rights of the plaintiff under Indian Patent No. 282092 by advertising, launching, making, using, offering for sale, importing and/or exporting any product including “Aladdin” or any other product covered by the suit patent.

5. Vide order dated 24.07.2023, this Court has granted ad interim injunction in favour of applicant-plaintiff thereby restraining defendants from infringing the patent rights of the plaintiff. The order was passed ex-parte, restraining the defendants from directly or indirectly dealing in its products, including ‘Aladdin’, which infringes the suit patent.

6. Against order dated 24.7.2023, the defendants preferred Commercial Appeal, which was barred by 408 days and thus OMP(M) No. 160 of 2024 came to be instituted by defendant No.2 before Division Bench of this Court. Aforesaid OMP alongwith Commercial Appeal No. 2 of 2024 was disposed of vide order dated 30,9.2024, directing this Court to decide the instant application, with a period of four weeks. Liberty was also given to the said defendant to approach the appellate court, in case the interim order continued.

7. After passing of aforesaid order, this court heard the parties on the application on various dates and ultimately reserved the order on 25.4.2025.

8. Precise facts of the case are that plaintiff was granted suit patent on March 30, 2017 under Section 43 of the Patents Act, 1970 (hereinafter referred to as ‘the Act’) under IN’092 for agricultural composition entitled ‘AGRICULTURAL COMPOSITION’, for a term of 20 years and the product was launched in the market under brand name ‘TECHNO Z’ in August, 2018.

9. Subsequently, applicant/plaintiff became aware of acts of infringement on the part of defendants. It came to the notice of applicant/plaintiff that the suit patent has been infringed by defendant no. 2 by manufacturing, marketing, and selling/offering for sale product which infringes the suit patent and Defendant No. 1 is marketing, selling/offering for sale such infringing product under the brand name 'Aladdin'. Aggrieved by afore action of defendants, plaintiff filed the instant suit for permanent prohibitory injunction, alongwith instant application, seeking interim directions for restraining defendants from infringing suit patent on the ground that Defendants, being inter alia, unauthorized to launch, advertise, manufacture, make, use, offer for sale, sell, import and/or export of any product covered by the suit patent (including 'Aladdin') are manufacturing the product which constitutes act of infringement of the plaintiff's exclusive rights in the suit patent. Although the suit patent comprises of 12 claims but Applicant/Plaintiff has only asserted Claims 11 and 12.

Plaintiff's submissions

10. Mr. Vinay Kuthiala, learned Senior Advocate duly assisted by Dr. Sanjay Kumar, Ms. Arpita Sawhney, Mr. Atul Jhingan, Mr. Harshit Dixit, Mr. Priyansh Sharma, Mr. Ankit Thakur and Mr. Sanket Singh Sengan, Advocates appearing for the plaintiff argued that by virtue of Section 48 of the Act, a Patent granted under this Act, shall confer an exclusive right upon the patentee to prevent third party, who do not have its consent from

the act of making, using, offering for sale, selling or importing such product in India and, therefore, applicant-plaintiff, being exclusive patent holder, is entitled to file and maintain present suit against infringement of Patent granted in its favour along with application for interim directions. Reliance is placed by plaintiff on a judgment rendered by Hon'ble Apex Court in **Novartis AG &Anr.** v **. Cipla Ltd.** 2015 SCCOnLine Del 6430, which will be dealt in later part of the judgment, wherein it has been held that a patent holder enjoys exclusive rights/ monopoly qua the patent and third party cannot use the same, without the exclusive license.

11. Mr. Kuthiala, learned Senior Counsel, while inviting attention of this Court to Annexures E (Patent Certificate) and F(patent specification as granted by patent office) argued that Plaintiff alone, with effect from 01.09.2018, has an exclusive right to make, use, offer for sale, sell, import and/or export the product covered by the suit patent. The acts of Defendants of infringing the Plaintiff's suit patent are causing and will continue to cause substantial financial loss to the plaintiff and further irreparable injury is apprehended if the Defendants are not restrained from their acts of infringing the patent.

12. He further argued that the modus operandi of the Defendants is to reverse engineer the patented products, taking advantage of Research & Development carried out by plaintiff and if the Defendants are allowed to manufacture, offer for sale and/or sell the suit patented product, it will not

only infringe the suit patent but will also completely defeat the purpose of the ‘Product Patent regime’ introduced by the Act, which in turn will be adverse to the intention of the Legislature.

13. Mr. Kuthiala, learned senior counsel further argued that the suit patent is an old patent in its 14th year out of 20 years of patent term which has stood the test of multiple pre-grant and post-grant oppositions, and has successfully worked for significant number of years. He argued that otherwise also, defendants could have filed pre-grant or post-grant oppositions qua the patent. During arguments Mr. Kuthiala, learned senior counsel, while referring to order dated 30.03.2017 (Annexure H) and order dated 16.06.2023 (Annexure J) argued that the pre-grant and post-grant oppositions filed by other parties were also disposed of after taking due consideration of all the evidence, prior art documents, written submissions, reply and arguments advanced by the opposition. Additionally, no revocation petition has been filed before the erstwhile Intellectual Property Appellate Board (now dissolved) or High Courts by the defendants if they were so aggrieved by the grant of patent. He submitted that it was only as a defensive measure that once they were ‘caught in the act’ of infringing the patent, they chose to assail its validity. In this regard, Mr. Kuthiala placed reliance upon judgment of Hon’ble High Court of Delhi in case titled **Bristol-Myers Squibb Company & Ors. Vs J.D Joshi,** 2015 SCCOnLine Del 10109, wherein it was held as under:

> "82. In view of the above discussion, it is seen that the defences raised by the defendants are prima facie not credible but vague or bald which require more factual foundation. The patent No. IN 203937 is an old patent and has been on the register for 15 years. It is settled law that in the case of old patents there is a kind of presumption of validity in the form of the continuance and perpetuity arises unless controverted with the strong evidence to the contrary. There has been no pre-grant or post-grant opposition or a revocation that has been filed against IN 203937.
>
> 83. This Court in Strix Limited v. Maharaja Appliances Limited [MIPR 2010 (1) 0181] has held that: "22. …. In order to raise a credible challenge to the validity of a patent, even at an interlocutory stage, the Defendant will have to place on record some acceptable scientific material, supported or explained by the evidence of an expert, that the Plaintiff's patent is prima facie vulnerable to revocation. The burden on the Defendant here is greater on account of the fact that there was no opposition, pregrant or post-grant, to the Plaintiff's patent."

14. Another aspect which was brought to the notice of this Court during rebuttal was that Defendant no. 2 is a member of Haryana Pesticide Manufactures Association- HPMA, which had filed one pre-grant and one post-grant opposition qua the suit patent. Mr. Kuthiala stressed that this material fact has been concealed by Defendant no. 2 which would have bearing on the suit/application at hand. Mr. Kuthiala submitted that the post-grant opposition was subsequently withdrawn by HPMA on 07.01.2023 pursuant to Opposition Board giving its recommendations on 29.08.2022.

15. Learned Counsel submitted that product is an invention under Section 2(1)(j) of the Act which is comprised of an effective amount of

sulphur, an effective amount of zinc oxide and at least one agrochemically acceptable excipient (Surfactant), having a particle size of 0.1 micron to 50 microns, which provides a higher yield and improves plant's physiology. Furthermore, the composition demonstrates excellent dispersion, readily usable for micro irrigation systems, which is not known to interested individuals and is a product of years of research and development. In this regard, Mr. Kuthiala placed reliance upon affidavit of Dr. Phool Kumar Patanjali, (Annexure O) who is a technical expert/scientist in the field of agrochemical formulations, who after perusing the complete specifications, including claims of Suit patent No IN'092 opined that defendant no. 2's product 'Alladin' falls within the scope of claims of IN'092. Dr. Patanjali, in the affidavit, also submitted that this patent comprises of 12 claims, out of which claim 11 and 12 have been found with essential features which have been infringed by defendant no. 2. After testing 'Aladdin' it has been found that it is a granular composition comprising of :

(i) 67.8% Sulphur (which falls within the range of 30% to 87% as set out in Claim 11)

(ii) 22.7% Zinc Oxide, (which falls within the range of 3% to 25% as set out in Claim 11)

(iii) 3.8% Excipient (surfactant) (which falls within the range of 3% to 65%)

(iv) the product is in the form of broadcast granules wherein 100% of the granules are in the range of 0.75mm to 4.75mm (which falls within the scope of range 0.75mm to 5mm as set out in Claim 12)

