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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
Reserved on:-25th August, 2023

Date of decision:- 20th October, 2023

+ **CS(COMM) 403/2018 and CC 54/2009**

STRIX LTD

..... Plaintiff

Through: Ms. Ekta Sarin, Mr. Zeeshan Khan and
Mr. Shakti Priyan Nair, Advocate (M:
9711721913).

versus

MAHARAJA APPLIANCES LIMITED

..... Defendant

Through: None

CORAM:

JUSTICE PRATHIBA M. SINGH

JUDGMENT

Prathiba M. Singh, J.

1. This hearing has been done through hybrid mode.
2. The Plaintiff - Strix Limited has filed the present suit in 2009, for permanent injunction restraining infringement of patent IN 192511/95, delivery up, rendition of accounts and damages.
3. The Defendant - Maharaja Appliances Limited has filed a counter - claim challenging the validity of the Plaintiff's patent IN 192511/95 and seeking revocation of the Patent.

Brief facts

4. The Plaintiff is a company incorporated in the Isle of Man in 1951 as Castletown Thermostats. The name was changed to Strix Limited in 1981. The Plaintiff is engaged in the manufacture and sale of temperature control systems and cordless interfaces for kettles, jugs and a wide range of water boiling appliances. It claims to be a leading manufacturer of the same, selling



to over 40 countries at the time of filing of the present suit. It is stated that the Plaintiff's temperature control systems are used over one billion times a day worldwide by over 20 per cent of the population across the globe.

5. The claim of the Plaintiff is that these control systems are used with heating elements in various household appliances including kettles. The control systems help in switching off when the water boils in the kettles in order to protect the same from damage. It is submitted that the STRIX U10 Series controls were first sold by the Plaintiff in 1996. The Plaintiff's controls are claimed to be used by various brands such as Philips, Tefal, Rowenta, Morphy Richards, Russell Hobbs, Braun, Kenwood, Bosch, Siemens *etc.*

6. The Plaintiff applied for a patent in India through the PCT route and was granted Patent No. 192511/95 in respect of '*Liquid heating Vessels*' on 11th November, 2005 (*hereinafter*, '*Suit Patent*') claiming priority from an U.K Application dated June 9, 1994. The Suit Patent is valid for a period of twenty years from the date of application, i.e. till 8th June, 2015.

7. The case of the Plaintiff is that the invention in the Suit Patent has been used by the Plaintiff since 2002. The principal claim of the Suit Patent is that of a liquid heating vessel comprising a liquid receiving container and an electrical heating element provided in thermal contact, with the base of the container. It is stated to contain a thermally sensitive overheat control comprising of at least two thermally responsive sensors arranged in "*good thermal contact with and at spaced apart locations on the base of the container or the element said sensors individually being operable, in the event of said element overheating due to the vessel being switched on dry or boiling dry but not during normal boiling operation of the vessel so as to interrupt or reduce the supply of electrical energy to the element.*" In other words, the



patented controls work based on sensing the temperature of the element, the element gets switched off once a certain temperature is reached. For the sensors of the Suit Patent to work, therefore, there is no need for the container itself to contain the liquid. The relevant claims of the Plaintiff read as under:

“1. A liquid heating vessel (2) comprising: a liquid receiving container; an electrical heating element (8) provided on or in thermal contact with the base of said container (4); a thermally sensitive overheat control (6) arranged to operate in the event of said element (8) overheating so as to interrupt or reduce the supply of electrical energy to the element; characterised by said thermally sensitive overheat control (16) comprising at least two thermally responsive sensors (12,14) arranged in good thermal contact with, and at spaced apart locations on, the base of the container (4) or the element (8), said sensors (12,14) individually being operable, in the event of said element (8) overheating due to the vessel (2) being switched on dry or boiling dry but not during normal boiling operation of the vessel (2) so as to interrupt or reduce the supply of electrical energy to the element (8).

3. A liquid heating vessel (2) as claimed in claim 1 or 2 wherein said sensors are bimetallic actuators (12,14).

4. A liquid heating vessel (2) as claimed in any preceding claim wherein said sensors (12,14) are mounted directly against the container base (4) or the element (8).

6. A liquid heating vessel (2) as claimed in any preceding claim wherein said sensors (12,14) are adapted to operate to open respective sets of contacts (18) as herein described in the respective poles of the supply to the element (8), giving double pole protection.



8. A liquid heating vessel (2) as claimed in any preceding claim wherein said sensors (12,14) are mounted on a common carrier (22) which is mounted to the vessel base(4).

12. A liquid heating vessel (2) as claimed in claim 11 wherein said contacts (18) are mounted in a moulded member mounted to said carrier (22).

19. A liquid heating vessel (2) claimed in claim 1 wherein said electric energy is provided with a cordless electrical connector(18).”

20. A liquid heating vessel (2) claimed in claim 14 wherein said connector (18) is mounted or integrated with said carrier (22).”

8. It is submitted by the Plaintiff that the patented control has been sold by it to the Defendant itself in the years 2005-2006. The same is reflected by the documents and email correspondence between the parties, which have been placed on record. The Plaintiff claims to have then come across a kettle under the name ‘Maharaja Whiteline Model No. EK 172’ which had an identical temperature control system used in it. The Plaintiff issued a cease and desist notice to the Defendant on 27th September, 2007 which was replied to by the Defendant through its advocate and the requisition of the Plaintiff were not accepted and acceded to.

9. According to the Plaintiff, the infringement continued, despite service of the notice, leading to the filing of the present suit. In the present suit, summons were issued on 2nd July 2008. The Defendant filed its written statement along with a counterclaim being **CC No. 54/2009** against the Plaintiff seeking a decree declaring the Suit Patent as invalid and not an invention under the Patents Act, 1970 and removal of the registration of the Suit Patent i.e., revocation of the patent.

10. In the present case, the interim injunction application was heard and



vide a detailed judgment dated 10th September, 2009, the injunction application was allowed in favour of the Plaintiff and injunction was granted.

11. Vide order dated order dated 20th October, 2009, issues were framed in the suit.

12. The Plaintiff led the evidence of Mr. Richard Moorhouse, the Consumer Safety Manager of the Plaintiff who is also technically qualified. The said witness was cross examined by the Id. Counsel for the Defendant on 27th April, 2010, 28th April, 2010 and thereafter on 22nd September, 2010.

13. The Defendant filed evidence by way of affidavit of Mr. Sujit Yadav, Legal & Secretarial Officer. The said evidence was tendered on 23rd January, 2012, however, an objection was taken by the Plaintiff that the name of the said witness was not in the list of witnesses. The Defendant did not take any steps to amend the list of witnesses.

14. Thereafter, settlement was explored between the parties, however, the same did not fructify. The witness of behalf of the Defendant was again present on 31st July, 2012 but the matter was adjourned at the request of Defendant. Thereafter, the said witness stopped appearing and a new witness Mr. Shashi Shekhar appeared on 21st May 2014. However requisite steps for change of witness was not done by the Defendants. Costs were also imposed on Defendant on 27th July, 2011 and 21st May 2014. Accordingly Defendant's evidence was closed and the Defendant was proceeded *ex parte*.

15. On 12th August, 2014, Id. Counsel for the Defendant took discharge and the matter has, thereafter, been pending for final hearing.



Submissions

16. Submissions on behalf of the Plaintiff made by Ms. Ekta Sarin, Id. Counsel and submissions in the written statement to the Counter Claim filed by the Plaintiff are under:

- (i) That the Suit Patent is for an invention in respect of a sensor which is mounted along with the heating elements. Upon the element getting heated, the sensor automatically switches off the kettle. The product has an electrical sensor which is linked to the element and senses the increase in the temperature of the said element. It is however not a sensor vis-à-vis the liquid in the vessel. The claims of the Suit Patent map on the Defendant's product fully and the same is seen from the chart set out in paragraph 13 of the plaint.
- (ii) That the Suit Patent has been granted and it has not been revoked till date. The invention disclosed in the Suit Patent has been worked for a long time as it was introduced in the market in the year 2002. It is submitted that the attempt by the Defendant to sell an electric kettle using a similar temperature control system is a blatant infringement of the Suit Patent.
- (iii) That in the written statement, the Defendant has not denied that it is infringing the Suit Patent but has only raised an objection as to the validity of the Suit patent by contending that it was based on a prior art viz., European Patent **EP0469758**.
- (iv) That the Defendant has till date not indicated the name of the supplier in China from whom the infringing electric kettles have been imported and sold by it in India. Reliance is placed on the



judgment in *M/s. National Research Development Corporation of India, New Delhi v. The Delhi Cloth General Mills Co. Ltd.* AIR 1980 Delhi 132.

