
(2010) 12 DEL CK 0073

In the Delhi High Court

Case No : I.A. No. 12638 of 2010 in CS (OS) No. 1963 of 2009

Dr. Aloys Wobben

APPELLANT

Vs

Shri Yogesh Mehra and Others

RESPONDENT

Date of Decision : 06-12-2010

Acts Referred:

Patents Act, 1970 — Section 107

Citation : (2010) 12 DEL CK 0073

Hon'ble Judges : S. Ravindra Bhat, J

Bench : Single Bench

Advocate : Kruitikka Vijay, for the Appellant; Sudharshan Singh Shekhawat and Ajay Chandru, for the Respondent

Final Decision : Dismissed

Judgement

S. Ravindra Bhat, J.—The plaintiff has preferred this application; it seeks to restrain the defendant, from pressing its application for revocation of its (the plaintiff's) patents, u/s 107 of the Patents Act, 1970. The plaintiff complains infringement of its Patent Nos. 224920, 198085, 202912 and 222650 by the defendants.

2. The defendant has sought revocation/rectification of the plaintiffs patent, in the proceedings before the Intellectual Property Appellate Board, under provisions of Section 117G, and has also sought for cancellation of the said patent, u/s 107 of the Act, before this Court, in the suit, in the written statement, and counter-claim, in that regard.

3. The plaintiff argues that the defendant cannot take recourse to both the defence of revocation in this suit, as well as apply for cancellation, in the suit filed by the plaintiff. It is urged that once the defendant availed its statutory right, there was no question of urging the same, in the suit, as it amounted to electing its remedies. It is highlighted that the doctrine of election bars the plaintiff's from urging the same in its defences in the present suit. The plaintiff

argues that pursuit of parallel and concurrent remedies by the defendant, is unnecessarily hampering progress in the suit and therefore, the latter should be directed to withdraw its ten applications for rectification, or not pursue them, for the duration the plaintiff's suits are pending.

4. The defendant opposes the application, contending that it is pursuing statutory remedies, and that this Court does not possess jurisdiction to issue directions of the nature claimed by the plaintiff. It is argued that the doctrine of election pressed in aid of the plaintiff's application, cannot oust statutory remedies which can only be waived consciously. It is submitted that besides, the Madras High Court, in writ proceedings, had directed the Board, under the Patents Act, to complete the hearings in the rectification proceedings, and this Court's direction, if given as sought, or in any other manner would be in direct conflict with those directions, which are binding inter parties.

5. The defendant argues, besides that though the grounds for seeking cancellation or revocation of patent are the same - outlined in Section 64, the legislature consciously provided separate fora. It is submitted that the defendant had, in exercise of its right to independently challenge the patent, applied for revocation. The plaintiff at that stage might or may not have filed the suit for alleged infringement; when it did, the defendant was within its rights to defend the action, and also claim cancellation of patent, in a counter claim.

6. It would be necessary to first extract relevant provisions of the Patent Act, 1970; they are as follows:

64. Revocation of patents (1) Subject to the provisions contained in this Act, a patent, whether granted before or after the commencement of this Act, may, 1[be revoked on a petition of any person interested or of the Central Government by the Appellate Board or on a counterclaim in a suit for infringement of the patent by the High Court] on any of the following grounds, that is to say-

(a) that the invention, so far as claimed in any claim of the complete specification, was claimed in a valid claim of earlier priority date contained in the complete specification of another patent granted in India;

(b) that the patent was granted on the application of a person not entitled under the provisions of this Act to apply therefor;

(c) that the patent was obtained wrongfully in contravention of the rights of the petitioner or any person under or through whom he claims;

(d) that the subject of any claim of the complete specification is not an invention within the meaning of this Act;

(e) that the invention so far as claimed in any claim of the complete specification is not new, having regard to what was publicly known or publicly used in India before the priority date of the claim or to what was published in India or elsewhere in any of the documents referred to in Section 13:

(f) that the invention so far as claimed in any claim of the complete specification is obvious or does not involve any inventive step, having regard to what was publicly known or publicly used in India or what was published in India or elsewhere before the priority date of the claim;

(g) that the invention, so far as claimed in any claim of the complete specification, is not useful;

(h) that the complete specification does not sufficiently and fairly describe the invention and the method by which it is to be performed, that is to say, that the description of the method or the instructions for the working of the invention, as contained in the complete specification are not by themselves sufficient to enable a person in India possessing average skill in, and average knowledge of, the art to which the invention relates, to work the invention, or that it does not disclose the best method of performing it which was known to the applicant for the patent and for which he was entitled to claim protection;

(i) that the scope of any claim of the complete specification is not sufficiently and clearly defined or that any claim of the complete specification is not fairly, based on the matter disclosed in the specification;

(j) that the patent was obtained on a false suggestion or representation;

(k) that the subject of any claim of the complete specification is not patentable under this Act;

(l) that the invention so far as claimed in any claim of the complete specification was secretly used in India, otherwise than as mentioned in Sub-section (3), before the priority date of the claim;

(m) that the applicant for the patent has failed to disclose to the Controller the information required by Section 8 or has furnished information which in any material particular was false to his knowledge;

(n) that the applicant contravened any direction for secrecy passed u/s 35 or made or caused to be made an application for the grant of a patent outside India in contravention of Section 39;

(o) that leave to amend the complete specification u/s 57 or Section 58 was obtained by fraud.