(v) Atleast 90% of the particles are between the range of 0.1 microns to 50 microns (as set out in Claim 11)

16. Relevant portion of affidavit of Dr. Patanjali is being reproduced herein below:

> "6. On the basis of the aforesaid, I conclude that the SAFEX Product is a granular composition and comprises the following:
>
> - Sulphur Content: 67.8% by mass
> - Zinc Oxide Content: 22.7% by mass
> - Excipient (Surfactant): 3.8% by mass
> - At least 90% of the particles are between the range of 0.1 microns to 50 microns.
> - 100% of granules are within the range of 0.75 mm to 4.75 mm.
>
> 7. I have perused the complete specification including claims of Indian Patent No. IN 282092 and find that the invention relates to a novel agricultural composition. The said Indian Patent comprises a total of 12 Claims, wherein Claims 1,9, and 11 are independent claims and the remaining nine claims are dependent claims. The relevant claims 11 and 12 for the purpose of analysis are reproduced hereinbelow:
>
> > 11. A fertilizer composition comprising sulphur in the range of 30% to 87% w/w of the total composition zinc oxide in the range of 3% to 25% w/w of the total composition and at least one agrochemically acceptable excipient, in the form of microgranules or broadcast granules wherein the particle size is in the range of 0.1 microns to 50 microns
> > 12. The fertilizer composition of claim 11, wherein composition is in the form of micro granules in the size range of 0.1 mm to 0.5 mm or broad cast granules in the size range of 0.75 mm to 5 mm.
>
> 8. I note that the granted Claim 11 relating to a fertilize composition has the following essential features:

a. Sulphur in the range of 30% to 87% (w/w of total composition);
b. Zinc Oxide in the rage of 3% to 25% (w/w of total composition); and
c. at least one agrochemcially acceptable excipient;
d. In the form of microgranules or broadcast granules, wherein the particle size is in the range of 0.1 micron to 50 microns.

9. Claim 12 further defines the microgranules which are in the size range of 0.1 mm to 0.5 mm or broadcast granules in the size range of 0.75 mm to 5 mm.

10. Upon further reading the specifications of the Indian Patent No. 282092, I find that agrochemically acceptable excipient is in the range of 3% to 65% (w/w) and includes surfactants.

11. I find that the SAFEX Product is a fertilizer composition comprising of Sulphur and Zinc Oxide. The SAFEX Tst Report concludes that:

a. The Sulphur in the SAFEX Prouct is 67.8% (w/w) and falls withintehrnage of 30% to 87% (w/w) a set out in Claim 11.
b. The Zinc Oxide in the SAFEX Product is 22.7% (w/w) and falls within the range of 3% to 25% (w/w) as set out in Claim 11.
c. There is at least one excipient (surfactant) whose content is 3.8% (w/w) and falls with the range of 3% to 65% as disclosed on page 8 at paragraph 4 of the specifications.
3. The SAFEX Product is in the form of Broadcast granules as mentioned in claim 11 wherein
100% of the granules are in the range of 0.75 mm to 4.75 mm, which falls out within the scope of the range 0.75 mm to 5 mm as set out in Claim 12.
e. At least 90% of the participles are in the range of 0.1 microns to 50 microns as set out in Claim 11.

In view of the above analysis, I opine that the essential features of Claims 11 and 12 are present in the SAFEX Product and therefore, the SAFEX Product falls within the scope of Claims 11 and 12 of the Indian Patent No.282092."

17. In view of above, Mr. Kuthiala states that essential features of Claims 11 and 12 are present in the defendant's product and therefore it falls within the scope of suit patent IN'092. No rebuttal has been filed to the aforesaid affidavit.

18. Mr. Kuthiala, learned senior counsel further submitted that subject patent is a valid patent which has been granted after detailed scrutiny and examination by the patent office, being expert/competent authority by virtue of Section 43 of the Act. He submitted that it is a settled proposition of law that the Court when faced with a prayer for grant of an injunction in an infringement action and the corresponding plea of the Defendant is of challenging the validity of the patent itself, Court must enquire whether the defendant has raised 'a credible challenge', meaning thereby that once a patent is granted, the onus to make out a credible challenge as to its validity would rest squarely on the party challenging it i.e., the Defendants. He submitted that in the case at hand defendants have failed to lay a valid credible challenge to validity of the patent. He further submitted that once patent has remained valid, unchallenged and reduced into practice for several years, the presumption of prima facie validity weighs in favour of the plaintiff. Likewise in the case at hand the suit patent IN'092 has remained valid and unchallenged for more than 14 years out of its term of 20 years. Mr. Kuthiala, learned senior counsel, placed reliance upon case

titled **FMC Corporation Vs Best Crop. Science**, 2021 SCC OnLine Del 3647, relevant para of which is reproduced hereinunder:

> "19. Thus, the challenge, posed by the defendant to the validity of the plaintiff's patent need not be such as to demonstrate, conclusively, the invalidity thereof. It is sufficient if the defendant is able to make out a case of the suit patent being vulnerable to revocation under the Patents Act. This vulnerability has, however, to be demonstrated by way of a credible challenge. The onus would be on the defendant, therefore, to establish the credibility of the challenge raised by it. The challenge cannot be incredible, fanciful, or moonshine. It must not strain the sinews of acceptability. There can, however, needless to say, be no fixed standard on the basis of which the credibility of the challenge can be assessed. It would be for the Court, in each case, therefore, to ascertain, for itself, whether the challenge raised by the defendant, to the validity of the suit patent, is, or is not, credible."

19. Mr. Kuthiala, learned senior counsel, while making this Court peruse Table 1 of Annexure F argued that Treatment no. 7 showed higher yield than Treatment no. 15 (prior art). He submitted that composition as stated in the latter treatment is fixed as per the specification fixed by Tamil Nadu Gazette notification dated 19.11.2008 and as such it was well within the knowledge of Patent Office about the prior art, who after careful deliberation proceeded to grant suit patent in favour of applicant/plaintiff. Mr. Kuthiala, learned senior counsel further submitted that said prior art did not disclose the particle size of the composition as claimed in the suit patent.

20. Lastly, Mr. Kuthiala, learned senior counsel submitted that otherwise the issue stands settled in pre-grant and post-grant oppositions filed by

HPMA, an association in which the defendant No.2 was a member, as such, the stand taken by the defendant suffers from res judicata since claim of defendant No.2 to the validity of patent already stands settled in pre-grant and post-grant oppositions filed by HPMA, coupled with the fact that defendant No.2 was member of the Association. Mr. Kuthiala, further states that defendant No.2 ought to have filed appeal before the appellate Board, against dismissal of the pre-grant and post-grant oppositions.

Defendant's submissions

21. To refute the aforesaid submissions, Mr. Shrawan Dogra, learned Senior Advocate duly assisted by Mr. Adarsh Ramanujan and Mr. Vipul Sharda, Advocates, appearing for defendant No.2 argued that an ex parte ad interim injunction was granted in favour of plaintiff. He submitted that 'Aladdin' has been in the market since 2020 and this sole fact was sufficient to deny ad interim relief, without first giving an opportunity to file reply to defendant no. 2.

22. At the very outset, Mr. Dogra, learned senior counsel submitted that this Court lacks territorial jurisdiction to entertain the present suit and in suits where prima facie doubt qua jurisdiction exists, this Court can deny an interim injunction.

23. Mr. Dogra, learned senior counsel submitted that since instant suit is based solely on a single invoice of purported purchase of Defendant no. 2's product from a single retailer i.e. defendant no. 1, this purported sale is a trap purchase from an unauthorized dealer and cannot be made a basis to

create jurisdiction. In this regard, he submitted that since the infringing product ‘Aladdin’ is a commodity regulated by Fertiliser (Control) Order, 1985 (hereinafter FCO), and defendant no. 2 has already obtained permission to market the product in certain States, which does not include the State of Himachal, defendant no. 2 cannot be made to suffer on the basis of a single trap purchase done by an unrelated party i.e. defendant No.1. He submitted that this solitary trap purchase was orchestrated just to create jurisdiction where same does not exist, thus, interim injunction can be vacated on this ground alone.

24. With regard to the issue of jurisdiction, Mr. Dogra, learned senior counsel further submitted that since defendant 2 is situate outside the territorial jurisdiction of this Court and in cases where several defendants are impleaded and only some reside within the territorial jurisdiction of the Court, Section 20 (b) CPC mandates that plaintiff has to seek leave of the court to proceed against all the defendants, whereas in the instant case, no such leave has been sought by the plaintiff to proceed with the present suit.

