



\$~2

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

+ C.A.(COMM.IPD-PAT) 19/2024

ITC LIMITED

.....Appellant

Through: Mr. Gaurav Pachnanda and Mr. J Sai Deepak, Senior Advocates with Mr. Nikhil Rohatgi, Mr. Samik Mukherjee, Ms. Amrita Majumdar, Mr. Avinash Sharma, Mr. Udbhav Gady and Ms. Ashika Jain, Advocates.

versus

PHILIP MORRIS PRODUCTS S.A. & ANR.Respondents

Through: Mr. Nishant Rai, Mr. Manish Aryan, Ms. Manisha Singh, Mr. Abhai Pandey and Ms. Shivani Singh, Advocates for R-1.

Ms. Maanya Saxena, Advocate for Mr. Jagdish Chandra, CGSC for R-2.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

%

20.03.2026

1. This appeal is filed on behalf of the Appellant under Section 117A of The Patents Act, 1970 ('1970 Act') laying a challenge to impugned order dated 29.12.2023 as also for revocation of Indian Patent No. 319780 (IN'780) in its entirety.

2. Subject matter of the present appeal is an invention titled '*An Aerosol Generating System having means for Determining Depletion of a Liquid Substrate*', for which patent was granted to Respondent No.1 on 04.09.2019 being IN'780. The patent application was filed as National Phase Patent Application on 24.06.2013 claiming priority from application no.



10252235.6 filed before the European Patent Office on 24.12.2010 and the patent expires on 22.12.2031.

3. Appellant filed written statement of Opposition on 04.09.2020 to which reply statement was filed by Respondent No.1 under Rule 58 of Patents Rules, 2003 ('2003 Rules'). On 01.03.2021, Appellant filed reply evidence under Rule 59 along with additional prior arts and the hearing was scheduled for 15.09.2021. On 16.08.2021, Respondent No.2 shared a copy of recommendations of the Opposition Board with the parties, which recommended that the claimed invention was obvious to a person skilled in the art. On 01.11.2021, both sides filed their respective submissions and vide order dated 03.01.2022, Respondent No.2 dismissed the Opposition and maintained IN'780, disagreeing with the Opposition Board.

4. The order was challenged by the Appellant in this Court in C.A.(COMM.IPD-PAT) 24/2022 and vide order dated 21.04.2022, Court remanded the matter for fresh hearing and consideration. On remand, hearing took place on 05.07.2022, whereafter parties filed their written submissions on 05.08.2022. On 04.10.2022, Respondent No.2 again dismissed the post-grant opposition, leading to filing of appeal bearing no. C.A.(COMM.IPD-PAT) 3/2023. This appeal was disposed of vide order dated 23.05.2023 and the matter was remanded back to Respondent No.2 for fresh consideration with certain directions. The matter was heard *de novo* by Respondent No.2 and the order impugned in this appeal was passed on 29.12.2023.

5. Learned Senior Counsels for the Appellant submit that this is a third round of litigation between the parties and despite two previous orders passed by this Court on 21.04.2022 and 23.05.2023 remanding the matter



back to Respondent No.2 for *de novo* consideration, Respondent No.2 has not taken into consideration the reply affidavit filed by the Appellant under Rule 59 of 2003 Rules as also documents filed with the affidavit on 01.03.2021. It is urged that the first appeal was allowed by the Court on the ground that the impugned order rejecting the post-grant opposition was unreasoned and non-speaking. After the matter was remanded, the same was heard *de novo* and again the post-grant opposition was dismissed upholding IN'780 on the ground that the impugned order did not satisfactorily answer all submissions advanced by the Appellant in the written statement of Opposition; reply under Rule 59 and documents filed therewith on 01.03.2021; and written submissions. Even after the matter being remanded twice, Respondent No.2 has not dealt with reply evidence of Mr. Subburaj, despite the fact that in the second order this Court had categorically directed Respondent No.2 to do so. Respondent No.2 has only made a stray mention of the affidavit but has failed to take into account the interpretations given therein. Respondent No.2 was under an obligation to deal with the affidavit and documents extensively as Mr. Subburaj has rendered a detailed opinion on how the cited paragraphs in prior art D1 teach the feature of determining depletion of liquid aerosol forming substrate based on relationship between a power applied to the heating element and a resulting temperature change of the heating element. He has also opined as to the relevance of other prior arts forming part of Opposition proceedings and additional documents filed by the Appellant. The evidence assumes significance since the Opposition Board had not considered the evidence. The additional documents filed with the affidavit were crucial to Appellant's case but have been completely overlooked. Respondent No.2 has failed to appreciate that reply affidavit



under Rule 59 is a statutory requirement in patent opposition proceedings and its importance and significance cannot be undermined.

