

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORDINARY ORIGINAL CIVIL JURISDICTION)

WEDNESDAY, THE 22ND DAY OF JUNE 2022

THE HON'BLE MR. JUSTICE SENTHILKUMAR RAMAMOORTHY

C.S(Comm Div)No. 409 of 2019

In the matter of :

SAINT-GOBAIN GLASS FRANCE

18, Avenue D' Alsace

92400 Courbevoie

France

Through its authorized Signatory

S. Giriraj Kumar

Also at :

Saint Gobain India Pvt. Ltd. (R & D)

IIT - Madras Research Park No.IFA, Phase-2,

"C" - Block, Kanagam Road, Taramani,

Chennai - 600 113.

... Plaintiff

-Vs-

M/S. HARSHA EXITO ENGINEERING (P) LTD.,

Apex Plaza, VI Floor,

#3, Uthamar Gandhi Salai,

Nungambakkam,

Chennai - 600 034,

Tamil Nadu.

... Defendant

Civil Suit praying that this Hon'ble Court be pleased to pass a Judgment and decree in favour of Plaintiff and against the Defendants :

i) A decree of Permanent Injunction be passed in favour of the Plaintiff and against the Defendant, its officers, Directors, Agents,

Distributors and Customers restraining them from using, employing, manufacturing, assembling, selling, offering for sale, advertising including through their and third party websites, products, devices and systems that are used for installation of glass panels, so as to result in infringement of the suit Patent, i.e., Indian Patent No.305596, until the Defendant has procured appropriate licenses and permissions therefore from Plaintiff ;

ii) An order for delivery up of infringing components/ elements, semi-manufactured products/parts, products, devices and systems manufactured using the patented technology, devices and systems including packaging, labels, brochures and other printed material for the purposes of destruction;

iii) A decree for damages in respect of use, manufacture, sale, export, import or any other infringing activity in relation to products, that infringes the subject matter of suit Patent, i.e., Indian Patent No.305596 and a decree for the amount so found and ascertained by this Court may be passed in favour of the Plaintiff and against the Defendants

iv) Costs of the suit be awarded to the Plaintiff ;.

This Civil Suit having been heard on 29.03.2022 in the presence of M/s.Sanjeev Kumar Tiwari, Mr.K.Muthu Selvam and Mr.Amrish Tiwari, Advocates for the plaintiff herein and the defendant herein not appearing in person or by advocate and the said defendant herein having been set exparte on 29.09.2021 and upon reading the plaint filed herein and the other

exhibits therein referred to and upon perusing the evidence adduced therein and having stood over for consideration till this date and coming on this day, before this Court for orders in the presence of the said advocates for the parties of the said advocates for the parties hereto, and this Court having observed that the Plaintiff has established that it is the registered proprietor of the Suit Patent. The Plaintiff has also established that the claims forming part of the Suit Patent were infringed by the Defendant,

It is ordered and decreed as follows :-

That M/s. Harsha Exito Engineering (P) Ltd., the defendant herein, its Officers, Directors, Agents, Distributors and Customers be and is hereby restrained by an order of Permanent Injunction from using, employing, manufacturing, assembling, selling, offering for sale, advertising including through their and third party websites, products, device and systems that are used for installation of glass panels, so as to result in infringement of the suit patent i.e. Indian Patent No.305596, until the defendant has procured appropriate licenses and permission therefore from plaintiff herein.

2) That the defendant herein be and is hereby directed to deliver the infringing components elements, semi-manufactured products / parts, products, devices and systems manufactured using the patented technology, devices and systems including packaging, labels, brochures and other printed material for the purpose of destruction.

3) That the defendant herein, do pay to the plaintiff herein, a sum of Rs.6,13,366/- (Six Lakhs Thirteen Thousand Three Hundred and Sixty Six only) towards damages.

4) That the defendant herein, be and is hereby directed to pay the plaintiff a sum of Rs.5,00,000/- as costs which includes Court fees, lawyer's fees and other costs.