25. To refute the submissions regarding infringement, Mr. Dogra, learned senior counsel for defendant no. 2 submitted that they have not infringed Claims 11 and 12 of suit patent as defendant no. 2 uses ‘bentonite’ in its product, whereas, the term used in the afore claims is ‘acceptable agrochemical excipient’, which does not clarify which ingredient it actually is. It was argued that for granting an interim injunction, the plaintiff must prima facie establish that Defendant No. 2 is manufacturing a

product covered by the patent claims and that such product infringes the patent. Additionally, he argued that the plaintiff cannot seek protection beyond what is expressly described in the patent specifications. He further submitted that this is important because as per Section 10(4)(a)&(b), onus is on the plaintiff to ensure that all the details are fully disclosed and when plaintiff has not included 'bentonite' in the list of examples in the patent, it cannot claim it at this stage.

26. Mr. Dogra, learned senior counsel submitted that plaintiff itself has admitted in the "background of invention" of suit patent that sulphur and zinc oxide compositions containing certain excipients like bentonite are not water dispersible which causes problems like nozzle blocking during irrigation, therefore, prima facie the patent cannot be interpreted to cover a product using sulphur and zinc oxide with bentonite.

27. Mr. Dogra, learned senior counsel submitted that otherwise also usage of sulphur and zinc oxide in proportions as contemplated in claims 11 and 12 is admitted as prior art by the plaintiff in the suit patent and defendant no. 2's product is nothing but same composition as that of prior art, hence, defendant no. 2 cannot be injuncted from making something that is admittedly known to people associated with agricultural compositions.

28. Mr. Dogra, learned senior counsel further submitted that 'fertilizers' are classified as essential commodities under Section 2A of the Essential Commodities Act, 1955, a legislation enacted in the interest of public

welfare and it takes precedence over all legislations, including the Patents Act. He submitted that on 10.04.2008, the Central Government enacted regulations under Regulation 20 A of FCO launching commercial trials for fertilizer named 'Bentonite Sulphur with Zinc (granular)' noted in S.O. 836 (E), which Tamil Nadu State Government later reaffirmed the specifications (1% moisture, 65% sulphur, 18% zinc and 4mm-1mm particle size) and on 31.01.2015, this prescribed standard became a permanent entry vide S.O. 297 (E). He submitted that in line with this, Central Government has officially notified the Fertilizer Control Order (FCO) dated 5.07.2018 under Section 3 of the Essential Commodities Act thereby prescribing standard and specifications for fertilizes sold in India for maintaining good public health and agricultural integrity. In this regard, Mr. Dogra, learned senior counsel submitted that any company, including defendant No. 2, is under obligation to adhere to guidelines prescribed by FCO, otherwise they cannot participate in the market. He further submitted that conjoint reading of FCO standard and suit patent IN'092 shows that plaintiff has patented the prescribed standard of composition as issued by the Government, Department of Agriculture, Cooperation and Farmers Welfare, which means that no person/company can sell the fertilizer as per the government's prescribed standard, as such it is contrary to public interest and intent of legislature in enacting Essential Commodities Act and in public interest, interim injunction ought to be rejected.

29. Mr. Dogra, learned senior counsel further submitted that claims 11 and 12 of suit patent IN'092 are under challenge under Section 64(2)(e) of the Act as FCO regulations pre-date suit patent IN'092, suit patent was filed on 10.03.2011 much after Central Government notified the standards for commercial trials of 65% Sulphur, 18% Zinc with a granule size of 1-4mm, which is what is being patented in the afore claims. The argument advanced by Mr. Kuthiala, learned senior counsel for the plaintiff that FCO order does not apply as it talks about Zinc and not Zinc Oxide is misplaced, as Zinc Oxide is nothing but a derivative of Zinc.

30. Mr. Dogra, learned senior counsel for the defendant No.2 submitted that interim injunction cannot be granted merely on the ground that plaintiff has a subsisting patent in its favour, because Sections 107(1) and 64(1) of the Act afford an opportunity to challenge the validity of the patent at any stage, accordingly, the assertion made by the learned senior counsel for the plaintiff that the grant of a patent, by itself, constitutes sufficient ground for the grant of an injunction cannot be accepted. Mr Dogra, learned senior counsel further submitted that the multi-tiered examination/opposition systems does not grant any special immunity to the suit patent, thus a challenge to the validity of the suit patent may be raised at this stage in accordance with the applicable provisions of the Act. To support this argument, Mr. Dogra placed reliance upon judgment titled **Dhanpat Seth and Ors. vs M/s Nil Kamal Plastic Crates Ltd**., 2007 SCC OnLine HP 33, relevant portion of which reads as under:

> "21. Mere grant of patent in favour of the plaintiffs by itself does not mean that the plaintiffs are entitled to any injunction. This is a factor which may be taken into consideration and would be a relevant factor but the grant of patent would not ipso facto entitle the plaintiffs to grant of an injunction without taking into consideration other relevant factors. In fact Section 107 of the Patents Act clearly provides that in any suit for infringement of a patent every ground on which it may be revoked under Section 64 shall be available as a ground for defence. Therefore, the defendant is entitled to argue before this Court that the patent granted is not valid. Reliance placed upon by the plaintiffs on the judgment of the Apex Court in Midas Hygiene Industries (P) Ltd. and Anr. v. Sudhir Bhatia and Ors. is totally misconceived. The action in the case was under the Trade Marks Act where the provisions are different. It may be true that Section 28 of the Trade Marks Act is similar to Section 28 of the Patents Act but under the various provisions of the Patents Act, such as Sections 64 and 107(2) even after the patent is granted, the same can be challenged in appropriate proceedings."

31. In continuation of afore argument Mr Dogra, learned senior counsel submitted that the six year rule for old patents is a rule of caution and not a rule of practice. He place reliance upon judgment of Hon'ble Delhi High Court titled **F. Hoffmann-La Roche Ltd. And Anr. vs Cipla Limited,** 2008 SCC OnLine Del 382 wherein the Court held that 'six-year' rule is a cautionary principle, not a rigid formula, urging courts to exercise prudence in granting injunctions in patent cases due to the potential for validity challenges.

32. With regard to suppression of participation of HPMA in pre & post grant opposition stages, Mr Dogra learned, senior counsel submitted that

association filing oppositions would not preclude defendant no. 2 to exercise its right under Sections 107(1) or 64(1). Further, he submitted that reliance of plaintiff on the principle of res judicata would not be a bar in the present case as opposition proceedings before Patent Controller would not be referred to as a 'suit' and Section 11 of Code of Civil Procedure applies only between two suits between 'same parties', however, in the instant case let alone different suits, even the parties are different- one being association and the other being respondent no. 2.

33. Mr Dogra, learned senior counsel submitted that since role of sulphur and zinc is known and so is the granular formation of both these compositions, and only additional knowledge is regarding the size of broadcast granules and size of these particles, Section 3(d) is attracted because 'new form' of a 'known substance' cannot be patented unless there is an 'enhancement' of 'efficacy'. He submitted that explanation to Section 3(d) clearly states that change in particle size is deemed to be a new form of a known substance and hence, cannot be patented unless it demonstrates enhancement in 'efficacy'.

34. Mr. Dogra learned senior counsel submitted that the said mixture of sulphur, zinc oxide and bentonite must show synergistic effect to escape the patentability bar of Section 3(e) of the Act, (which means that efficacy of claimed composition must be greater than the efficacy of mixture of sulphur and zinc oxide as known in prior art), however in the present case the composition's efficacy cannot exceed efficacy known to interested

party and particle size has no impact on the efficacy. He stated that the composition is a simpliciter physical mixture and nothing but a mere admixture of known components.

35. Mr. Dogra, learned senior counsel further submitted that plaintiff has failed to showcase significant enhancement of efficacy as the data of trials provides for increased yield, which could be based on other contingent factors (like seed quality, environmental factors etc.), and enhanced efficacy can only be established by demonstrating a higher nutrient absorption of sulphur and zinc. He submitted that suit patent IN'092 itself shows that Treatments 7 and 8 having the claim particle size performed worse than the Treatments 1-3, therefore there is a reduction in efficacy and not an enhancement. He submitted that moreover, the only difference in the yield is within a range of 2-3%, which cannot be considered as 'significant' efficacy.