- (v) The Plaintiff submits that it has successfully litigated in China against the infringement of the corresponding Chinese patent against three Chinese companies.
- (vi) That in response to the Plaintiff's claim mapping, the Defendant's response is a mere bare denial on the ground that the Defendant is not the manufacturer of the product in question.
- (vii) That insofar as the three prior art documents are concerned, the first document i.e. US Patent bearing no. **6818866** is not a valid prior art as it is subsequent to the priority date of the Suit Patent.
- (viii) The second document i.e., the European Patent being **EP0469758** would not invalidate the Plaintiff's patent as, in the said document, the disclosure is of a sensor where the thermistor auto-cuts on the liquid being heated up and not the element being heated up. Thus, there is a difference in the technology itself.
- (ix) That the third prior art document i.e. **WO 1999/029140** is also subsequent to the priority date of the Suit Patent.
- (x) That the Plaintiff is entitled to damages on various factors as provided in the IPD Rules, 2022 including on the basis of loss of profits which are suffered and on the basis of total units which may have been sold by the Defendant, which is a market leader. The Plaintiff is entitled to damages equivalent to the loss of profits of at least 5% on the total sales of kettles made by the Defendant. The profit earned by the Defendant from its sale of



the impugned kettle would be approximately Rs. 46 Crore and 20 lacs.

(xi) That the Plaintiff is also entitled to actual costs as per bill of costs placed on record.

(xii) The following judgements are relied upon by the Plaintiff:

- ***Virgin Enterprises Vs. Virgin Paradise Airlines Training Pvt. Ltd. being CS(OS) No. 734/2013 order dated 25th November, 2014,***
- ***Siemens Aktiengesellschaft & Anr Vs. Siemens Solutions being CS(OS) No. 1986 of 2013 order dated 10th November, 2014,***
- ***Time Incorporated Vs. Lokesh Srivastava & Anr., 2005 (30) PTC 3 (Del.),***
- ***Cartier International Ag & Others Vs. Gaurav Bhatia & Ors being CS(OS) No.1317/2014 Order dated 4th January, 2016***

(xiii) That the Defendant has not made any new averments/ submission/ filed documents in the Counter Claim and have repeated the submissions already made by them in the written statement, which are without any merits. The Defendant has filed this Counter Claim with the sole intention to delay the hearing of the interim injunction to of the original claim Plaintiffs.

17. The stand of the Defendant as per the written statement as also in the Counterclaim is as under:

(i) That as per the decision in ***M/s. Bishwanath Prasad Radhey Shyam v. M/s. Hindustan Industries AIR 1982 SC 1444*** in order to be patentable, the product must be an improvement on a unknown substance and something more than a mere workshop



improvement. The process must satisfy the test of constituting an inventive step.

- (ii) That the electric kettle of the Plaintiff containing the patented control was a normal feature and did not constitute an inventive step. The European Patent being **EP0469758** constitutes prior art for the Suit Patent. The Suit Patent is at best a re-arrangement of an existing invention which in any way was taught by the prior art which is available for anyone to commercially exploit. US Patent bearing no. **6818866** and **WO 1999/029140** shall also constitute valid prior art for the Suit Patent.
- (iii) That the Defendant cannot be held to be infringing any patent as it is an authorised buyer of the Chinese supplier's patented product and is a *bona fide* importer. That as and when the Chinese supplier informs about the patents held by it, the details of the same shall be provided.
- (iv) That no evidence has been placed on record by the Plaintiff to show that the patented invention had been worked by it in India and no document has been placed on record by the Plaintiff to show that these kettles have been available since 2002 or that they have been manufactured and sold in India. Reliance is placed on the judgments of the Division Bench of this court in ***Franz Xaver Huemer v. New Yash Engineers 1996 PTC (16) (DB)*** and ***Dart Industries Inc. v. Techno Plast 2007 (35) PTC 129 (Delhi)***.
- (v) That the judgment of the Chinese Judicial Authority does not deal with the validity of the patent and, therefore, cannot help the



case of the Plaintiff.

- (vi) That the Defendant is not a fly-by-night operator and has a business turnover of several crores. If an injunction as prayed for is granted to the Plaintiff it will cause irreparable harm to the Defendant and, therefore, the balance of convenience is not in favour of the Plaintiff.
- (vii) The Defendant was importing the heating elements from the Plaintiff in 2005-2006 however the same were defective. Thereafter in 2007, the Defendant imported the same from a Chinese Company which also had a patent. At no point of time, the defendant has ever manufactured the '*Liquid Heating Vessel*', which is installed in the said Kettles.

Analysis and Findings

18. The present suit was filed by the Plaintiff in 2008 seeking permanent injunction against the Defendant for infringing the Suit Patent. Vide order dated 10th September, 2009, an *interim* injunction was granted against the Defendant in the following terms:

“23. In the instant case, the prior art cited by the Defendant, i.e. the European Patent, is not even prima facie a prior art that teaches the Plaintiffs invention. It works on a very different principle. Further, the Defendant has been unable to show that the Chinese supplier from whom it is purchasing the infringing product, holds a patent for it. It is not even the Defendant's case that the said product per se does not infringe the Plaintiffs patent. The only defence is that the Plaintiffs patent lacks novelty and its validity is vulnerable on the ground of obviousness. This, for the reasons already discussed, has not even prima facie been



established by the Defendant. It is not possible to agree with the contention that the Plaintiffs patent is a mere trade variant of a known product. The Plaintiff has been able to prima facie show that it has been validly granted the patent which appears to be an inventive step in comparison with the prior art cited by the Defendant, viz., the European Patent. There is no merit in the contention that in terms of Section 3 (f) of the Act, the patent ought not to have been granted since the invention is a mere re-arrangement of known elements. In the considered view of this court, such a contention cannot be accepted on a mere averment by the Defendant. The Defendant will have to place on record' some scientific literature supported by some credible expert opinion to show even prima facie that the Defendant's product is a mere re-arrangement of already known products. This burden has not been discharged by the Defendant.

24. The submission that the Plaintiff has not worked its patent in India is also without merit. It is the Defendant's own case that it was purchasing the product from the Plaintiff in the year 2005-2006 and when it found that the products were defective, it started importing the product from China. It matters little whether the product of the Plaintiff was defective. What is evident is that the Plaintiff did commercially exploit its patent by marketing the product in India since 2005. It is not in dispute that the Defendant was purchasing the said product in India from the Plaintiff. The decision in Franz Xaver Huemer, therefore, has no application to the facts of the present case.

25. In Niky Tasha, the court observed "when there is a serious question as to the validity of the design to be tried in the suit and an application for cancellation has been made" an injunction can be refused as long as damages can provide an adequate remedy. In the considered view of this court, the said decision can also have no application in the instant case. It cannot be said that the



challenge to the validity of the patent as raised by the Defendant here is a "serious" one.

26. As regards the applicability of Section 107A of the Act, the Defendant has merely averred that it has written to Chinese supplier to give information on the patent held by it and is awaiting a reply. The Plaintiff cannot be made to wait indefinitely for an injunction just because the Defendant is awaiting information from the Chinese supplier. As long as the Defendant is not able to produce any information about the patent held by the Chinese supplier, the court will proceed on the footing that there is no such valid patent held by the Chinese supplier. In any event, it cannot delay the protection that the Plaintiff is entitled to seek on the basis of the patent registered validly granted to it.