6. Ms. Manya Saxena, Advocate appearing on behalf of Mr. Jagdish Chandra, learned CGSC, for Respondents No. 2 and 3, on instructions, submits that the matter be remanded back to the Controller for *de novo* consideration taking into account the reply evidence affidavit filed by the Appellant under Rule 59 of the 2003 Rules along with documents filed on 01.03.2021.

7. Heard.

8. By this appeal, Appellant lays a challenge to impugned order dated 29.12.2023, whereby post-grant opposition of the Appellant has been dismissed. *Albeit* the order is challenged on multiple grounds including on merits, during the course of hearing it is agreed between the parties that the matter be remanded back to Respondent No.2 for *de novo* consideration. In light of this Court is not delving into the merits of the post-grant opposition.

9. It is rather an unfortunate state of affairs that this matter is being remanded to Respondent No.2 for fresh consideration for the third time. On 21.04.2022, Court had remanded the matter since the impugned order dated 03.01.2022 was unreasoned and non-speaking. On remand, Respondent No.2 considered the post-grant opposition afresh but did not take into consideration the reply affidavit filed by the Appellant under Rule 59 and the documents filed therewith on 01.03.2021. Once again Appellant challenged the impugned order dated 04.10.2022 and the appeal was partially allowed vide order dated 23.05.2023, remanding the matter with a direction to consider the written statement of Opposition dated 04.09.2020, reply affidavit under Rule 59 along with documents filed on 01.03.2021 and



written submissions of the parties. From a reading of the order dated 23.05.2023, it is clear that Court had categorically directed Respondent No.2 to consider the reply affidavit and documents while examining the post-grant opposition *de novo*. Despite this, the said documents have not been considered by the Controller.

10. Non-consideration of the documents and the affidavit of Mr. Subburaj filed under Rule 59 of the 2003 Rules cannot be countenanced for the reason that this violates the categorical direction passed by this Court on 23.05.2023, remanding the matter as also provisions of Rule 59. In ***Pharmacyclics LLC v. Union of India, W.P. (C) 12105/2019*** decided on 20.11.2019, this Court has held that overall reading of the scheme of Rules 55A to 63 of 2003 Rules makes it clear that Rules contemplate a two-stage decision making process. Stage one is reference to the Opposition Board of all the pleadings and evidence and Stage two is decision by the Controller, which is to be rendered after receiving recommendations of the Opposition Board and affording a hearing, if sought. Thus, at the stage of taking a decision, Controller is expected to have all pleadings, documents and evidence relied upon by the parties and recommendation of the Board. In the instant case, non-consideration of the relevant documents and reply evidence while passing the impugned order has resulted in a situation where this Court is compelled to remand the matter for the third time. This has not only prolonged the conclusion of the proceedings pertaining to the post-grant opposition but has resulted in subjecting the parties i.e., the patentee as also the opposer to unnecessary waste of time, money and resources, besides leading to judicial time being devoted on repeated remands. It is also unfortunate and matter of serious concern that directions of this Court are



being ignored and overlooked as also that the Controllers are not understanding the scope and ambit of the orders passed by the Court remanding the matters for consideration *de novo*.

11. In light of the above facts, this appeal is partially allowed remanding the matter to Respondent No.2 for considering the post-grant opposition *de novo* taking into consideration the reply evidence filed by the Appellant under Rule 59 of 2003 Rules along with documents filed on 01.03.2021. The post-grant opposition will be decided within a period of ten weeks from today after granting opportunity of hearing to the Appellant and Respondent No.1. While deciding the post-grant opposition, it shall be borne in mind that this is a third round of litigation and hence, all aspects of the matter including reply evidence, documents etc., referred to above shall be taken into consideration while passing the order.

12. It is made clear that this Court has not expressed any opinion on the merits of the case and rights and contentions of both parties are left open.

13. Appeal stands disposed of in the aforesaid terms.

JYOTI SINGH, J

MARCH 20, 2026/VP/AK