36. Learned senior counsel for defendant no. 2 submitted that plaintiff has willfully suppressed the fact that it had filed three applications in total, for grant of patent, on the same invention, out of which first application no. 655/MUM/2000 was withdrawn, second application was granted patent IN 282429, and third application was granted patent IN 282092, which is in issue in the instant case. He submitted that suit patent IN'092 simply has made minor tweaks to the range specified in earlier patient applications, intending to extend its monopoly, thereby questioning the validity of suit patent IN'092 under Section 3(d), Section 2(1)(ja) and Section 10(4)&(5).

37. In this regard, learned senior counsel submitted that the Delhi High Court, in an interim order dated 18.03.2024 in CS (COMM) 1225/2018 issued findings on the information already disclosed in '655 application and declined an interim injunction because the second patent IN'429, is prima facie invalid. He submitted that if the second patent is prima facie vulnerable, third patent i.e. IN'092 cannot deserve higher protection

38. Mr. Dogra, learned senior counsel while referring to the Act submitted that Section 2(1)(ja) is a two-step analysis, whereby step one involves the identification of a feature that would constitute a technical advance over prior knowledge and/or involves technical significance, and step two is to assess whether this feature makes the invention not obvious to the person skilled in the art. He submitted that in the case at hand, the patent itself acknowledges that sulfur, zinc oxide, their combination, and the percentage composition are all well-known, with the only differentiation from the prior art being the alleged particle size and granule size, however, the specification itself reveals that a composition falling within the scope of the suit patent IN'092 was less effective than others, as indicated in Table 1, if this is the case, there is no technical advancement or economic significance over prior knowledge, and the invention, prima facie, lacks an inventive step under the first part of Section 2(1)(ja). He further submitted that, regarding the second part of Section 2(1)(ja), it has been established that once the components are known, merely experimenting to determine the optimal range is not considered inventive in patent law. Considering

that sulfur, zinc oxide, and their combinations are known, and no technical advancement has been demonstrated, it is evident that the suit patent does not meet the two-step threshold of Section 2(1)(ja) and lacks an inventive step, this, in itself, may suffice at this stage.

39. Further, while placing reliance upon WO2010/12389 A1 (published on 16.09.2010) (Annexure D 7 at pg 1105 of defendant's docs), WO2010/058038 A1 (published on 27.05.2010) (Annexure D 8 at pg 1153 of defendant's docs), IN 282429 (Annexure D 9 at published on 02.02.2007) and a document titled 'Zinc Fertilization: A Review of Scientific Literature'(Annexure D 10 at pg 1201 of defendant's docs), learned senior Counsel argued that use of sulphur and zinc oxide having particle sizes in the range of 0.1-50 microns is not a technical advance. He submitted that particle size in the claimed range may be achieved simply by milling, which is not a new or inventive technique. He submitted that preparation of micro/broadcast-granules of different sizes is well known to the person skilled in the art, as such suit patent IN'092 does not even teach the preparation of the same.

40. With regard to technical affidavit dated 27.11.2024 of Dr. Patanjali, Mr Dogra, learned senior counsel for the defendant no. 2 submitted that reliance of the affidavit is misplaced because firstly, at the interlocutory stage, when assessing *prima facie* vulnerability, Courts do not rely on expert opinions that have not yet been tested through trial, Court is required to base its assessment solely on the contents of the patent and

the prior art. (Sulphur Mills Ltd. vs. Dharaj Corp. Guard Ltd and anr., 2024 DHC: 2154, paras 20-25) Secondly, the credibility of the expert is in question, as Dr Patanjali claims expertise in organic chemistry, while the present matter pertains to inorganic fertilizers, and lastly, it is not within the domain of the expert to opine on whether the invention involves an inventive step since this is a legal determination that must be made by the Court from the perspective of the hypothetical person skilled in the art, as defined under Section 2(1)(ja) of the Act. He further submitted that Dr. Patanjali did not have access to 'Aladdin' while preparing his affidavit and had access to only the complete specifications of suit patent IN'092.

41. Lastly, Mr Dogra learned senior counsel submitted that Defendant no. 2 would suffer irreparable loss if an interim injunction were granted. Otherwise, also sales of plaintiff's products have only shot up as evident from the CA's certificate of plaintiff (pg 199 of plaintiff's docs), and the sole loser in this would be defendant no. 2, who has enjoyed tremendous goodwill since 2020 in the market. While concluding his arguments, Mr – submitted that balance of convenience lies in favour of the defendants and any adverse order of this court favoring plaintiff will not only cause irreparable loss to the defendants but would also dis-serve public interest.

Rebuttal by Plaintiff

42. While refuting the defence put forth by Mr Dogra, learned senior counsel representing defendants, Mr Kuthiala, learned senior counsel submitted that argument raised by them that suit patent is hit by Section 3 (d) r/w Section 64 (1)(d) does not hold any relevancy as treatment 7 has proven to be highly effective in terms of higher yield of the composition covered by claim 11 in compassion to treatment 15 (prior art). He submitted that dosage of Sulphur was reduced by 53% in treatment 7 as compared to Sulphur applied in treatment 15 and dosage of zinc was also reduced by 44% as compared to zinc oxide applied in treatment 15 thereby demonstrating a synergistic effect.

43. It has also been argued by learned counsel representing the plaintiff that ‘Aladdin’ nowhere mentions the use of ‘bentonite’ and even the packaging of the product mentions ‘...offers other several improved features over conventional micronutrient source’ which shows that defendant no 2’s product is not the same as that of the prior art product composition as fixed by Tamil Nadu Gazette notification dated 19.11.2008, but an improved composition covered by the suit patent IN’092. It has been further argued by learned senior counsel for the plaintiff that in the packaging of defendant’s product, benefits written on the packaging read as ‘Aladdin readily disperse when wetted in soil and releases micronized elemental sulphur and zinc oxide’ which shows the water dispersible nature of defendant’s product, which is a unique feature covered under the suit patent IN’092.

44. Learned counsel for the Plaintiff respectfully submitted that the arguments advanced by learned senior counsel representing Defendant no. 2 that the Essential Commodities Act, 1955 overrides the Patents Act, 1970 is untenable as FCO (enacted by virtue of ECA) regulates the quality and distribution of fertilizers from a public interest perspective, whereas the Patents Act, 1970 governs the proprietary rights of patent holders. He submitted that the FCO only prescribes the minimum quality standards for fertilizers to be sold in India, it does not, authorize the use or manufacture of a patented product without the consent of the patentee. Further, Clause 9 of the FCO may mandate adherence to notified specifications, but it does not grant any immunity from patent infringement, nor does it purport to create a license under the Patents Act, and accordingly, defendant no. 2 cannot evade liability for patent infringement under the garb of regulatory compliance with the FCO.

45. Mr Kuthiala, learned senior counsel submitted that the reliance placed by the Defendant no. 2 on the judgment, passed by the Hon'ble Delhi High Court dated 18.03.2024 is misplaced, inasmuch as it pertains to a different patent of the Plaintiff, i.e., IN 282429, which has no relation whatsoever with the present suit patent IN'092. It was further submitted that defendant No. 2 is a habitual infringer with suits pending against him which clearly establishes a consistent pattern of infringing products. (list of cases pending against defendant no.2 is listed below)

SR. NO.	CASE TITLE	FORUM	STATUS	REMARK
1.	GSP Crop Science Pvt. Ltd. vs. Safex Chemicals (India) Ltd. [CS (COMM) 791/2024]	Before Justice Mini Pushkarna of the Hon'ble High Court of Delhi	Pending	Summons issued and plaint registered as suit via order dt. 13.09.2024
2.	Crystal Crop Protection Limited vs. Safex Chemicals India Limited & Ors. [CS (COMM) 196/2024]	Before Justice Sanjeev Narula of the Hon'ble High Court of Delhi	Pending	Arguments already advanced by the parties.
3.	Godrej Agrovet Limited vs. Safex Chemicals India Limited & Anr. [CS (COMM) 1152/2024]	Before Justice Amit Bansal of the Hon'ble High Court of Delhi	Pending	Summons issued and plaint registered as suit via order dt. 19.12.2024
4.	Willowood Chemicals Pvt Ltd vs. Safex Chemicals India Ltd [CS (COMM) 475/2020]	Hon'ble High Court of Delhi	Pending	Ex-parte ad-interim injunction granted via order dt. 23.10.2020. (Order dated 28.10.2024 Interim to continue)
5.	Deepak Pranjivandas Shah & Ors vs. Safex Chemicals (India) Ltd [CS(COMM) 262/2018]	Before Justice Naveen Chawla of the Hon'ble High Court of Delhi	Disposed of	The Plaintiff withdrew the suit on the ground that the validity of the subject patent, being Indian Patent No. 188927, itself has expired on 26.04.2021, and the plaintiffs do not wish to proceed further with the captioned suit. Order dt. 08.07.2022