27. The contention that the Defendant is not a fly-by-night operator and its business turnover is in several crores of rupees is a contention that should work against the Defendant for the simple reason that the Defendant is not expected to import a product without first checking if the Chinese supplier holds a valid patent. The Defendant knew that the Plaintiff held a valid patent for the product that the Defendant was marketing viz., the electric kettle. Even according to the Defendant, it was purchasing this electric kettle from the Plaintiff in the years 2005- 2006. Therefore, there was an obligation on the Defendant, even while it imported the same product from China, to ensure that it was not violating the Plaintiff's patent.

28. In the considered view of this court, the Plaintiff is entitled to enforcement and protection of its patent vis-a-vis other manufacturers, sellers and importers. Section 48 of the Act gives the patent holder a right to prevent all other users from making use of the patent or commercially exploiting the patent held by the Plaintiff except with the prior permission of the Plaintiff.

29. Accordingly, this application succeeds. An interim injunction will issue during the pendency of the suit restraining the Defendant, its agents, servants and all



others working for it from manufacturing and/or marketing the Maharaja Whiteline electric kettle Model No.BK172 or otherwise infringing in any manner the Plaintiff's patent No. 192511/95 or any part thereof.

30. This order has been passed on the basis of the pleadings and documents on record. The final decision in the suit, at the end of the trial, will be based upon an independent assessment uninfluenced by any of the observations made in this order.

19. After the interim injunction was granted, issues were framed vide order dated 20th October, 2009. The same read as under:

“1. Whether the Plaintiff is the Registered Patent Holder in respect of the product Liquid Heating Vessel bearing No. 192511/95? OPP

2. Whether the Defendant has infringed the Plaintiff's Registered Patent in respect of Liquid Heating Vessel? OPP

3. Whether the Defendant is the bona fide Importer and user of the kettles which are subject matter of the present suit? OPD

4. Whether the present suit is liable to be dismissed for suppression of material facts? OPD

5. Whether the Patent in respect of Liquid Heating Vessel bearing No. 192511/95 is liable to be revoked/cancelled as being not an invention within the meaning of Patents Act, as prayed in the Counter-claim, filed by the defendant? OPD

6. Whether the defendant is entitled to a decree as prayed in the Counter-claim filed by the defendant? OPD

7. Whether the suit has not been signed, verified and instituted by a duly authorized person? OPP

8. Whether the plaintiff is entitled to damages as claimed in the suit? OPP

9. Relief.”



20. Vide order dated 15th March, 2010, Issue No.8 was amended to as under:

*“Whether the plaintiff is entitled to account of profits received by the defendant from sale of its product?
OPP”*

21. The Defendant contested the suit till the stage of Plaintiff’s evidence. The Defendant filed the evidence by way of affidavit of Mr. Sujit Yadav, Legal & Secretarial Officer on 23rd January, 2012, however, an objection was taken by the Plaintiff that the name of the said witness was not in the list of witnesses. One affidavit in evidence was filed by the Defendant, however, after tendering of the evidence by the Defendant’s witness, the said witness did not appear. Thereafter the matter was adjourned on the ground that settlement talks between the parties were underway. A new witness Mr. Shashi Shekhar appeared on 21st May 2014. However, the said substitution remained inconclusive. Thus, on the said date the Joint Registrar closed the Defendant’s evidence in the following terms:

“Witness/DWI, who is to be cross examined, is not present and it is stated that since the change of management, this witness has joined some sister concern of the defendant.

It is stated that new witness Mr. Shashi Shekhar is present. It is also stated that defendant is ready to settle the matter.

Adjournment is strongly opposed for the reason that defendant is trying to delay the matter and on the last of hearing it was specified that if the witness is not present, evidence of the defendant shall stand closed and otherwise also there was sufficient time since 19.12.2013 to compromise the matter, if the defendant was so willing. Submissions made on behalf of the defendant seems to be no plausible as they should not have transferred this



witness to sister concerned when the matter is listed for defendant's evidence as last opportunity and otherwise also, if the witness has joined the sister concerned, he can always be asked to come and depose.

It appears that defendant's intention is only to delay the disposal of the matter and despite specific order that no further opportunity shall be granted and despite cost of Rs. 5,000/-, which has not yet been paid though was directed to be paid within 2 weeks. Defendant has not bothered to take steps for settlement as claimed or to file affidavit of the new witness subsequently to transfer of earlier witness. In facts, defendant's evidence is closed."

22. Thereafter, the Defendant's Counsel sought discharge and the Defendant was proceeded *ex parte*. In effect therefore, there has been no evidence that has been led, on behalf of the Defendant.

23. Accordingly, this Court shall proceed to decide the issues that have been framed on the basis of the pleadings and the evidence on record.

Issue No.1 - Whether the Plaintiff is the Registered Patent Holder in respect of the product Liquid Heating Vessel bearing No. 192511/95? OPP

24. Onus to prove this issue is on the Plaintiff. The Plaintiff's witness - Mr. Richard Moorhouse (PW1) has exhibited the certified copies of the granted complete specification as also the certified copies of the payment of annuities as PW 1/3. The patent certificate has also been issued in the name of the Plaintiff. The said grant is in favour of the Plaintiff which is a U.K. based company. Thus, this issue stands proved by the Plaintiff and is held in favour of the Plaintiff.

Issue Nos. 5 - Whether the Patent in respect of Liquid Heating Vessel bearing No. 192511/95 is liable to be revoked/cancelled as being not an invention within the meaning of Patents Act, as prayed in the



Counterclaim, filed by the defendant? OPD

Issue Nos. 6 - Whether the defendant is entitled to a decree as prayed in the Counter-claim filed by the defendant? OPD

25. Issue No. 5 and 6 relate to the issue of invalidity of the Suit Patent. Insofar as Issue No.6 is concerned, the Defendant filed a counterclaim seeking revocation of the Suit Patent under Section 64 of the Patents Act, 1970.

26. The grounds raised by the Defendant are broadly that the invention claimed in the Suit Patent was applied for by other entities prior to the Plaintiff. The said grounds are set out below:

“.....It is further submitted that the Patent as alleged to have been granted in favor of the plaintiff company with respect to Liquid Heating Vessel is invalid and is liable to be removed from the Register. It is submitted that the said technology as alleged by the plaintiff company is not new and the same was existing even prior to the same being adopted by the plaintiff company as alleged in the plaint. The defendant submits that at the time of filing application for Patent by the plaintiff company, the said technology was in public domain. So, the very registration of the patent if granted in favor of the plaintiff company with respect to Liquid Heating Vessel is bad in law and patent as alleged to have been granted in favor of the plaintiff company is liable to be removed/rectified from the Register of Patent.

6. That the Liquid Heating Vessel Technology on which the plaintiff is trying to create monopoly is not an invention within the meaning of Section 2(j) of The Patents Act, 1970, which is reproduced below:

Section 2 (j) "invention" means a new product or process involving an inventive step and capable of industrial application"

It is submitted that the said technology of Liquid Heating Vessel is not invented by the plaintiff company and the same existed much prior to the same being used



by the plaintiff company in any part of the world. It is submitted that the defendants have already filed documents showing Patent Registration and Patent applications with respect to the same invention i.e. Liquid Heating Vessel prior in point of time to the plaintiff company being adopted by some other person other than the plaintiff. It is submitted that it is the plaintiff's case that the plaintiff is claiming priority with respect to the said invention since the year 1995. The defendants submit that the defendants have filed documents which clearly show that the same invention on which the plaintiff is creating monopoly was applied by the another company/ entity, prior in point of time to the plaintiff coming into existence with respect to the alleged invention as stated in the suit. It is submitted that the documents which clearly show that the invention of the plaintiff company was already in existence much prior to the plaintiff's adoption of the same are annexed herewith as Annexure B Colly. It is submitted that from perusal of the said documents would reveal that one Mr. Mc Nar John Duncan had applied for the same very invention of Liquid Heating Vessel claiming the priority since 18th July, 1991 being application no EP19910306560. The said date clearly reveals the fact that the same very technology of controlling the temperature by the said Liquid Heating Vessel which is also the subject matter of present dispute, was already in existence much prior to the plaintiff's claiming priority with respect to the said invention. The said documents clearly reveal the fact that the Liquid Heating Vessel on which the plaintiff is claiming priority and monopoly is not an invention within the meaning of Section 2(j) of the Patents Act, 1970 and the Patent as granted in favor of the plaintiff is liable to be removed as it fails to satisfy the basic ingredients of the invention under the Patents Act, 1970."