WITNESS THE HON'BLE MR. JUSTICE MUNISHWAR NATH BHANDARI, CHIEF JUSTICE, HIGH COURT AT MADRAS AFORESAID, THIS THE 22ND DAY OF JUNE 2022.

Sd/-

ASSISTANT REGISTRAR (Comm.Cases)

//Certified to be true copy//

Dated at Madras this the day of 2022.

COURT OFFICER(O.S.)

From 25th Day of September 2008 the Registry is issuing certified copies of the Orders/Judgments/Decrees in this format.

ED
27.06.2022

C.S(Comm Div)No. 409 of 2019

DECREE

DATED : 22.06.2022

THE HON'BLE MR. JUSTICE
SENTHILKUMAR RAMAMOORTHY

FOR APPROVAL : 27.06.2022

APPROVED ON : 04.07.2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Judgment reserved on	29.03.2022
Judgment pronounced on	22.06.2022

CORAM

The Hon'ble Mr. Justice **SENTHILKUMAR RAMAMOORTHY****Civil Suit(Comm.Div) No.409 of 2019**

Saint-Gobain Glass France
 18 Avenue d' Alsace
 92400 Courbevoie
 France
 Through its authorized signatory,
 S.Giriraj Kumar

Also at
 Saint Gobain India Private Limited (R &D)
 IIT – Madras Research Park No.IFA, Phase-2,
 "C-Block"
 Kanagam Road, Taramani,
 Chennai – 600 013.

... Plaintiff

vs.

M/s.Harsha Exito Engineering (P) Ltd.,
 Apex Plaza, VI Floor,
 #3, Uthamar Gandhi Salai,
 Nungambakkam,
 Chennai – 600 034.

... Defendant

Civil Suit is filed under Section 104 of the Patents Act, 1970 r/w
 Order IV Rule 1 of O.S. Rules and Order VII Rule 1 and Section 151 of the
 Code of Civil Procedure, 1908 and Sections 2(1)(c) and 7 of the

Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 praying to a decree of permanent injunction be passed in favour of the Plaintiff and against the Defendant, its officers, Directors, Agents, Distributors and Customers restraining them from using, employing, manufacturing, assembling, selling, offering for sale, advertising including through their and third party websites, products, devices and systems that are used for installation of glass panels, so as to result in infringement of the suit Patent, i.e., Indian Patent No.305596, until the Defendant has procured appropriate licenses and permissions therefore from Plaintiff; (ii) an order for delivery up of infringing components/elements, semi-manufactured products/parts, products, devices and systems manufactured using the patented technology, devices and systems including packaging, labels, brochures and other printed material for the purposes of destruction; and (iii) a decree for damages in respect of use, manufacture, sale, export, import or any other infringing activity in relation to products, that infringes the subject matter of suit Patent, i.e., Indian Patent No.305596 and a decree for the amount so found and ascertained by this Court may be passed in favour of the Plaintiff and against the Defendant and (iv) for the costs of the suit.

For Plaintiff : M/s.Sanjeev Kumar Tiwari
Mr.K.Muthu Selvam and
Mr.Amrish Tiwari
For Defendant : No appearance

J U D G M E N T

The suit was filed for a permanent injunction to restrain the Defendant from infringing Indian Patent No.305596 (the Suit Patent) and for consequential orders for delivery of the infringing products to the Plaintiff for the purposes of destruction and for a decree of damages for the amount so found and ascertained by the Court.

2. The Plaintiff stated the following. It is part of the Saint Gobain group of companies which is active in more than 67 countries, and designs, manufactures and distributes high performance building materials, which are used in the building and construction industry. It obtained the Suit Patent (Indian Patent Number 305596) for the system and method of installing glass panels, which is the underlying technology for the Saint Gobain Product – SGG PLANICLIP®.

3. The Plaintiff further contended that the Defendant infringed the said suit patent when it entered into a contract with TRIL Info Park Ltd (TRIL), as a substitute for the Plaintiff, for supply and installation of glass panels. The Plaintiff asserts that the Defendant employed and used an identical device, system and method as claimed in the Suit Patent to complete the TRIL contract. The Plaintiff, on further inquiry, found that the

Defendant filed an application for grant of patent for an alleged invention, which is not novel but based on the Suit Patent.

