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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% **Date of Decision: 05th April, 2019**

\+ W.P.(C) 6103/2018 & CM APPLN. 23703/2018

J. C. BAMFORD EXCAVATORS LTD ..... Petitioner

Through: Mr.Jayant Bhushan, Senior Advocate with Mr.Anil Dutt, Mr.Prashant Phillips, Mr.Sudarshan Shekhawat, Ms.Gunjan Hans and Ms.Godhuli Nanda, Advocates

versus

UNION OF INDIA AND ORS. ..... Respondents

Through: Mr.Rajesh Gogna, CGSC with Mr.Kavindra Gill, Mr.Upendra Sai and Mr.Kamaldeep, Advocates for R-1 and R-2

CORAM:
HON'BLE MR. JUSTICE J.R. MIDHA

JUDGEMENT (ORAL)

1. The petitioner has challenged the order dated 09th April, 2018 whereby Deputy Controller of Patents and Designs revoked patent No. 251037 and imposed cost of Rs.10,000/- on the petitioner.

2. The petitioner applied for grant of a patent in respect of an invention titled "Excavating and Loading Machine" on 11th May, 2015. The petitioner's patent application was published under Section 11A of the Patents Act on 09th January, 2009 and patent No.251037 was granted to the petitioner on 17th February, 2012. There was no pre-grant opposition to the

patent.

3. The petitioner instituted a suit for infringement of design, copyright, passing off, damages, delivery up etc. against respondent No.3 before this Court on 14th December, 2009 which was registered as CS(OS) 2400/2009.

4. Respondent No.3 filed a post-grant opposition against the petitioner's patent on 22nd February, 2013 on various grounds, *inter alia*, that the petitioner's invention lacked novelty and inventive steps. However, the petitioner and respondent No.3 settled their disputes and filed a joint application dated 20th July, 2017 in CS(OS) 2400/2009. The settlement between the parties was recorded by this Court on 03rd August, 2017 and the suit was decreed in terms of the settlement. The settlement between the parties is Annexure P-15 at page 253 to 256.

5. As per the terms of the settlement between the parties, respondent No.3 agreed to withdraw the post-grant opposition filed against the petitioner's patent before the Controller of Patents. Para 2 (d) of the order dated 03rd August, 2017 is reproduced hereunder:

> *"d) The Defendants hereby agree and undertake they shall withdraw the existing challenge(s), which are pending against the Plaintiff's registered designs. The Defendants further agree and undertake to withdraw the Post Grant Opposition filed against Patent number 251037 (formerly Indian Patent Application No: 2018/DELNP/2005) before the Controller of Patents in Delhi in the Patent Proceedings, as agreed between the parties. The parties agree that the Defendants shall withdraw the existing challenge and also withdraw the Post Grant Opposition against patent number 251037 within 14 days of the present application being allowed by this Hon'ble Court."*

6. On 17th August, 2017, respondent No.3 withdrew the post-grant

opposition before Patents Office. The relevant portion of the withdrawal letter of respondent No.3 is reproduced hereunder:

"WP(C)6103/2018

"THE CONTROLLER OF PATENTS
THE PATENT OFFICE
DELHI

Kind Attention: Sh. Naveen Mathur
Deputy Controller of Patents & Design

Dear Sirs,

Re: WITHDRAWAL OF POST GRANT OPPOSITION
Filed against Indian Patent No.251037
(Previously Application No.2018/DELNP/2005)
Date of Filing: 11 May, 2005

We write on behalf of the opponent and with reference to the above post grant opposition filed against JCB's Patent No.251037.

It is respectfully submitted that the opponent and the patentee have amicably resolved the dispute and in this regard, a joint settlement application was filed before the Hon'ble Delhi High Court in Civil Suit No.CS(OS) 2400/2009. The Hon'ble High Court was pleased to allow the said application and the settlement between the parties is recorded in an Order dated August 03, 2017, a copy of which is enclosed. In accordance with the terms and conditions of the settlement, also recorded at paragraph 2(d) at page 3 of the Order, the opponent hereby withdraws the post grant opposition filed against patent no. 251037. In view of the same, the Learned Controller is requested to take the present letter seeking withdrawal of present post grant opposition on record and pass an appropriate order in this regard."

7. Despite the withdrawal of the post-grant opposition by respondent

No.3, the Deputy Controller of Patents and Designs proceeded to hear the matter and passed the impugned order dated 09th April, 2018. The Deputy Controller of Patents and Designs held the petitioner's invention to be novel and inventive under Sections 2(1)(j) and 2(1)(ja) of the Patents Act. However, the Deputy Controller of Patents and Designs revoked the patent on the ground that the petitioner kept the Authority in dark with respect to the litigation pending between the petitioner and respondent No.3; and the petitioner did not inform the Patents Office with respect to an application filed in Australia.

8. Learned Senior Counsel for the petitioner submits that the Civil Suit CS(OS) 2400/2009 between the petitioner and respondent No.3 relating to infringement of copyright and design, passing off, trade secret etc. commenced in the year 2009 and it did not involve the subject patent which was granted in 2012. It is further submitted that the disputes between petitioner and respondent No.3 resulted in the settlement which was recorded by this Court and decree was passed in terms thereof. It is further submitted that petitioner filed a PCT application in which the petitioner designated Australia as one of the country where the petitioner intended to enter and, therefore, a temporary number was generated but the petitioner never, in fact, entered Australian National Phase.

9. Learned standing counsel representing the Patent Office submits that petitioner's patent is novel and inventive under Sections 2(1)(j) and 2(1)(ja) of the Patents Act as recorded in the order dated 09th April, 2018. It is further submitted that the revocation of the patent on the ground of non-disclosure of the Civil Suit between the parties in this Court and the

Australian patent application cannot be said to be unjustified.

10. On careful consideration of the rival contention of the parties, this Court is satisfied that the impugned action of revocation of the patent of Deputy Controller of Patent and Designs is unjustified. The petitioner's Suit CS(OS) 2400/2009 relating to infringement of design, copyright, passing off, trade secrets, damages, delivery up etc. commenced in 2009, before the grant of patent in 2012. Be that as it may, Suit CS(OS) 2400/2009 finally resulted in settlement between the petitioner and respondent No.3 and respondent No.3 agreed to withdraw the post-grant opposition to the petitioner's patent. The settlement between the parties was recorded by this Court and decree was passed in terms of thereof. Respondent No.3 approached the Patents Office for withdrawal of post-grant opposition. This Court is of the view that the Patents Office should have gracefully permitted respondent No.3 to withdraw the objections in light of the decree passed by this Court. This Court is satisfied with the explanation given by the petitioner with respect to the proceedings pending before this Court as well as PCT number generated on the petitioner's intention to enter the Australian National Phase. There is no merit whatsoever in the objections taken by the Patents Office to revoke the petitioner's patent.

11. The writ petition is allowed and the impugned order dated 09th April, 2018 is set aside. The petitioner's patent No. 251037 is restored. The cost imposed by the Patents Office on the petitioner is also set aside. The Patents Office shall update the petitioner's patent in its record within a period of four weeks.

12. Pending application disposed of.

13. Copy of this judgment be given *dasti* to counsel for the parties under the signatures of the Court Master.

J.R. MIDHA, J.

APRIL 05, 2019
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HIGH COURT OF DELHI
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