(p) that the complete specification does not disclose or wrongly mentions the source or geographical origin of biological material used for the invention;

(q) that the invention so far as claimed in any claim of the complete specification was anticipated having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere.

(2) For the purposes of Clauses (e) and (f) of Sub-section (1),-

(a) no account shall be taken of 2[personal document or secret trial or secret

use]; and (b) where the patent is for a process or for a product as made by a process described or claimed, the importation into India of the product made abroad by that process shall constitute knowledge or use in India of the invention on the date of the importation, except where such importation has been for the purpose of reasonable trial or experiment only...

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107. Defences, etc. in suits for infringement

(1) In any suit for infringement of a patent, every ground on which it may be revoked u/s 64 shall be available as a ground for defence.

(2) In any suit for infringement of a patent by the making, using or importation of any machine, apparatus or other article or by the using of any process or by the importation, use or distribution of any medicine or drug, it shall be a ground for defence that such making, using, importation or distribution is in accordance with any one or more of the conditions specified in Section 47.

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117D. Procedure for application for rectification, etc., before Appellate Board

(1) An application 2[for revocation of a patent before the Appellate Board u/s 64 and an application for rectification of the register] made to the Appellate Board u/s 71 shall be in such form as may be prescribed.

(2) A certified copy of every order or judgment of the Appellate Board relating to a patent under this Act shall be communicated to the Controller of the Board and the Controller shall give effect to the order of the Board and shall, when so directed, amend the entries in, or rectify, the register in accordance with such order.

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117G. Transfer of pending proceedings to Appellate Board

All cases of appeals against any order or decision of the Controller and all cases pertaining to revocation of patent other than on a counter-claim in a suit for infringement and rectification of register pending before any High Court, shall be transferred to the Appellate Board from such date as may be notified by the Central Government in the Official Gazette and the Appellate Board may proceed with the matter either de novo or from the stage it was so transferred.

7. The doctrine of election has been explained to be a species of estoppel. The plaintiff relies on the observations of the Supreme Court in Andhra Pradesh State Financial Corporation Vs. M/s. GAR Re-Rolling Mills and another, , where it was held that:

The Doctrine of Election clearly suggests that when two remedies are available for the same relief, the party to whom the said remedies are available has the

option to elect either of them but that doctrine would not apply to cases where the ambit and scope of the two remedies is essentially different...

The Supreme Court, in *National Insurance Co. Ltd. Vs. Mastan and Another*, spelt out what is the rule, in the following terms:

A party to a lis, having regard to the different provisions of the two Acts cannot enforce liabilities of the insurer under both the Acts. He has to elect for one.... The "doctrine of election" is a branch of "rule of estoppel", in terms whereof a person may be precluded by his actions or conduct or silence when it is his duty to speak, from asserting a right which he otherwise would have had. The doctrine of election postulates that when two remedies are available for the same relief, the aggrieved party has the option to elect either of them but not both.. Although there are certain exceptions to the same rule but the same has no application in the instant case.

In *Nagubai Ammal and Others Vs. B. Shama Rao and Others*, *Andhra Pradesh State Financial Corporation Vs. M/s. GAR Re-Rolling Mills and another*, , it was stated:

It is clear from the above observations that the maxim that a person cannot "approbate and reprobate" is only one application of the doctrine of election, and that its operation must be confined to reliefs claimed in respect of the same transaction and to the persons who are parties thereto.

In *C. Beepathumma and Others Vs. V.S. Kadambolihaya and Others*, , it was stated:

The "doctrine of election" which has been applied in this case is well-settled and may be stated in the classic words of Maitland -

That he who accepts a benefit under a deed or will or other instrument must adopt the whole contents of that instrument, must conform to all its provisions and renounce all rights that are inconsistent with it.

(see M. Jaitland's lectures on Equity Lecture 18) The same principle is stated in *White and Tudor's Leading Cases in Equity Vol. 18th Edn.* at p. 444 as follows:

Election is the obligation imposed upon a party by courts of equity to choose between two inconsistent or alternative rights or claims in cases where there is clear intention of the person from whom he derives one that he should not enjoy both.... That he who accepts a benefit under a deed or will must adopt the whole contents of the instrument.

[See also *Prashant Ramachandra Deshpande Vs. Maruti Balaram Haibatti*,]

Thomas, J. in *P.R. Deshpande Vs. Maruti Balaram Haibatti*, stated the law, thus:

The "doctrine of election" is based on the rule of estoppel -the principle that one cannot approbate and reprobate inheres in it. The doctrine of election by election is one of the species of estoppel in pais (or equitable estoppel) which is a rule in

equity.

By that rule, a person may be precluded by his actions or conduct or silence when it is his duty to speak, from asserting a right which he otherwise would have had.