27. A perusal of the documents which have been filed along with the counterclaim of the Defendant would show that the Defendant relies upon the following three documents to allege that the Suit Patent is invalid and is liable to be revoked:

- i) US Patent bearing no. 6818866 titled "*Liquid Heating Vessels*".
- ii) PCT Application bearing publication no. WO/1999/029140 titled "*Heating Element for a Liquid Heating Vessels*".
- iii) European Patent bearing publication no. EP0469758A2 titled "*Apparatus for Controlling Heating of Liquid*".

28. The Plaintiff in its written statement dated 11th August, 2009 to the Counterclaim has dealt with these documents and has pleaded as under:

"It is submitted that the original claim Defendants have claimed three patents to be prior to the date of filing of the original claim Plaintiffs patent. A perusal of the documents filed will show that the date of priority of two of said patents are subsequent to the original claim Plaintiffs patent. Documents filed by the original claim Defendants on the page number 1 to 10 refer to the U.S Patent under the number 6818866 which claims the priority from a GB patent application No: 0025794.9 filed on October 20, 2000 which is subsequent to the date of the original claim Plaintiffs patent which was filed on June 9, 1995 and claims the priority from June 9, 1994. Documents from the page number 19 to 24 refers to the international application under number WO/1999/029140 which claims priority from a GB patent application No: 9725099.7 filed on November 28, 1997 which is also over two years subsequent to the original claim Plaintiffs patent. It is submitted that the invention of the European Patent claimed to be in the name of Mr. John Duncan McNair shown to be claiming a priority since 18th July 1991 relates to totally different mechanism from the functioning of the original claim



Plaintiff patent and has nothing in common to the product patent of the original claim Plaintiff as substantiated by the below comparison table:

	<i>ASPECT</i>	<i>Indian patent 192511 (Applicant: Strix Ltd.)</i>	<i>EP Publication No. 0469758</i>
		<i>Filing date: June 09, 1995 This is a convention application claims priority from U.K. Application filed on June 9, 1994 and October 07, 1994 Information published regarding filing of the application: December 30, 1995 Acceptance Publication date: April 24, 2004</i>	<i>Filing Date: 18/07/1991 Claims priority from an Australian patent application AU 1455/90 Filed on <u>30/07/1990</u> Publication date in Europe without ISR: 05.02.1992 Publication date in Europe with ISR 13.01.1993</i>
1.	<i>Invention relates to</i>	<i>A liquid heating vessel wherein two sensors are provided which are in close contact with the base of the vessel, which will allow the temperature of the base and element to be detected accurately at least two spaced apart locations so that should the base or element overheat locally, at least one of the sensors may sense this quickly and cut off electric supply to the element.</i>	<i>This invention relates to apparatus for controlling the heating of a liquid wherein a Controlling device is disclosed for which works by sensing the liquid temperature as well as the ambient temperature.</i>



	<i>Claim - 1</i>	<i>Claims a liquid heating vessel wherein the two thermally responsive sensors are arranged in good thermal contact and at spaced apart locations on the base of the container.</i>	<i>Claims a temperature control device wherein the device comprises of a sensing means to provide an indication of the temperature of the liquid in vessel and an another sensing means adapted to sense the temperature of outer wall of vessel and providing an indication of ambient temperature.</i>
2.	<i>Position of sensors</i>	<i>Sensors placed on same surface on the carrier and are preferably 180° around the vessel base. These sensors are positioned so as to sense the temperature of the base which is in close proximity of the heating coil.</i>	<i>One in close proximity with the wall of the vessel container and other in such a position wherein it can sense the temperature of the outer wall of vessel and ambient temperature also. This sensor as shown in the figures is not going to sense the temperature of the heating element or any location near to the same.</i>
	<i>Boiling controls used</i>	<i>Boiling controls used</i>	<i>This is an alternative system for boiling control.</i>
	<i>Temperatures read by the sensors</i>	<i>Both sense temperature on the base of the vessel</i>	<i>One of the sensors senses the temperature of the wall of the vessel and the other senses the temperature of the wall of the vessel and also ambient temperature through air thus this sensor gives a temperature reading between the temperature of the vessel wall and the ambient temperature.</i>



			<p><i>THE SENSORS IN THIS CASE PARTICULARLY CANNOT BE POSITIONED NEAR THE HEATING ELEMENT AS THE MOTIVE HERE IS TO SENSE THE TEMPERATURE OF THE LIQUID IN THE VESSEL SO THAT THE SET POINT CAN BE ADJUSTED ACCORDINGLY, AND ACCORDINGLY THE POWER SUPPLY TO THE HEATING ELEMENT IS CUTOFF WHEN THE LIQUID IN THE VESSEL REACHES THE DESIRED TEMPERATURE.</i></p>
	<p><i>Requirement of a comparator</i></p>	<p><i>Not required</i></p>	<p><i>This is an essential requirement in the embodiments discussed in this case.</i></p>
	<p><i>Problem solved</i></p>	<p><i>In case of overheating due to the possibility when vessel is turned on without the liquid or the liquid has boiled off and the vessel has turned dry, this system trips of the electric supply to the heating coil.</i></p>	<p><i>This invention prevents boil over of any liquid heated in a liquid heating vessel. The problem as solved here is that when any liquid is heated there is unnecessary dissipation of electric supply as the sensors do not sense the temperature of the vessel and in turn the liquid correctly at that instance of time, therefore there is a thermal lag. To overcome this problem a mechanism as discussed below has been</i></p>



			<i>proposed.</i>
<i>THE PROBLEM SOLVED BY THE INDIAN PATENT 192511 CANNOT BE SOLVED IN THIS CASE</i>			

It is substantiated by the above said table and the documents filed with this reply that the original claim Defendants have not filed any documents which reveal that the Liquid Heating Vessel on which the original claim Plaintiff is claiming priority is not an invention within the meaning of Section 2 (j) of the Patents Act, 1970 and the Patent as granted in favor of the original claim Plaintiff is liable to be removed as it fails to satisfy the basic ingredients of the invention under the Patents Act, 1970 and submitted that averments made by the original claim Defendants do not hold merit.”

29. These three prior art documents were sought to be exhibited by the witness of the Defendant who filed his evidence by way of affidavit i.e., DW1 Mr. Sujit Yadav. The same was recorded by the Joint Registrar in her order dated 23rd January, 2012.

30. However, the name of the said witness was also not in the list of witnesses. Further, the Defendant’s witness did not appear for cross examination and was not formally discharged by the Court. The prior art documents having not been proved on record, the Plaintiff’s witness has also not dealt with the same in his affidavit in evidence as the onus on proving invalidity was on the Defendant. Mr. Richard Moorhouse, the Plaintiff’s witness also appeared for cross examination, however, he was also not cross examined on any of the prior art documents which were filed with the counterclaim. In view of this position, the said documents cannot even be taken as proved. Thus, in effect, the pleadings in the written statement/counterclaim have not even been proved by the Defendant.