4. Upon service of summons, the Defendant entered appearance through counsel and filed the written statement. The Defendant denied all the averments made by the Plaintiff in its written statement. The Defendant contended that TRIL's contract specified the use of glass holding fixtures/clamps by trade name "PLANICLIP" or similar clamps that are readily available in the market. The Defendant admits that it procured clips of a different dimension but similar function from China on 05.04.2017 and carried out installation from 20.04.2017 to 20.06.2017. The Defendant also noted that the Plaintiff did not raise any objection during the completion of the project and contended that the legal notice dated 04.07.2017 is not valid since the Plaintiff's patent application had been abandoned by then.

5. By taking into account the pleadings and documents, the following issues were framed by this Court:

- 1. Whether the Plaintiff is the Proprietor of the Indian Patent bearing number IN 305596?*
- 2. Whether the Defendant has infringed/ has been infringing the Indian Patent bearing number IN 305596?*

3. *Whether the Defendant is liable to be permanently enjoined from infringing the Plaintiff's Patent?*

4. *Whether the Plaintiff is entitled to damages owing to infringing activities of the Defendant? If so, on what terms and for what period?*

6. The Plaintiff adduced oral evidence by examining Giriraj Kumar as PW1 and K.Shoba as PW2. Exs.P1 to P12 and Exs.P13 to P21 were exhibited in the course of the examination-in-chief of PW1 and PW2, respectively. After the examination, including cross-examination, of PW1 was completed, the Defendant failed to appear either in person or through counsel. Therefore, by order dated 29.09.2021, the Defendant was set *ex parte*. Oral Submissions on behalf of the Plaintiff were made by Mr.Sanjeev Kumar Tiwari, learned Counsel, assisted by Mr.K.Muthu Selvam and Mr.Amrish Tiwari, learned Counsel.

7. As far as Issue No.1 is concerned, it is clear from Ex.P4 that the Plaintiff is the patentee of the Suit Patent. The patent application was filed on 25.03.2015 and the Suit Patent was granted on 11.01.2019. The patent application was the subject matter of a pre-grant opposition under Section 25(1) of the Act and it is pertinent to note that the Suit Patent passed the

twin tests of examination and pre-grant opposition. Ultimately, the Suit Patent was granted on 11.01.2019. Therefore, as regards Issue No.1, the Plaintiff is declared as the proprietor of the Suit Patent.

8. Issue Nos.2 & 3 pertain to the alleged infringement of the Suit Patent by the Defendant and the consequential remedy of permanent injunction restraining the Defendant from infringing the Suit Patent. Since both the issues are closely inter-linked, they are considered and decided in a consolidated manner. In order to decide these issues, at the outset, it is pertinent to examine whether the Plaintiff is entitled to maintain an action for infringement against the Defendant in respect of the alleged acts of infringement of the Suit Patent. For such purpose, two provisions of the Patents Act, 1970 (the Patents Act) should be examined. Section 45 of the Patents Act is set out below:

“45. Date of patent-

(1) Subject to the other provisions contained in this

*Act, every patent shall be dated as of the date on
which the application for patent was filed.*

*(2) The date of every patent shall be entered in the
register.*

(3) Notwithstanding anything contained in this section, no suit or other proceeding shall be commenced or prosecuted in respect of an infringement committed before the date of publication of the application.”

The other provision of relevance is Section 11A(7), which is set out below:

“(7) On and from the date of publication of the application for patent and until the date of grant of a patent in respect of such application, the applicant shall have the like privileges and rights as if a patent for the invention had been granted on the date of publication of the application:

Provided that the applicant shall not be entitled to institute any proceedings for infringement until the patent has been granted.”