[See also Devasahayam (D) by LRs. Vs. P. Savithramma and Others,]

The First Respondent having chosen the forum under the 1923 Act for the purpose of obtaining compensation against his employer cannot now fall back upon the provisions of the 1988 Act therefore ,inasmuch as the procedure laid down under both the Acts are different save and except those which are covered by Section 143 thereof.

That decision was in the context of whether two claims: one under the Workman's Compensation Act, 1923, against an employer, in respect of an employment related injury, and the other, under the Motor Vehicles Act, 1988 could be maintained. The ruling was later clarified, and limited, in Gottumukkala Appala Narasimha Raju and Others Vs. National Insurance Co. Ltd. and Another, :

Only because Section 143 and 167 of the 1988 Act refer to the provisions of the 1923 Act, the same by itself would not mean that the provisions of the 1988 Act, proprio vigore would apply in regard to a proceeding for payment under the 1923 Act. The limited applicability of the provisions of the 1988 Act, in relation to the proceedings under the 1923 Act has been discussed by this Court in the aforementioned judgments. It is, thus, not possible to extend the scope and ambit of the provisions of 1988 Act to the provisions of 1923 Act save and except to the extent noticed hereinbefore.

The ingredients for maintaining a proceeding under 1988 Act and 1923 Act are different. The purpose for which a contract of insurance is entered into may be different, whereas 1988 Act, it will bear repetition to state, a contract of insurance would be mandatory; for the purpose of applicability of the 1923 Act, it will be optional and as indicated hereinbefore, in Harshadbhai Amrutbhai Modhiya (supra), even contracting out is permissible, as under the 1923 Act, the liability of the insurer is limited to the claim of the workman. The liability u/s 147(2)(b) of the 1988 Act, on the other hand, extends to third party.

Our attention has been drawn to some decisions of the High Courts which have taken different views in regard to the liability of the insurer to be joined as a party in a proceeding under the 1923 Act. It is not necessary for us to go into the correctness or otherwise of the said decisions, as in our opinion, there does not exist any bar in the 1923 Act in this behalf. Section 19(1) of the 1923 Act specifically provides that any question in regard to the liability of a person who is required to indemnify the employer must be determined in the proceeding under the said Act and not by way of a separate suit. Thus, a question of this nature should be gone into the proceeding under the 1923 Act...

8. In another decision, Devasahayam (D) by LRs. Vs. P. Savithramma and

Others, the Supreme Court clarified that the doctrine of election does not apply as an estoppel against the statute:

The doctrine of approbate and reprobate is a species of estoppel. However, there cannot be any estoppel against a statute. [M.D., Army Welfare Housing Organisation Vs. Sumangal Services Pvt. Ltd.,]

Even in the decision relied on by the plaintiff, i.e. the Andhra Pradesh Financial Corporation (supra) the Supreme Court proceeded to clarify that concurrent statutory remedies could be pursued:

To hold otherwise may lead to injustice and inconsistent results. Since, the Corporation must be held entitled and given full protection by the Court to recover its dues it cannot be bound down to adopt only one of the two remedies provided under the Act. In our opinion the Corporation can initially take recourse to Section 31 of the Act but withdraw or abandon it at any stage and take recourse to the provisions of Section 29 of the Act, which section deals with not only the rights but also provides a self-contained remedy to the Corporation for recovery of its dues. If the Corporation chooses to take recourse to the remedy available u/s 31 of the Act and pursues the same to the logical conclusion and obtains an order or decree, it may thereafter execute the order or decree, in the manner provided by Section 32(7) and (8) of the Act. The Corporation, however, may withdraw or abandon the proceedings at that stage and take recourse to the provisions of Section 29 of the Act.

9. It is worthwhile noticing at this stage that a patent, unlike other intellectual property rights, does not come with a presumption. Apparently there are public policy concerns which have been reflected by Parliament, which allow patents to be challenged, at various stages: firstly at the stage of grant (Section 25(1)); later, after grant, by a "person interested" (Section 25(2)); orders of the Controller, including one on a post grant opposition, are appellable, to the Board, u/s 117-A. There is an independent remedy for cancellation or revocation of patents, u/s 117-G, to the Board. In addition, in the event of a suit, the defendant can, besides contending non-infringement, also counter claim and seek revocation, u/s 107. Though seemingly overlapping, the remedies may not be necessarily availed simultaneously. For instance, a post grant opposition applicant may not choose to carry the matter in appeal. A third party may be sued for infringement; either at that stage, or before, he may prefer an application before the Board for cancellation or revocation. In the event of his being sued for infringement, if his application before the Board is held to be not maintainable, or alternatively, he is asked not to raise the ground of cancellation in his written statement, his defence would be seriously prejudiced. In these circumstances, it would be contrary to statute to hold that he cannot pursue his independent statutory remedy; that would be plainly against public policy.

10. In view of the above discussion, it is held that the reliefs claimed in the application cannot be granted; the same is accordingly rejected.

CS(OS) No. 1963/2009 & IA Nos. 13448/2009, 16570/2009, 9656/2010,
10407/2010, 11378/2010,

List for further hearing on 24th December, 2010.