46. With regard to jurisdiction of this Hon'ble Court, Mr Kuthiala, learned senior counsel for the plaintiff submitted that defendant No. 1's principal place of business as well as Administrative Office falls within the jurisdiction of this Hon'ble Court that it works for gain within the territorial jurisdiction of the Hon'ble Court. It was further submitted that the alleged unauthorized activity by the Defendants in regions where they are not permitted to operate under the Fertilizer (Control) Order, 1985, cannot be used as a shield to dispute the jurisdiction of this Hon'ble Court. On the contrary, the Defendants' admission that they are marketing and selling the impugned product in states where they are allegedly not licensed to do so, is a ground for regulatory action, including cancellation of the license under the FCO, but has no bearing on the jurisdiction of this Court. He submitted

that even if it is assumed defendant No. 1 sold the infringing goods without express authorization from defendant No. 2, it is for defendant No. 2 to demonstrate that such unauthorized sale occurred despite exercising due diligence and as such these questions are factual in nature which are to be determined during trial. It was also submitted that the infringing product does not carry any marking such as “NOT FOR SALE IN STATE OF HIMACHAL PRADESH” or “ONLY FOR SALE IN [‘x’ state],” despite the stand of Defendant No. 2 that it lacks a pan-India license.

Case Analysis

47. Instant application, under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908, has been preferred by the plaintiff, seeking interim injunction restraining the defendants from infringing Indian Patent No. 282092 titled ‘AGRICULTURAL COMPOSITION’, granted to the plaintiff on 30.03.2017 for a term of 20 years. The plaintiff has alleged that the defendants, by manufacturing and marketing a product under the brand name “Aladdin”, are infringing plaintiff’s exclusive rights conferred by the said patent.

48. The issues that arise for consideration in the present interim application are:

(a) Whether the product ‘Aladdin’ manufactured and sold by the defendants prima facie infringes Claims 11 and 12 of the plaintiff’s Indian Patent No. 282092?

(b) Whether the defendant has raised a credible challenge to the validity of the suit patent under Section 3(d), Section 2(1)(ja) and Section 64(1)(d)& (e)?

(c) Whether the Plaintiff is entitled to an interim injunction?

49. Mr Kuthiala, learned senior counsel for the Plaintiff submitted that, by virtue of Section 48 of the Act, Plaintiff has been granted a statutory right which constitutes the highest form of monopoly within the intellectual property regime in India, as such, the Plaintiff possesses exclusive right to prevent respondents from making, using, offering for sale, selling, or importing the suit patent IN'092 in India. It was contended that when such a right is threatened or infringed, the patentee is entitled to seek injunctive relief at the interim stage, so as to ensure that the monopoly granted by statute is duly enforced by the Courts. In such circumstances, the Courts are required to consider the matter in its entirety and ought not apply rigid standards in the grant of such interim relief. In this regard, reliance is placed upon judgment of High court of Delhi in **Novartis Ag & Anr** supra, wherein it was held as under:

> "**36.** Patent rights are often considered as highest in the category of monopoly rights in the regime of Intellectual Property. This is due to the reason that patent right is absolute monopoly position where a patentee can prevent any person misusing the patent from manufacturing the project or arrive at the product through a process which is subject matter of patent. Thus, patentee being a right holder which is a privilege granted by a Sovereign State can enjoy this position of monopoly of manufacturing or making the process for a

limited period of time to the exclusion of others. In fact patent infringement is and always has been a form of tort actionable by the patentee or if applicable by his exclusive licensee. The right of patent is statutory in nature and the said right stems from the Statute.

37. Once the said statutory rights are granted, the courts are normally faced with the situation where a patentee seeks prohibitory orders in the interim so that monopoly rights granted to him are given due acceptance are recognized by the courts. Therefore, the question which arises as to what are the principles normally in the cases relating to patent infringement is the grant of temporary or permanent injunction.

38. The patent law in India is governed by Patents Act 1970 as amended in the year 2005. What constitutes infringement of a patent is not denied in the Act. Thus, one has to gather the meaning of infringement from the scope of the monopoly rights conferred on the patentee for infringement is the violation of those rights. Section 48 confers on the patentee, his agents and licensees the exclusive rights to make, use, exercise or distribute invention in India. The rights of the patentee are infringed if anyone makes and supplies or commercially uses and the patentee may be granted interim order, subject to the condition if the patent is valid. It is not incumbent upon the plaintiff in case of infringement to show that the plaintiff has suffered commercial loss.

39. Lord Denning M.R. in his famous speech in the case of Hubbard v. Vosper, (1972) 1 All ER 1023 at 1029, had observed in considering whether the grant of interlocutory injunction, the right course for a Judge to look at the whole case and form a holistic view of the matter. In the words of Lord Denning, it was observed thus:—

> *'In considering whether to grant an interlocutory injunction, the right course for a judge is to look at the whole case. He must have regard not only to the strength of the claim but also to the strength of the defence, and then decide what is best to be done. Sometimes it is best to grant an injunction so as to*

maintain the status quo until the trial. At other times it is best not to impose a restraint on the defendant but leave him free to go ahead. For instance, in Frazer v. Evans (1969) 1 All ER 8, although the plaintiff owned the copyright, we did not grant an injunction, because the defendant might have a defence of fair dealing. The remedy by interlocutory injunction is so useful that it should be kept flexible and discretionary. It must not be made the subject of strict rules'.

40. The authority namely Kerr on Law and Practice of Injunction, 6th Edition on page 320 discusses some principles which may act as guiding factors for the grant of injunction in patent cases. The said factors are stated as follows:—

'If one clear instance of infringement or a wrong prima facie case of infringement is made out and the plaintiff has not been guilty of laches, the court will generally grant an interlocutory injunction in following cases : (1) when the validity of the patent has already been established in a previous action, (2) when the patent is of old standing and the enjoyment under it has been uninterrupted (3) when the validity of the patent is not in issue and notwithstanding that the defendant offers to keep an account.'

41. In the case of F. Hoffmann-La Roche Ltd. v. Cipla Ltd., Mumbai Central decided on 24 April, 2009, Division Bench of Delhi High Court speaking through Hon'ble Justice S. Murlidhar has observed that the court has to see the tenability and the credible nature of defence while deciding the grant or non-grant of injunction. If the defendant's case is found to be tenable and there are serious questions as to validity to be tried in the suit, then the interim injunction in the case may not be granted.

42. From the above, it is clear that if there is a strong prima facie case and the validity is not further seriously questioned, then there is a clear way out to grant injunction."

50. Reliance is also placed upon **Novartis vs Natco Pharma Ltd**, 2021 SCC OnLine Del 5340, wherein certain principles for grant of interim injunction in patent cases have been laid down. Relevant portion of judgment in case supra, reads as under:

"**173.** Several stellar principles emanate from a reading of the afore-quoted judicial authorities. So pivotal are these principles to assessment of infringement, and the aspect of vulnerability of the patent alleged to be infringed, that, at the cost of repetition, I deem it appropriate to enumerate the principles, thus:

(i) On patentability

(a) Inventions, alone, are entitled to patents.

(b) An invention must (i) be new, i.e. not anticipated, (ii) involve an inventive step, (iii) be capable of industrial application, i.e. of being made or used in the industry and (iv) entail technical advance over existing knowledge, or have economic significance, rendering the invention not obvious to a person skilled in the art.[48]

(c) The triple test of patentability is, therefore, novelty, the existence of an inventive step and industrial applicability. In *Merck* v. *Glenmark*[16], it was held that these tests stood satisfied by the SFB disclosed in the Markush patent.