By a conjoint reading of these two provisions, two conclusions follow. First, that a suit for infringement shall not be filed until the patent is granted and, secondly, such suit shall not be filed in respect of acts of infringement committed before the date of publication of the application. Turning to the facts of this case, the plaint was presented on 07.06.2019, which is

subsequent to the grant of the patent on 11.01.2019. Thus, the condition stipulated in the first proviso to Section 11A(7) of the Patents Act is satisfied. As regards the condition imposed by Section 45(3), the publication date was 30.09.2016. Therefore, it should be examined whether the allegedly infringing acts are subsequent thereto. If so, the action is maintainable; if not, it is not. The acts of alleged infringement relate to the work undertaken by the Defendant for TRIL. In paragraph 4 of the written statement, the Defendant stated that: TRIL awarded the contract on 07.02.2017, the clamps were procured on 05.04.2017 and the work of installation of the glass panels was carried out between 20.04.2017 and 20.06.2017. All these activities are subsequent to the publication date. Hence, the second condition is duly satisfied and, therefore, the action for infringement is maintainable.

9. It remains to be considered whether the acts of the Defendant constitute infringement. In paragraphs 15 and 18 of the plaint, the Plaintiff stated that its application for grant of patent was opposed by Dr.V.Velpari, Director of the Defendant, with the knowledge that the execution of the TRIL contract would result in infringement. The petition for opposition is part of Ex.P11. On scrutiny, it is clear that it was submitted on 26.07.2017 by Dr.V.Velpari on behalf of the Defendant under Section 25(1) of the

Patents Act. Eventually, after considering further submissions by both parties, including through counsel, the opposition was rejected and the Suit Patent was granted. In paragraph 4 of the written statement, the Defendant admitted that the contract with TRIL required the Defendant to use glass holding fixtures/clamps that are similar in functional performance and frontal installed appearance to “PLANICLIP”, though in a different dimension. As stated earlier, the Defendant mentioned the date of procurement of the clips as 05.04.2017, the dates of installation thereof as between 20.04.2017 and 20.06.2017 and the date of completion of work as 15.07.2017. In paragraph 5 thereof, the Defendant stated that Dr.V.Velpari opposed the patent as an intellectual pursuit because he believes that it is prior art and not novel. In the said paragraph, he is referred to as an Executive Director of the Defendant. Thus, it may be concluded that the opposition was for and behalf of the Defendant.

10. Meanwhile, a lawyer's notice was issued by the Plaintiff on 04.07.2017(Ex.P10) alleging infringement by the Defendant. The date of opposition appears to be shortly after the glass panels were installed using the impugned clamps and just before the reply notice dated 28.07.2017 was issued in response to the above lawyer's notice from the Plaintiff. Both in paragraph 19 of the plaint and in paragraph 11 of the affidavit by way of

evidence of PW1, the claims in respect of which the Suit Patent was granted are set out. In course of the examination-in-chief of the Plaintiff, a claim chart mapping document was exhibited as Ex.P7 through PW1. In the said document, the Plaintiff asserts and explains that the product and process used by the Defendant infringes claims 2-18 of the Suit Patent. PW1 was cross-examined by the Defendant through learned counsel. The only question on Ex.P7 and the answer thereto are set out below:

*“Q.81: Have you prepared Ex.P7 on your own or you
have taken any technical assistance for preparing
Ex.P7?*

A: I have prepared on my own”

Thus, the Plaintiff adduced evidence of infringement of its claims by the Defendant. The Defendant did not lead any evidence to the contrary and did not cross-examine PW1 on such evidence beyond eliciting that Ex.P7 was prepared by PW1. The preparation of Ex.P7 by PW1 does not *per se* establish that the Plaintiff's claims were not infringed by the Defendant.

11. The Plaintiff also exhibited the original photograph depicting the side view of the glass installation by the Defendant at the TRIL site as Exhibit P12 to prove infringement. The cross-examination on this exhibit is set out below:

“ Q.78. You have stated in para-21 of your proof affidavit that you have arrived at the conclusion based on the photograph provided to you. Is the photograph Ex.P12?

A. Yes it is one of the photographs.

Q79. How many photographs contains in Ex.P12?