31. In view thereof, there are no prior art documents which are to strictly be considered by the Court. However, for the sake of completeness, the said three prior art documents are analyzed hereinbelow:

First Document

32. The first document relied upon by the Defendant is a US Patent bearing no. **6818866** titled "*Liquid Heating Vessels*". The Parent case data of the said patent states as under:

"Parent case data - This application is the US national phase of international application PCT/GB01/02254, filed in English on May 22, 2001 which is designated the US. PCT/GB0 1/02254 claims priority to GB Application No. 0025794.9 filed Oct. 20, 2000. The entire contents of these applications are incorporated herein by reference"

33. From the above extract of the Parent case data of the Patent it is clear that it claims priority from a Great Britain Patent Application No. **0025794.9** filed on 20th October, 2000. In contrast, the Suit Patent was filed on 9th June, 1995 and claims priority from the international filing date 9th June, 1994 as is recorded in the Register of Patents in India. In order for any document to constitute prior art, the said documents ought to have been published before the priority date of the Suit Patent. Since the priority date of the US Patent '866 is subsequent to the Suit Patent it does not constitute valid prior art and cannot defeat the novelty or inventive step as claimed in the Suit Patent. Thus, the first document cited by the Defendant does not deserve consideration to test the validity of the Suit Patent.

Second document

34. The second document relied upon by the Defendant is PCT Application bearing publication no. **WO/1999/029140** titled "*Heating Element for a*



Liquid Heating Vessels". The relevant bibliographic data of the said application as per the WIPO data base is as under:

Pub. No.: WO/1999/029140

Publication Date: 10.06.1999

International Application No.: PCT/IB1998/001430

International Filing Date: 17.09.1998

IPC: H05B 3/26 (2006.01). H05B 3/82 (2006.01)

Applicants: KONINKLIJKE PHILIPS ELECTRONICS N.V. [NL/NL]: Groenewoudseweg 1 NL - 5621 BA Eindhoven (NL).

PHILIPS AB [SE/SE]; Kottbygatan 7 Kista S-164 85 Stockholm (SE) (SE only).

Inventors: MOORE, Robin, Keith; Prof. Holstlaan 6 NL-5656 AA Eindhoven (NL).

SLEGT, Sander: Prof. Holstlaan 6 NL-5656 AA Eindhoven (NL).

Agent: ERTL Nicholas, J.; Internationaal Octrooibureau B.V. P.O. Box 220 NL-5600 AE Eindhoven (NL).

Priority Data: 9725099.7 28.11.1997 GB

Title: HEATING ELEMENT FOR A LIQUIDHEATING VESSEL"

35. Clearly, the patent application has an international filing date of 17th September, 1998 and the publication date is 10th June, 1999. The said patent application has been filed by Philips Electronics N.V. and it claims priority from Great Britain Patent Application No. **9725099.7** dated 28th November, 1997. For the reasons discussed above in respect of the first document, this document would also not constitute prior art, it would neither anticipate nor defeat the novelty or inventive step of the Suit Patent.

Third document

36. The third document relied upon by the Defendant is European Patent bearing no. **EP0469758** titled "*Apparatus for Controlling Heating of Liquid*". The patent relates to an Apparatus for Controlling Heating of Liquid. The said



application was filed on 18th July, 1991 claiming priority from Australian Application dated 30th July 1990. The European Patent has the publication date of 4th March, 1998. In view thereof, the said application would constitute valid prior art and would have to be considered by this Court. The abstract of the said inventions reads as under:

“Abstract of EP0469758

The present invention relates to a temperature control device for a fluid heating vessel. The control device serves to sense ambient temperature and control or adjust the set point at which power is reduced to an element for heating the fluid in the heating vessel, in order to prevent boil-over of the fluid.”

37. The first claim of this patent reads as under:

“A temperature control device for a liquid heating vessel, which device comprises liquid temperature sensing means (4) adapted to provide an indication of the temperature of liquid in the vessel; and control means (22) adapted to regulate the supply of heat to the liquid during a heating action in accordance with a set point temperature; characterised in that the device further comprises set point means (12,20) comprising a second temperature sensing means (12) adapted to sense temperature on an outer wall surface of the liquid heating vessel and for providing also an indication of ambient temperature, the set point means (12,20) being coupled to said control means (22) wherein the set point means (12,20) is adapted to provide an adjustable set point, the set point means being influenced by the sensed ambient temperature and adjusting the set point temperature substantially to prevent the temperature of the fluid rising to an undesirable level.”



38. The question is whether this document would defeat the novelty and the inventive step in the Suit Patent.

Analysis of the Suit Patent

39. The Suit Patent bearing no. 192511/95 titled '*Liquid heating Vessels*' in its background acknowledges that liquidating vessels have electrical heating elements which also consist of a container wherein the electrical heating element has thermal contact to the base of the container. It discusses how devices are attached in the form of a thermally sensitive switch to the base in order to protect against over-heating. It also discusses the manner in which there are various deficiencies in the existing switches, especially, since such switches which are thermally sensitive are mounted only on the base plate of the vessels.

40. The various embodiments described in the complete specification and the main claim of the Suit Patent are set out below:

“From a first aspect therefore, the invention provides a liquid heating vessel comprising: a liquid receiving container; an electrical heating element provided on or in thermal contact with the base of said container; a thermally sensitive overheat control arranged to operate in the event of said element overheating so, as to interrupt or reduce the supply of electrical energy to the element; said thermally sensitive overheat control comprising at least two thermally responsive sensors arranged in good thermal contact with, and at spaced apart locations on, the base of the container or the element, said sensors individually being operable, in the event of said element overheating so as to interrupt or reduce the supply of electrical energy to the element. Thus in accordance with the invention, at least two thermally responsive sensors are provided in close thermal contact with the base of the vessel container, which will allow the temperature of the



base and element to be detected accurately at at least two spaced apart locations so that should the base or element overheat locally, at least one of the sensors may sense this quickly and operate to interrupt or reduce the power supply to the element, for example opening a set of electrical contacts remote from the sensor through suitable actuating means.”

xxx

xxx

xxx

“We claim

1. A liquid heating vessel (2) comprising: a liquid receiving container; an electrical heating element (8) provided on or in thermal contact with the base of said container (4); a thermally sensitive overheat control (6) arranged to operate in the event of said element (8) overheating so as to interrupt or reduce the supply of electrical energy to the element; characterised by said thermally sensitive overheat control (16) comprising at least two thermally responsive sensors (12,14) arranged in good thermal contact with, and at spaced apart locations on, the base of the container (4) or the element (8), said sensors (12,14) individually being operable, in the event of said element (8) overheating due to the vessel (2) being switched on dry or boiling dry but not during normal boiling operation of the vessel (2) so as to interrupt or reduce the supply of electrical energy to the element (8).”

41. The novelty in the Suit Patent is that it contains two thermally responsive sensors arranged and spaced in a manner so that both these sensors operate independently of each other. If the element gets over heated either of the sensors could reduce the supply of electrical energy to the heating element. Such sensors are mounted on a carrier which is above the base on opposite ends.



42. *Per Contra* in the European Patent **EP0469758**, the temperature sensing is based on measuring of the temperature in the liquid of the vessel and not on the basis of the temperature of the heating elements itself. The mechanism, therefore, as sought to be distinguished in the written statement to the counterclaim would reveal that the suit patent though may be achieving the same result of cutting of the heating of the vessels, does so, by a completely different mechanism. The differences brought about in the chart extracted above is, therefore, sufficient to show that neither the novelty nor the inventive step in the suit patent is defeated by **EP0469758**.

43. In view thereof, the stand of the Defendant that **EP0469758** shall render the Suit Patent invalid is not tenable.

Working requirement of the Suit Patent

44. It is then pointed out by the Defendant that a patent in order to be held as valid has actually, to be worked. According to the Defendant, no evidence has been placed on record by the Plaintiff to show that the Suit Patent had been worked by it in India. According to the counsel for the Defendant no document has been placed on record by the Plaintiff to show that these kettles have been available since 2002 or that they have been manufactured and sold in India. Reliance is placed on the judgments of the Division Bench of this court in ***Franz Xaver Huemer v. New Yash Engineers 1996 PTC (16) (DB)***.