(d) The claim in a patent could conceivably encompass embodiments to be invented in future without particularly advantageous properties, provided such inventions employ the technical contribution made by the invention.[49]

(e) "Patentability" requires that the product (a) must be an invention within the meaning of Section 2(j) and (b), must not fall within the exceptions in Section 3.[50]

(f) Section 3(d) is not an exception to Section 2(1)(j). While assessing patentability of a claim for grant of patent, it had to be examined, in the first instance, whether the product was disentitled to patent on any of the grounds envisaged by Section 3(d). The patentability of products would

then have to be assessed, for determination of their patentability on the basis of Section 2(1)(j) read with Section 2(1)(j)(a).[51]

(g) A mere claim, without enabling disclosure, as would enable a person skilled in the art to work the invention, is not patentable.[52]

(h) The role of the complete specification accompanying a patent application is to teach what the invention was, how it was to be made, and how it was to be used.[53]

(i) One invention is entitled only to one patent. One patent may, however, cover more than one invention, provided all inventions involved the same inventive steps.[54]

(j) Grant of repeated patents for the same invention results in the malaise of evergreening of a patent beyond its life, which is impermissible.[55]

(ii) Mere grant of a patent is not necessarily a *prima facie* indicator of its validity.[56]

(iii) Infringement:

(a) Examination of any claim of infringement requires (i) determination of the meaning and scope of the claims in the suit patent and (ii) comparison of the claim so interpreted with the allegedly infringing product of the defendants. The comparison has to be of the defendants' product *vis-a-vis* the plaintiffs' patent and not product-to-product.[57]

(b) This has to be determined on the basis of claim construction. The plea of a defendant that the plaintiff may have itself applied for grant of patent in respect of the allegedly infringing product, and abandoned the claim later, was held, in *Merck* v. *Glenmark*[16], to be irrelevant. In a visible departure, however, where the claim of the plaintiff was rejected, *Roche* v. *Cipla* held this to be an indicator, *prima facie*, that the defendant's product infringed the suit patent.

(iv) Section 3(d)

(a) Once a patent was granted to an Active Pharmaceutical Ingredient (API), Section 3(d) protects all products of such API, in any form, from grant of a subsequent patent. The manufacture or marketing by any third party of any product-derivative of a patented API would amount to infringement.[58] The API is the molecular entity which exerts the therapeutic effect of medicine

and is biologically active. Patent protection is ordinarily granted to the API[59].

(b) In the case of pharmaceutical products, the derivatives envisaged by Section 3(d) would include (a) prodrugs, which are not active, but are metabolized in the body so as to result in pharmaceutically active substances, (b) combinations of more than one APIs or the combination of an API with an inert carrier and (c) drug delivery systems, which are compositions enabling the constituents to be administered in a particular fashion.[60]

(c) In *Novartis*[9], examining the vulnerability of Imatinib Mesylate to invalidity on the ground of Section 3(d), the Supreme Court held that (i) the obtaining of approval for Imatinib Mesylate on the basis of Zimmerman patent, (ii) the obtaining of patent term extension for the Zimmerman patent on the ground of pendency of regulatory approval for Imatinib Mesylate, (iii) the obtaining, by Novartis, of injunction against marketing of Imatinib Mesylate by any third party on the basis of the Zimmerman patent and (iv) the view of the Board of Patent Appeals that the Zimmerman patent had the teaching to convert Imatinib to Imatinib Mesylate, in conjunction, indicated that Imatinib Mesylate was not a "new product", within the meaning of Section 3(d), *vis-à-vis* the Zimmerman patent, but merely a "known substance".

(d) "Efficacy" in Section 3(d) refers to the function, utility and purpose of the product under consideration. Hence, for pharmaceutical products, "efficacy" would mean "therapeutic efficacy". "Therapeutic efficacy" was required to be judged strictly and narrowly.[61]

(e) Enhanced properties, which were inherent to the forms of the known substance, visualized in the explanation to Section 3(d) would not imply enhanced efficacy. Enhanced therapeutic efficacy was a must.[62]

(f) "Enhanced solubility" is no indicator of enhanced efficacy in pharmaceutical products.[63]

(g) Applying this principle, the admission, by Novartis, that "all indicated inhibitory and pharmacological effects of the β-crystalline form of Imatinib Mesylate are present in the free base", was held by the Supreme Court

in *Novartis*[9], to indicate that the β-crystalline form of Imatinib Mesylate did not possess enhanced efficacy *vis-à-vis* the Imatinib free base.

(h) As no research data had been placed by Novartis on record to indicate enhanced therapeutic efficacy of the β-crystalline form over the Zimmerman patent, except in respect of properties already possessed by the Zimmerman patent, the Supreme Court, in *Novartis*, that the β-crystalline form of Imatinib Mesylate did not possess enhanced therapeutic efficacy *vis-à-vis* the free base or the non crystalline form of Imatinib Mesylate.

(i) Whether increased bioavailability would or would not, result in enhanced therapeutic efficacy had to be decided on the basis of research data, and had to be specifically claimed.[64]

(v) Coverage, claim construction and disclosure

(a) The coverage of a claim, *for the purposes of determination the scope of protection under Section 48 of the Patents Act*[65] had to be determined by claim construction. Claim construction involved reading of the wording of the claim with its enabling disclosures as contained in the complete specifications, as understood by a person skilled in the art, acquainted with the technology in question. A product could be treated as covered by the claim, *for the purposes of patent protection* if, on the basis of the wording of the claim read with the enabling disclosures in the complete specifications, the person skilled in the art would be in a position to work the invention so as to make it available to the public by the expiry of the patent term.[66]

(b) The qualities of an enabling disclosure were well delineated in the *Wands tests*[33]. They involved (i) the quantity of experimentation necessary, (ii) the amount of guidance available in the patent, (iii) the presence/absence of working examples, (iv) the nature of invention, (v) the state of prior art, (vi) the related skill of those in the art, (vii) the predictability/unpredictability of the art and (viii) the breadth of the claims.[67]

(c) Some of the principles of claim construction are that (i) the claim defines the scope and territory of the patent, (ii) claims in a patent may be dependent or independent, (iii) different claims in one patent define

different embodiments of the same inventive concept, (iv) invalidation must be of each claim separately and independently, (v) where the claim was worded using the expression "comprising of various elements, the addition of another element would infringe the patent, (f) where, however, the claim was "consisting of various elements, infringement would require the subsequent patent to have all the elements in the claim and non other, with the addition of any other element defeating infringement and (g) claims were not to be construed on the basis of prior material or subsequent conduct[68].

(d) In this context, in my opinion, demystification of the concept of "coverage", when used in the concept of claim construction and claim protection in patent law, is essential, as there is considerable debate on this issue in nearly every case, with Counsel, relying on the same decisions, adopting near irreconciliable stances. There is, in my view, a distinction between the "broad coverage" of a claim in a patent, and the "protected coverage", i.e. the coverage which would be entitled to patent protection under Section 48. The following passage from *Merck* v. *Glenmark*[16] is important in this regard:

> "Construction of the patent by this court, to verify its coverage is fundamental. This coverage depends on the nature of the claims made (and enabling disclosures specified) by MSD in its 'Complete Specification' under Form 2 of the Act. The words used to describe the claims - as read by a person of ordinary skill in the art - *determine the breadth of the monopoly granted by the patent, for which the substantive (and indeed, substantial) rights under Section 48 of the Act are triggered."*
>
> (Emphasis supplied)

Judgments are not to be read like statutes.[69] While referring to a precedent, it is necessary to discern, with care, what exactly the court seeks to convey. The reference to "coverage", in the afore-extracted passage from *Merck* v. *Glenmark*[16], is, in my view, to be understood as referring not to the "broad coverage" of the claim, but to *that coverage which would be entitled to patent protection under Section 48.* The Division Bench holds that the coverage encompassed by the claim, as worded, read with the *enabling disclosure*, would be entitled to protection under

Section 48. A case in point is SPM, which was subject matter of consideration in *Merck* v. *Glenmark*[16]. The claim in IN 816, as worded, encompassed "Sitagliptin with its pharmaceutically acceptable salts". Sitagliptin Hydrochloride was specifically exemplified in the complete specifications in IN 816. The SFB, and Sitagliptin Hydrochloride, therefore were, on a plain reading, entitled to patent protection. Paras 38 and 39 of the report in *Merck* v. *Glenmark*[16] goes on to suggest that, possibly, *enabling disclosure*, in respect of SPM, was also to be found in IN 816 (though, later, the judgment leaves this issue open for more detailed analysis). The paragraphs (to the extent relevant) read thus:

> "38. … The section 'Detailed Description of the Invention', which discloses Formula 1 (reproduced below), corresponds to claim 1 of the patent specification, discloses the following compound structure:
>
> 39. This is the Sitagliptin free base. Each element of this structure, and selection of particular elements to reach this structure, is further detailed at pages 5 and 6 of the specification. Page 10 further details the separation of racemix mixtures of the compound to isolate individual enantiomers, *including the R form of the compound that is ultimately used in Januvia and Janumet.* The term "pharmaceutically acceptable salts" - it is stated - "refers to salts prepared from pharmaceutically acceptable non-toxic bases or acids *including" inter alia phosphoric acid, which is the second element in SPM (i.e. the P in SPM). The M - or monohydrate - is indicated by stating that "salts… may also be in the form of hydrates" (page 10 of the Form 2 filing)."*

If, thus, the disclosure contained in IN 816 *enabled* the person skilled in the cart to arrive at SPM, SPM would also be *covered by IN 816 so as to be entitled to patent protection under Section 48"* This, then, would, as held in para 38 of *Merck* v. *Glenmark*[16], be the "coverage" which would trigger the protection provided by Section 48.