A. Only one photograph

Q.80. Apart from Ex.P12 have you filed any other photograph before this Hon'ble Court?

A. No I have not.”

Ex.P12 evidences the work done by the Defendant at site. This is not controverted by the Defendant and the cross-examination merely establishes that the Plaintiff filed only one photograph. Hence, on cumulative consideration of the material evidence, it is concluded that the Defendant's use of functionally similar glass holding clamps amounts to infringement of the Plaintiff's Suit Patent. Consequently, the Defendant is liable to be permanently restrained from infringing the Plaintiff's Suit Patent.

12. Issue No.4 pertains to the damages claimed by the Plaintiff due to the alleged infringing activities of the Defendant. Section 108 of the Patents Act stipulates damages as one of the reliefs in suits for infringement. In

order to determine a claim for damages, it is necessary to examine the evidence of loss incurred by the Plaintiff as a result of infringement. To substantiate the claim for damages, the Plaintiff produced invoices for the J, J1 and J2 Clips as Exs. P14 to P16 to indicate the prices of different clips. The Plaintiff also exhibited the Auditor's Certificate as Ex.P6. The Auditor's Certificate discloses the turnover from the sale of the patented product SGG Planiclip during the calendar years 2016-2019. The aggregate turnover during this period appears to be Rs.1,95,67,881.

13. The Plaintiff adduced oral evidence on losses through its Team Leader, Finance (S&M), K.Shoba, who was examined as PW2. In her affidavit by way of evidence, she deposed that the value of the contract awarded to the Plaintiff was Rs.1,20,78,143.50 at the rate of Rs.381 per square feet. Since the said contract was terminated mid-way, PW2 computed the incomplete area as 2200 square metres or 23680 square feet. By taking the invoice value of the patented product (the I, J1 and J2 clips) from Exs.P14-P16, PW2 arrived at the quantity and value of clips that would have been used to complete such incomplete work as Rs.30,31,511 (including insurance and GST) and as Rs.25,08,915/- without including the same. In addition, PW2 deposed that the contract between the Plaintiff and TRIL provided for the installation of glass panels at Rs.250 per square feet.

By computing the cost of installation of glass panels for the incomplete 2200 square metres or 23680 square feet, PW2 arrived at the sum of Rs.31,02,158.60 as the installation cost. By adding the cost of clips and panel installation, an aggregate claim of Rs.61,33,669.60 is made towards damages.

14. The validity of this claim for damages warrants examination. In effect, the sum of Rs.61,33,669.60 represents the total amount the Plaintiff would have received if the Plaintiff had executed the remaining work under the contract awarded to it by TRIL. This sum does not represent the profits it would have earned inasmuch as it includes material and labour cost. Besides, in paragraph 4 of the written statement, the Defendant stated that the value of the contract awarded to it was Rs.96,81,000/- and that the clip value was only Rs.10,00,000/-, but the Defendant failed to lead evidence. The claim for damages should be determined in this context by bearing in mind that such claim should either be founded on loss of profits or royalty. As regards loss of profits, it should also be recognised that the intrinsic nature of the claim, which is for losses that the claimant would have earned but for the infringement/breach, does not lend itself to direct and concrete evidence. Nonetheless, notice may be taken of the fact that, in most construction contracts, the profit percentage varies between 10-15%. This

was judicially noticed in *A.T.Brij Paul Singh v. State of Gujarat*, AIR 1984 SC 1703. Since the price per square foot of the Defendant's contract is not on record, the computation cannot be made by applying the Defendant's terms of contract. In the circumstances, the adoption of the lower end of the profit percentage band is reasonable. Therefore, a sum of Rs.6,13,366/- is awarded as damages at 10% of the amounts the Plaintiff would have earned if the Plaintiff had executed the remaining work using the Suit Patent.

15. The Plaintiff also exhibited the invoices and memo of costs for prosecuting the suit (Ex.P17-P20) and claimed a total of Rs.28,52,691.52 on such account. The Plaintiff paid a court fee of about Rs.1,31,000/- for a claim of Rs.1,25,00,000/-. By taking into account the fact that the Plaintiff succeeded in establishing infringement but only partly in its claim for damages, a total sum of Rs.5,00,000/- is awarded as costs towards reasonable lawyer's fees, court fees, witness and other expenses.