45. It is the Defendant's own case that it was purchasing the products from the Plaintiff in the year 2005-2006. Its allegation is that when it found that the products were defective, it started importing the products from another source in China. In the opinion of this Court, it matters little whether the product of the Plaintiff was defective. What is evident is that the Plaintiff did commercially exploit its patent by marketing the product in India. It is not in



dispute that the Defendant was purchasing the said product in India from the Plaintiff.

46. Further, the decision in *Franz Xavier (Supra)*, therefore, has no application to the facts of the present case as the Suit Patent was commercially exploited by the Plaintiff. Moreover, the said judgement is in the context of a temporary injunction and would have no bearing on the decision of the present suit, which is being decided post-trial. Thus, the submission that the Plaintiff has not worked its patent in India is also without merit.

Conclusion on invalidity

47. The grounds raised in the counterclaim are that the suit patent is not an invention and three prior art documents have been relied upon to substantiate the same. Out of the said three prior art documents, two documents do not constitute valid prior art. The third document is, clearly, distinguishable from the Suit Patent. Moreover, none of the prior art documents have been even proved on record and no evidence has been led by the Defendant in respect of these documents. Thus, the plea of invalidity has not been established. Issue No.5 and 6 are, therefore, decided against the Defendant and in favour of the Plaintiff.

Issue Nos. 2 - Whether the Defendant has infringed the Plaintiff's Registered Patent in respect of Liquid Heating Vessel? OPP

48. The claims of the Suit Patent have already been discussed above. According to the Plaintiff, all the essential features claimed in the Suit Patent map onto the Defendant's infringing product i.e., Maharaja Whiteline Model No. EK 172. The same has been pictorially depicted hereinbelow:



Summary of Infringement
Maharaja Whiteline EK-172 fitted with Sunlight Control

U10 Control – Indian Patent No. 192511/95



Claim

1. *A liquid heating vessel comprising: a liquid receiving container; an electrical heating element provided on or in thermal contact with the base of said container; a thermally sensitive overheat control arranged to operate in the event of said element overheating so as to interrupt or reduce the supply of electrical energy to the element;...*



Liquid Receiving Container

Electrical Heating Element

View 1 – Showing the liquid receiving container with an electrical heating element in thermal contact with the base of said container.



Thermally Sensitive Overheat Control (SL.SLD – 102)

View 2 – Showing the integrated Cordless Connector and Thermally Sensitive Overheat Control.



View 3 – Showing the underside of View 2. The Thermally Sensitive Overheat Control for mounting beneath the base of the Liquid Receiving Container of a liquid heating vessel.

...characterised by said thermally sensitive overheat control comprising of at least two thermally responsive sensors arranged in good thermal contact with, and at spaced apart locations on, the base of the container or the element...



Spaced Apart Locations

Thermally Responsive Sensors

View 4 – Showing the underside of View 2. This is the face of the control, which is arranged, in good thermal contact with the base of the container.



Good thermal contact

Base of the container

View 5 – Showing the Thermally Sensitive Overheat Control in situ.

...said sensors being individually operable, in the event of said element overheating due to the vessel being switched on dry or boiling dry but not during normal boiling operation of the vessel so as to interrupt or reduce the supply of electrical energy to the element.



Sensors being individually operable

Sensor operated

Sensor not operated

View 6 – Showing the underside of View 2 with one of the Thermally Responsive Sensors individually operated.



49. The features provided in the other dependent claims of the Suit Patent are also seen in the Defendant's infringing product. The same is sought to be established by a comparative table as under:

S. No.	Claim No.	FEATURES OF THE INVENTIONS OF THE PLAINTIFF	FEATURES OF THE PRODUCT OF THE DEFENDANT – EK 172
1.	3	The sensors are bimetallic.	The sensors are bimetallic.
2.	4	Sensors are mounted directly against the container or the element.	Sensors are mounted directly against the container or the element.
3.	6	The said sensors are adapted to operate to open respective sets of contacts in the respective poles of the supply of the element giving double protection.	The said sensors are adapted to operate to open respective sets of contacts in the respective poles of the supply of the element, giving double protection.
4.	8	Sensors are mounted on a common carrier, which is mounted to the vessel base.	Sensors are mounted on a common carrier, which is mounted to the vessel base.
5.	12	The contacts are mounted on a molded member mounted to the carrier.	The contacts are mounted on a molded member mounted to the carrier.
6.	19	Electric energy is provided with a cordless electrical connector.	Electric energy is provided with a cordless electrical connector.
7.	20	Connector is mounted or integrated with the carrier.	Connector is mounted or integrated with the carrier.

50. The Plaintiff's witness - Mr. Richard Moorhouse (PW1) has deposed in his evidence that the Plaintiff's patented controls are used by kettle manufacturers to provide extra features in the kettle. It is a means, used for switching off the kettles and addressing the difficulties in the prior art in an efficient manner. He further stated in his cross examination that the infringing



product of the Defendant was purchased by one Mr. Murti, an ex-employee of the Plaintiff. In his cross examination, he was only put a suggestion to the effect that the Defendant's product does not infringe the device of the Plaintiff.

51. The Plaintiff's kettle was exhibited as PW1/4. The Defendant's kettle was exhibited as PW1/5. The identity of the Defendant's kettle is, itself, not in dispute. The original products have been perused by the Court which shows that the Defendant's kettle contains two sensors. The same are mounted in a similar manner on a common carrier which is a molded member. The electrical energy is provided through a cordless electrical connector which is mounted and integrated with the carrier. The two sensors bear proper contact with the base of the container. Both the sensors are individually operable and do not depend on each other for functioning purposes. Thus, it is clear that the Defendant's infringing product contains all the features claimed in the Plaintiff's patented controls.

52. It is the settled position in law that in order to establish infringement all that is required is to compare the granted claims of the suit patent with the Defendant's product. The same has been held in *Sotefin SA v. Indraprastha Cancer Society and Research Centre (2022:DHC:595)*, the relevant part of the same is as under:

“32. [...] For patent infringement analysis, comparison of elements of the suit patent's claims is to be done with the elements/ claims of the infringing product. On comparison, there can be a case of non-literal infringement, where each and every component of patent specification is not found in the infringing products. In other words, all the elements of a claim may not entirely correspond in the infringing product, as has been pointed



by the experts, in the instant case. However, it does not inevitably mean that there can be no infringement. It is the pith and marrow of the invention claimed that is required to be looked into, and we do not have to get lost into the detailed specifications and do a meticulous verbal analysis which the parties have engaged into the Court.

33. The critical question is whether the elements not found in the Smart Dollies, are essential or not, so as to construe an infringement. For determining the question of infringement, it must be borne in mind that the non-essential or trifling variations or additions in the product would not be germane, so long as the substance of the invention is found to be copied. Pure literal construction is not to be adopted, rather, doctrine of purposive construction should be applied. The court shall also apply Doctrine of Equivalence to examine if the substituted element in the infringing product does the same work, in substantially the same way, to accomplish substantially the same result.”

53. On a comparison of the claims of the suit patent with the Defendant’s product, this Court is convinced that the Defendant’s product kettles use temperature controls which infringe the Suit Patent. Moreover, no evidence has been led by the Defendant in respect of this issue. Thus, Issue No. 2 is decided against Defendant and in favour of the Plaintiff.