(e) As against this, the "broad coverage" of the claim in the patent, as worded, may include products for which there is no enabling disclosure. For example, in IN 816, *all pharmaceutically acceptable salts of Sitagliptin* are within the "broad coverage" of the claim as worded. Assuming, however, that there is, in the complete specifications in IN 816, no enabling disclosure (*arguendo)* except in respect of SPM - excepting Sitagliptin Hydrochloride, which is claimed by exemplification, such

pharmaceutically acceptable salts, which are not *disclosed* in IN 816, but are, nonetheless, within the *coverage of the claim as worded*, would not be entitled to patent protection under Section 48. "Coverage", in this sense, is, therefore, wider than "disclosure".

(f) While this distinction between "coverage" of a claim, as understood in absolute terms, and the "disclosures" in the complete specifications relating thereto does exist, the gap between coverage and disclosure could not be so wide as to enable an artful draftsman to so draft a claim as to escape coverage by the prior art[70].

(g) Applying this principle, the contention of Novartis that the Zimmerman patent covered, but did not disclose Imatinib Mesylate, was rejected by the Supreme Court in *Novartis*[9]. The Supreme Court held that (a) as the Imatinib free base was covered and disclosed in the Zimmerman patent, (b) the Zimmerman patent also claimed pharmaceutically acceptable salts of the Zimmerman free base, (c) *Imatinib Mesylate was a "known substance" from the Zimmerman patent* and (d) Imatinib Mesylate was a pharmaceutically acceptable salt of the Imatinib free base, Imatinib Mesylate was claimed and disclosed in the Zimmerman patent.[71]

(h) Similarly, in *Merck* v. *Glenmark*[16], even while expressing no final opinion in that regard, it was observed that (a) the disclosure, in the prior art, of the method of isolation of the Sitagliptin free base, (b) the identification of pharmaceutically acceptable salt of Sitagliptin, in the prior art, as including salts made from phosphoric acid and (c) the suggestion, in the prior art, that pharmaceutically acceptable salts of the Sitagliptin free base may also be in the form of hydrates, indicated that SPM was disclosed in the prior art.

(i) Where the attached salt radical was a mere inert career, and pharmaceutical activity was attributable to the free base, the disclosure of the free base in prior art would imply disclosure of the salt, as novelty existed in the free base, even if the combination with the inert salt radical was useful for effective administration of the drug[72].

(vi) Obviousness:

(a) "Prior disclosure", for the purposes of obviousness, meant disclosure which, if performed, would infringe the patent[73].

(b) Prior art, for the purposes of obviousness, was required to have been published before the priority date of the suit patent[74].

(c) The test of obviousness was whether, if the prior art document was placed in the hands of a competent draftsman endowed with common general knowledge at the priority date, faced with the problem which the patentee solved in the suit patent, but not endowed with the knowledge of the patented invention, the draftsman would have said "this gives me what I want."[75]

(d) In *Roche* v. *Cipla-I*[17], various combination tests have been approved by the Division Bench, to assess "obviousness". These are the following:

(i) The first is the triple test of obviousness, involving determination of the scope and content of the prior art, difference between the prior art and the claims and issue and the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or non-obviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented.

(ii) The second test involves the following four steps:

(a) identifying the inventive concept"- embodied in the patent;

(b) imputing to a normally skilled but unimaginative addressee what was common general knowledge in the art at the priority date;

(c) identifying the differences if any between the matter cited and the alleged invention; and

(d) deciding whether those differences, viewed without any knowledge of the alleged invention, constituted steps which would have been obvious to the skilled man or whether they required any degree of invention.

(iii) The third test involves the following five steps:

"Step No. 1 - To identify an ordinary person skilled in the art,

Step No. 2 - To identify the inventive concept embodied in the patent,

Step No. 3 - To impute to a normal skilled but unimaginative ordinary person skilled in the art what was common general knowledge in the art at the priority date.

Step No. 4 - To identify the differences, if any, between the matter cited and the alleged invention and ascertain whether the differences are ordinary application of law or involve various different steps requiring multiple, theoretical and practical applications.

Step No. 5 - To decide whether those differences, viewed in the knowledge of alleged invention, constituted steps which would have been obvious to the ordinary person skilled in the art and rule out a hideside (*sic* hindsight) approach."

(e) The reason or motivation for making the choices which would lead the persons skilled in the art to arrive at the suit patent from the prior art, must be apparent in the prior art, i.e. in the claim in the prior art read with its enabling disclosure, for "obviousness" to exist. The "motivation" must include the motivation to select and the motivation to combine.[76]

(f) The suit patent is obvious from the prior art if the invention claimed in the suit patent, as a whole, would have been obvious, prior to the priority date of the suit patent, to a person skilled in the art, from the claim in the prior art read with its enabling disclosures. In this, the first step is the selection of the prior art as the lead compound.

(g) Clear differences in molecular structure would militate against any inference of obviousness[77].

(h) In assessing obviousness, hindsight analysis is impermissible. In other words, while assessing whether the suit patent is vulnerable to invalidity on the ground of obviousness, the teachings in the suit patent cannot be used as a guide. If the teachings in the suit patent are required to be referred, it would imply that the exercise is one of hindsight analysis.[78]

(i) The simple test to ascertain whether the suit patent is obvious from the prior art, is, therefore, to arm the mythical person skilled in the art with the complete specifications of the prior art, and the objective which the

suit patent ultimately achieved. If the person is able to use the teaching in the prior art to arrive at the suit patent, the suit patent is obvious. If he is not able to do so, it is not.

(j) The "person skilled in the art" is "a person who practices in the field of endeavor, belongs to the same industry as the invention, possesses average knowledge and ability and is aware of what was common general knowledge at the relevant date".[79]

(k) A claim of infringement, by the product of the defendant, of the suit patent as well as the prior art, would itself defeat, *prima facie*, the allegation of infringement, as it would imply that the suit patent is obvious from the prior art[80].

(l) In the case of a Markush patent, and a subsequent patent for a specific entity, where the Markush does not contain any precise enabling disclosure teaching the way to the subsequent patent, the question to be addressed while examining the vulnerability of the subsequent patent as obvious from the Markush, would be as to how far the subsequent patent is subsumed in the earlier Markush patent[81].

(m) Where the inventor of the prior art and the suit patent is the same, the appropriate test to be applied would be that of "a person in know, rather than a person skilled in the art.[82]"

(vii) Industrial applicability and commercial utility:

(a) On the aspect of industrial applicability, in *Merck* v. *Glenmark*[16], it was held that, once the SFB had been disclosed, alongwith disclosure of its usefulness in treating diseases and the mode of administration of the drug resulting from the free base, the SFB was capable of industrial application.

(b) Capability of industrial application has to be decided on the basis of the API, not on the basis of the particular salt. The requirement of combination of the API with an inert career, for its administration, was irrelevant to the issue of industrial application[83].

(c) The inert career is not the crux of the invention, as the therapeutic efficacy is attributable to the API alone[84].

(d) The criteria to assess industrial application are (i) that the patent must disclose its practical application and be of profitable use, (ii) the use of the patent in industrial practice must be derivable directly from the description in the complete specifications read with common general knowledge, (iii) speculative use is insufficient in this regard and (iv) the complete specification, read with common general knowledge, was required to be sufficient to enable a person skilled in the art to exploit the invention without undue burden and without having to carry out a research programme[85].

(e) In pharmaceutical compounds, generally, a patent is capable of industrial application if (i) the function of the entity is disclosed in the patent and (ii) the function disclosed relates to usefulness of the entity in the medical industry[86].

(f) Breakthrough inventions, even if not commercially viable at the time of their conceptualization, or invention, are nonetheless useful and industrially applicable. In this context, "commercial utility" must be distinguished from "patentable utility". "Commercial utility" is not a *sine qua non* for patentability.[87]

(g) Any challenge to the validity of a patent on the ground of want of commercial utility, in order to succeed, would require the challenger to show that the later commercially successful patent owed nothing to the original patent[88].