16. In sum, on examining the pleadings of both parties and the evidence on record, the Plaintiff has established that it is the registered proprietor of the Suit Patent. The Plaintiff has also established that the claims forming part of the Suit Patent were infringed by the Defendant. Consequently, the plaintiff is entitled to succeed as per Section 108 of the Patents Act with regards to prayers (i) and (ii) of paragraph 63 of the plaint.

As regards prayer (iii), an amount of Rs.6,13,366/- is awarded as damages, and, as regards prayer (iv), a sum of Rs.5,00,000/- is awarded.

17. Accordingly, C.S.(Comm. Div.) 409 of 2019 is decreed in terms of prayers (i) and (ii) of paragraph 63 of the plaint. As regards prayer (iii), an amount of Rs. 6,13,366/- is awarded as damages. In addition, the Defendant is directed to pay the Plaintiff a sum of Rs.5,00,000/- as costs, which includes court fees, lawyer's fees and other costs.

Plaintiff's witnesses:

PW1 : S.Giriraj Kumar

PW2 : K.Shoba

Defendant's witnesses: NIL

Documents exhibited by the Plaintiff:

S.No	Exhibits	Date	Particulars of Documents
1.	Ex.P1	-	Copy of Curriculum Vitae (CV)
2.	Ex.P2	28.08.2017	Copy of Incorporation Certificate of Plaintiff
3.	Ex.P3	18.04.2019	Copy of Authorization
4.	Ex.P4	30.04.2019	Certified Copy of Suit Patent No.305596
5.	Ex.P5	22.10.2019	Certified Copy of Order dated 10.01.2019 passed by the Controller of Patents and Designs
6.	Ex.P6	24.04.2019	Copy of CA Certificate
7.	Ex.P7	-	Claim Chart Mapping
8.	Ex.P8	02.06.2017	Copy of First Examination Report issued by Indian Patent Office dated 02.06.2017
9.	Ex.P9	-	Certificate under Section 65-B of the Indian Evidence Act, 1872
10.	Ex.P10	04.07.2017	Copies of Letter dated 4 th July, 2017 sent by

S.No	Exhibits	Date	Particulars of Documents
			the Plaintiff to the Defendant and its reply thereof dated 28 th July, 2017
11.	Ex.P11	26.07.2017	Copies of Pre-Grant Opposition, Necessary Replies, Evidence as well as written note of arguments submitted before the Controller of Patents
12.	Ex.P12	-	Original Photograph depicting the side view of the glass installation using clips made by the Defendant at TRIL site.
13.	Ex.P13	-	Copy of Curriculum Vitae (CV)
14.	Ex.P14	27.10.2016	Copy of Tax Invoice No.8708000979 dated 27.10.2016 for J Clip
15.	Ex.P15	27.10.2016	Copy of Tax Invoice No.8708000980 dated 27.10.2016 for J1 Clip.
16.	Ex.P16	27.10.2016	Copy of Tax Invoice No.8708000981 dated 27.10.2016 for J2 Clip
17.	Ex.P17	05.07.2019	Original Invoice Bill No. 168/PSR/2019-20 dated 05.07.2019
18.	Ex.P18	12.07.2019	Original Invoice Bill No. 189/PSR/2019-20 dated 12.07.2019
19.	Ex.P19	25.07.2019	Original Invoice No.GUR/1920/08254 dated 25.07.2019
20.	Ex.P20	25.10.2019	Original Invoice No.GUR/1920/14579 dated 25.10.2019
21.	Ex.P21	5.11.2019	Certificate under Section 65-B of the Indian Evidence Act, 1872 dated 5.11.2019

Documents exhibited by the Defendant : NIL

Sd./- S.K.R.J.,
22/06/2022

//Certified to be true copy//

Dated at Madras this the day of 2022.

COURT OFFICER(O.S.)

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