Issue Nos. 3 - Whether the Defendant is the bona fide Importer and user of the kettles which are subject matter of the present suit? OPD

Issue Nos. 4 - Whether the present suit is liable to be dismissed for suppression of material facts? OPD

54. It is noticed that the Defendant used to earlier purchase the Plaintiff’s patented controls and use the same in its products. However, thereafter, the Defendant is stated to have begun to purchase temperature controls from other



companies based in China. This fact is admitted by the Defendant in its written statement which reads as under:

“1. That the defendant submits that the present suit is not maintainable as the plaintiff has concealed material facts from this Hon'ble Court and has come before this Hon'ble Court with the intention to commit fraud. It is submitted that the plaintiff has failed to disclose the fact that the plaintiff had earlier supplied Kettles to the defendant. It is submitted that the plaintiff has further failed to disclose before this Hon'ble Court that the said Kettles which were being supplied by the plaintiff to the defendant in the year 2005-06 were defective and of inferior quality. The plaintiff has very cleverly stated in the Plaint that the plaintiff came to know of the defendant's activities in the year 2007. However, it is submitted that it is the plaintiff only who had supplied Kettles and other materials to the defendant company in the year 2005-06. It is submitted that the said material which were supplied by the plaintiff company to the defendant i.e. Kettles were defective and there were numerous complaints with respect to the said Kettles being manufactured by the plaintiff and sent to the defendant by the customers who had purchased the said kettles. Hence, the plaintiff has misled this Hon'ble Court by not disclosing the true facts before this Hon'ble Court as the plaintiff is trying to create an impression in the minds of this Hon'ble Court that the defendant has infringed the plaintiff's patent. It is submitted that the plaintiff has not come before this Hon'ble Court with clean hands and in view of the same, the entire suit is liable to be dismissed with costs.

2. That the defendant submits that there is no cause of action in favour of the plaintiff and against the defendant as the defendant has never manufactured the said Kettles having the element which is the subject matter in dispute. It is submitted that the defendants are importing the said products i.e. kettles which includes



the said Heating Element which is the subject matter of Y dispute from China and the defendant at no point of time has manufactured the said Heating Element Vessel which is installed in the kettles. It is submitted that the defendants are only traders and have no manufacturing unit to manufacture the said products which has the said Heating Vessel installed in it. Hence, no cause of action has arisen in favour of the plaintiff and against the defendant as it is a party from China who is manufacturing the said Heating Vessel which is the subject matter of dispute in the present proceedings. The defendant submits that the defendant has not infringed the patent of the plaintiff company as the defendant is just importing the said product from China in the bona fide impression that the party from China who is exporting the said product has a Patent on the said product which includes the Kettles, having the Heating Vessel installed in it. It is submitted that the party from China who is exporting the said product has a Patent on the said Heating Vessel installed in the Kettle and, therefore, the entire act is legal and permissible in the eyes of law.”

55. A perusal of the written statement makes it clear that the Defendant tries to justify its conduct on the ground that the Plaintiff was supplying defective controls to it and, therefore, it had to switch to another supplier in China. No evidence has been led to prove as to the manner in which the Plaintiff's products were defective or inferior in quality. These are mere bald allegations in the written statement. The averments make it clear that the Defendant, all along had notice of the Plaintiff's sensors and the technology developed by it.

56. In the written statement, the Defendant also tries to allege that the Chinese supplier held a patent on the product which was being sold to the Defendant. In effect the Defendant is attempting to rely upon the principle of



exhaustion of patent rights to argue that its conduct does not constitute infringement, as per Section 107A(b) of the Patents Act, 1970. Section 107 A of the Act is set out below:

*107A. Certain acts not to be considered as infringement.
- For the purposes of this Act,-*

(a) any act of making, constructing, using, selling or importing a patented invention solely for uses reasonably related to the development and submission of information required under any law for the time being in force, in India, or in a country other than India, that regulates the manufacture, construction, use, sale or import of any product;

(b) importation of patented products by any person from a person who is duly authorised under the law to produce and sell or distribute the product,

shall not be considered as a infringement of patent rights.

It is imperative to note that the phrase “*who is duly authorised under the law to produce and sell or distribute the product*” was introduced vide the Patent Amendment Act, 2005 and earlier Section 107A(b) used the phrase ‘who is duly authorised by the patentee to sell or distribute the product.’ In the present case, the Defendant is attempting to claim the benefit of the term “*any person from a person who is duly authorised under the law*” to claim the benefit of the principle of exhaustion and make out a case for non-infringement.

57. While considering this defense, it is important to note that till date no patent of the Chinese supplier has been produced and the details of the Chinese supplier have also not been disclosed. Except one letter which is claimed to have been written by the Defendant to its alleged supplier, there is no proof placed on record. This was also a major fact which was considered



by the Court at the time of granting the interim injunction against the Defendant. Accordingly, since the Defendant has failed to substantiate its case with a valid patent number in China and has solely relied on a bare assertion to claim the benefit of exhaustion, this Court is unable to accept the Defendant's defense based on exhaustion and non-infringement.

58. Further, the Plaintiff's corresponding patent in China has been enforced by the Beijing No.1 Intermediate People's Court of the People's Republic of China in *(2004) Yi Zhong Min Chu Zi No.11959* against certain third parties. Thus, the plea that the Chinese supplier was a valid patentee is a specious one to say the least and is clearly a *red herring*.

59. The Defendant has also not produced any documents to show that it is the *bonafide* importer and user of the kettles. The only stand in the written statement is that the Defendant has written a letter to its supplier seeking clarification. No clarification has been placed on record and no evidence is led by the Defendant on the said issue.

60. In view thereof, the Defendant cannot be said to be a *bona fide* importer and user of the kettles which are subject matter of the present suit and thus, Issue No. 3 is decided against Defendant and in favor of the Plaintiff.

Issue No.4 - Whether the present suit is liable to be dismissed for suppression of material facts? OPD

61. Insofar as Issue No.4 is concerned, the onus is on the Defendants to prove that the Defendant is the *bona fide* importer of the kettles and suit is liable to be dismissed for suppression of material facts.

62. The Plaintiff has been granted patents in various jurisdictions including in South Africa, Hong Kong, China, United States of America, EP, United Kingdom, France, Germany and Italy. The details of the Suit Patent granted



in various countries is a part of publicly available records. The same cannot be disputed by the Defendant and is easily verifiable. A chart of the same is set out below:

Title	Country	Type	Application No.	Registration No.	Earliest Priority	Application Date	Expiry Date	Case Status
U10	India	Patent	1056/Del/95	192511	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted
U10	South Africa	Patent	95/4779	95/4779	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted
U10	Hong Kong	Patent	98114068.1	1012830	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted
U10	United Kingdom	Patent	9613069.5	2299737	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted
U10	China	Patent	95194418.5	67061	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted
U10	USA	Patent	750345	6080968	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted
U10	EP	Patent	95921081.6	0764388	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted
U10	United Kingdom	Patent	95921081.6	0764388	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted
U10	France	Patent	95921081.6	0764388	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted
U10	Germany	Patent	95921081.6	69531618.4	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted
U10	Italy	Patent	95921081.6	0764388	09-Jun-1994	09-Jun-1995	09-Jun-2015	Granted

63. The Plaintiff's witness who was cross examined clearly stated that the Plaintiff supplies the said patented controls to various well-known companies such as Philips, Tefal, Rowenta, Morphy Richards, Russell Hobbs, Braun, Kenwood, Bosch, Siemens etc. In fact, the statement of the Plaintiff's witness has stated that not even disputed by the Defendant as the only suggestion put to the PW1 is that the said companies have not been supplied by the Plaintiff. The suggestion that the Plaintiff does not have a patent in China was also denied by PW1.

64. In view of the discussion, the allegation of suppression is not made out. Moreover, no evidence has been led by the Defendant in respect of this Issue No. 4. Accordingly, Issue No.4 is decided in favour of the Plaintiff and against the Defendant.

Issue 7 - Whether the suit has not been signed, verified and instituted by a duly authorized person? OPP

65. The plaint has been signed by Mr. Andrew Raymond Hewins, who is



IPR and Approvals Manager and Legal representative of the Plaintiff. The plaint has been signed and apostille at the High Commission of India in London. The Board Resolution dated 23rd October, 2007, which is exhibited as PW1/2 confirms that Mr. Andrew Raymond Hewins is the legal representative to act on behalf of the Plaintiff. The said Board Resolution is duly notarized by a notary based at Parliament Square Castletown, Isle of Man. In the cross examination of PW1, PW1 has stated that Mr. Andrew Raymond Hewins is the Plaintiff's IPR/Approvals Manager and any suggestion to the contrary that he was not authorized to sign and verify the plaint, has been denied.