(h) A patent could be treated as lacking commercial utility only if, even if worked as suggested by the complete specifications, it would not yield the promised result. If it does, commercial utility is established.[89]

(viii) Section 8:

(a) The requirement of compliance with Section 8 of the Patents Act is mandatory.

(b) As violation of Section 8 renders the patent vulnerable to revocation, the provision is required to be strictly construed.[90]

(c) Section 8 is applicable only to foreign patents.[91]

(d) The use of the word "may" in Section 8 indicates that, breach does not automatically result in revocation of the patent and that revocation is discretionary.[92]

(e) At the interlocutory stage, it is normally not advisable to reject a request for injunction on the ground of violation, in obtaining the suit patent, of Section 8.[93]

(f) The failure, by the plaintiff, to disclose the earlier application filed by the plaintiff for the patent in respect of the allegedly infringing product later released by the defendant, would not be fatal where, at the time of applying for the suit patent, the plaintiff was of the opinion that the allegedly infringing product was a separate invention. This principle was applied in *Roche*[17], in the context of Erlotinib Hydrochloride *vis-à-vis* polymorph B thereof.

174. Infringement admitted: The defendant acknowledges the fact that it is manufacturing and dealing in Eltrombopag Olamine. If the suit patent is valid, therefore, infringement is admitted. What is required, therefore, to be seen, is whether the defendant has set up a credible challenge of vulnerability of the suit patent to invalidity. The grounds urged by Mr. Sai Deepak in this regard would have to be examined in the light of the principles delineated hereinabove.

175. It is made clear that the observations/findings that follow are *prima facie*, and intended only for deciding the application for interlocutory injunction under Order XXXIX Rules 1 and 2 of the CPC. The Supreme Court has, time and again, cautioned Courts, especially in intellectual property matters, not to give detailed findings on merits, as would exhibit a final opinion regarding the rival contention of the parties."

51. Having perused Table 1 of Annexure F, this Court finds that Treatment No. 7 has demonstrably exhibited a higher yield in comparison to Treatment No. 15, which represents the prior art. This increase in yield is not marginal but sufficiently significant to suggest an 'enhancement'. The Table rebuts potential objections under Section 3(d) by showing that the composition is not just a 'mere new form' but achieves quantifiably different

results. The enhanced yield constitutes 'differing significantly in properties' as per Section 3(d) Explanation. Therefore, this court is of the view that the plaintiff has, at this stage, established a prima facie case suggesting that its product demonstrates an 'enhancement in efficacy' over the prior art, and does not fall under Section 3(d) of the Act as yield improvements constitute a material parameter for assessing agricultural efficacy.

52. As per settled law, if a patent is sufficiently old (more than 6 years old), the Court may, for the purpose of granting an interim injunction, presume the patent to be valid, unless there exists strong evidence to the contrary, however, this remains a rule of caution not a rule of practice, which is to be exercised after due deliberation. Courts now treat the rule as persuasive rather than binding, after the pronouncement of landmark judgment in **Biswanath Prasad v. Hindustan Metal,** 1972 (2) SCC 511. In the present case, although the suit patent is in its 14th year and has remained unchallenged until the filing of the present suit, the mere age of the patent does not by itself confer validity. The determination of validity must rest upon the facts and material placed on record. This Court finds that a prima facie case is made out in favour of the plaintiff, particularly as the defendants were aware of the suit patent, as evidenced by their participation in the pre-grant and post-grant oppositions through HPMA. If the defendants were genuinely aggrieved by the grant of the patent, they ought to have raised objections during the pre/post-grant opposition proceedings or before the erstwhile Intellectual Property Appellate Board. Their challenge to the validity of the

patent, having been raised only after the institution of the infringement suit, appears to be an afterthought. While it is true that the Act permits raising questions of validity during infringement proceedings, but in the specific facts and circumstances of this case, the Court is of the view that the defendants' delayed challenge does not detract from the prima facie validity of the suit patent.

53. The main ground on which injunction has been resisted by defendant no. 2 is that it has raised a 'credible challenge' to the validity of suit patent IN'092. However, while placing reliance upon **Strix Limited** vs **Maharaja Appliances Ltd.,** 2009 SCC OnLine Del 2825, it was argued by learned Senior Counsel representing plaintiff that in order to raise a credible challenge, at interlocutory stage, the defendant has to place on record some acceptable scientific material, supported or explained by the evidence of an expert and mere averments cannot be accepted unless some scientific literature is on record. Relevant para of **Strix Limited**, supra, reads as under:

> **"22.** It was contended by learned counsel for the Defendant that at an interlocutory stage, the Defendant should be held to have discharged its burden of raising a 'credible challenge' to the validity of the Plaintiff's patent by merely pointing out the existence of the European Patent. This court is unable to agree. In order to raise a credible challenge to the validity of a patent, even at an interlocutory stage, the Defendant will have to place on record some acceptable scientific material, supported or explained by the evidence of an expert, that the Plaintiff's patent is prima facie vulnerable to revocation. The burden on the

> Defendant here is greater on account of the fact that there was no opposition, pre-grant or post-grant, to the Plaintiff's patent. In *Beecham Group Ltd.* v. *Bristol Laboratories Pty Ltd.*, (1967-68) 118 CLR 618 and *Australian Broadcasting Corporation* v. *O'Neill*, (2006) 229 ALR 457 it was held that the defendant alleging invalidity bears the onus of establishing that there is "a serious question" to be tried. In *Hexal Australia Pty Ltd.* v. *Roche Therapeutics Inc.*, 66 IPR 325 it was held that where the validity of a patent is raised in interlocutory proceedings, "the onus lies on the party asserting invalidity to show that want of validity is a triable question**."**

54. In my view, the unrebutted chemical analysis of the product "Aladdin" by expert, Dr. Phool Kumar Patanjali, indicates compositional characteristics that are prima facie identical to the suit patent IN'092, as such 'Aladdin' falls squarely within the scope of Claims 11 and 12 of suit patent, thus, prima facie indicates infringement of suit patent IN'092.

55. With respect to the issue of territorial jurisdiction, it is incumbent upon the Court to ascertain whether any sale of the product in question has transpired within its territorial limits. In the present matter, the plaintiff has placed on record an invoice evidencing that a sale has occurred in Matiana, District Shimla, which indisputably falls within the territorial jurisdiction of this Court. Furthermore, as per the brochure available on the website of respondent no. 2, it is indicated that a manufacturing unit of the company is situated in Una, Himachal Pradesh, which also falls within the territorial jurisdiction of this Court and as such, contention of respondent no. 2 that the manufacturing of the product 'Aladdin' is not being carried out

at the said location, is factually incorrect. Thus, cause of action has arisen within the jurisdiction of this Court. Reliance in this regard is placed upon judgment dated 05.03.2024 of Delhi High Court in **SNPC Machines Pvt Ltd and ors.** vs **Mr Vishal Chaudhary**, CS(COMM) 431/2023 , wherein it was held as under:

> "45. On the issue of territorial jurisdiction, this Court is of the opinion that the objection of the defendant is not made out, particularly at this stage when the trial is still to progress. The plaintiff has placed evidence of the defendant attempting to conclude a transaction in Delhi and that the said defendant's machine was available for sale in the jurisdiction of this Court. The objection of the defendant that it was a trap purchase and it was approached by a decoy client of the plaintiffs, will not take away from the fact that quotation letter dated 3 rd April, 2023 was received with price listings. Moreover, the plaintiffs have also filed brochure posted by the defendant that they were involved with the manufacturing and selling of the machines and listings on Indiamart where defendant's business was also listed and was accessible in Delhi. It would be difficult at this stage, without further evidence being led, that the defendant had not purposely availed of the jurisdiction in Delhi for concluding a sale."

56. Therefore, I am of the opinion that plaintiff has demonstrated a synergistic effect that the claimed particle size leads to better dispersion and nutrient absorption in soil which improves agricultural yield.

57. In view of the above, the plaintiff has made out a strong prima facie case for injunction. The balance of convenience and risk of irreparable harm also lie in favour of the plaintiff. Accordingly, the ex parte ad interim injunction granted on 24.07.2023 is confirmed. The application is accordingly allowed.

COMS No. 6 of 2023

58. The matter be listed for framing of issues and further proceedings on 10.7.2025.

(Sandeep Sharma),
Judge

June 6, 2025
(Vikrant)