66. Moreover, the manner in which the issue is worded, the onus ought to have been placed on the Defendant. However, the Defendant has chosen not to lead any evidence. The notarized resolution copy has been produced and the plaint is duly apostilled. Thus, this issue is decided in favour of the Plaintiff.

Issue 8 - Whether the plaintiff is entitled to account of profits received by the defendant from sale of its product? OPP

67. In the present case, the Plaintiff issued a cease-and-desist notice (PW1/7) dated 27th September, 2007 to the Defendant. A reminder was also issued on 12th November, 2007 (PW1). A reply was received from the Defendant dated 17th November, 2007 through its Id. Counsel where no explanation or justification was provided. The said reply was just a bare denial without any support. The Defendant continue to defend its position in this suit and sought to raise a counter offence against the Plaintiff by filing **CC.No.54/2009** and seeking revocation. Summons were issued on 2nd June 2008 and finally, the interim injunction was granted on 10th September, 2009.



Thus, from the date of serving of the legal notice i.e. 27th September, 2007, the Defendant has sold kettles containing the infringing products openly and intensively for a period of two years till the grant of the interim injunction.

68. It is clear that the Defendant has monetarily gained by selling the infringing kettles for more than two years. Further, as per the order dated 21st May 2014 passed by the Joint Registrar it is clear that the Defendant intended to delay the proceedings as much as possible by repeated adjournments. The Defendant has also chosen to stay away from the proceedings. In *Inter Ikea Systems BV & Ors. v. Imtiaz Ahamed and Ors.*, MANU/DE/3680/2016, it is clearly laid down by this Court that a party who chooses not to participate in the court proceedings cannot enjoy an advantage and a premium for such conduct. In the opinion of this Court, the Defendant has deliberately chosen to stay away from the proceedings merely to ensure that it is not required to produce its accounts. The Plaintiff is entitled to be monetarily compensated for the infringement committed by the Defendant. Passing of a decree of rendition of accounts at this stage also clearly appears to be non-feasible as the Defendant would again avoid the court proceedings. Accordingly, this Court is of the opinion that on an assessment of the evidence on record, monetary compensation deserves to be awarded.

Calculation of monetary compensation

69. It is the settled position in law that damages are of three kinds i.e., notional damages, compensatory damages, and punitive damages. In the judgement of *Hindustan Unilever Limited vs. Reckitt Benckiser India Limited* MANU/DE/0353/2014, on the aspect of award of punitive damages in civil cases, the ld. division bench of this Court has held as under:



“With due respect, this Court is unable to subscribe to that reasoning, which flies on the face of the circumstances spelt out in Rookes and later affirmed in Cassel. Both those judgments have received approval by the Supreme Court and are the law of the land. The reasoning of the House of Lords in those decisions is categorical about the circumstances under which punitive damages can be awarded. An added difficulty in holding that every violation of statute can result in punitive damages and proceeding to apply it in cases involving economic or commercial causes, such as intellectual property and not in other such matters, would be that even though statutes might provide penalties, prison sentences and fines (like under the Trademarks Act, the Copyrights Act, Designs Act, etc) and such provisions invariably cap the amount of fine, sentence or statutory compensation, civil courts can nevertheless proceed unhindered, on the assumption that such causes involve criminal propensity, and award "punitive" damages despite the plaintiffs inability to prove any general damage. Further, the reasoning that "one function of punitive damages is to relieve the pressure on an overloaded system of criminal justice by providing a civil alternative to criminal prosecution of minor crimes" is plainly wrong, because where the law provides that a crime is committed, it indicates the punishment. No statute authorizes the punishment of anyone for a libel-or infringement of trademark with a huge monetary fine-which goes not to the public exchequer, but to private coffers. Moreover, penalties and offences wherever prescribed require the prosecution to prove them without reasonable doubt. Therefore, to say that civil alternative to an overloaded criminal justice system is in public interest would be in fact to sanction violation of the law. This can also lead to undesirable results such as casual and unprincipled and eventually disproportionate awards. Consequently, this court declares that the reasoning and formulation of law enabling courts to



determine punitive damages, based on the ruling in Lokesh Srivastava and Microsoft Corporation v. Yogesh Papat and Another, MANU/DE/0331/2005 : 2005 (30) PTC 245 (Del) is without authority. Those decisions are accordingly overruled. To award punitive damages, the courts should follow the categorization indicated in Rookes (supra) and further grant such damages only after being satisfied that the damages awarded for the wrongdoing is inadequate in the circumstances, having regard to the three categories in Rookes and also following the five principles in Cassel. The danger of not following this step by step reasoning would be ad hoc judge centric award of damages without discussion of the extent of harm or injury suffered by the plaintiff, on a mere whim that the defendant's action is so wrong that it has a "criminal" propensity or the case merely falls in one of the three categories mentioned in Rookes (to quote Cassel again-such event "does not of itself entitle the jury to award damages purely exemplary in character")."

Thus, the Id. Division Bench categorically holds that punitive damages cannot be awarded in such cases.

70. The award of damages in patent cases has also been considered in ***Koninklijke Philips Electronics N.V. v. Rajesh Bansal and Ors., CS (COMM.) 24/2016 and CS (COMM.) 436/2017*** where the Court has concluded as under:

"58. Sub-Section (1) of Section 135 of the Trade Marks Act, 1999 provides that relief may be granted in any suit for infringement or for passing off includes injunction and at the option of the plaintiff, either damages or an account of profits. The plaintiffs have chosen the route of damages. The plaintiffs in the present matter while establishing in evidence have been able to prove the damages suffered by them. Materials have been filed and proved accordingly. The damages which they claim are attributable to flagrant infringement.



Punitive damages

59. *With regard to the relief of damages as claimed by the plaintiffs in para 44 (g) of the plaint, this Court has previously granted both exemplary and punitive damages against the defendants in ex-parte matters of similar nature. In Time Incorporated v. Lokesh Srivastava & Anr., (supra) while awarding punitive damages of Rs. 5 lakhs in addition to compensatory damages also of Rs. 5 lakhs, Justice R.C. Chopra observed that "time has come when the Courts dealing in actions for infringement of trademarks, copyrights, patents etc., should not only grant compensatory damages but also award punitive damages with a view to discourage and dishearten law breakers who indulge in violation with impunity out of lust for money, so that they realise that in case they are caught, they would be liable not only to reimburse the aggrieved party but would be liable to pay punitive damages also, which may spell financial disaster for them."*

6 Further, this Court in *Microsoft Corporation v. Rajendra Pawar & Anr., MANU/DE/9851/2007 : 2008 (36) PTC 697 (Del.)* decided on 27th July, 2007 has held "*Perhaps it has now become a trend of sorts, especially in matters pertaining to passing off, for the defending party to evade court proceedings in a systematic attempt to jettison the relief sought by the plaintiff. Such flagrancy of the Defendant's conduct is strictly deprecatory, and those who recklessly indulge in such shenanigans must do so at their peril, for it is now an inherited wisdom that evasion of court proceedings does not de facto tantamount to escape from liability. Judicial process has its own way of bringing to tasks such erring parties whilst at the same time ensuring that the aggrieved party who has knocked the doors of the court in anticipation of justice is afforded with adequate relief, both in law and in equity. It is here that the concept of awarding punitive damages comes into perspective.*"



71. The Delhi High Court IP Division Rules and the Patent Rules of the Delhi High Court recognize that the following factors could be considered for the purpose of awarding of damages. Rule 20 of the Delhi Court Intellectual Property Division Rules, 2022 reads as under:

“20. Damages/Account of profits

A party seeking damages/account of profits, shall give a reasonable estimate of the amounts claimed and the foundational facts/account statements in respect thereof along with any evidence, documentary and/or oral led by the parties to support such a claim. In addition, the Court shall consider the following factors while determining the quantum of damages:

- (i) Lost profits suffered by the injured party;*
- (ii) Profits earned by the infringing party;*
- (iii) Quantum of income which the injured party may have earned through royalties/ license fees, had the use of the subject IPR been duly authorized;*
- (iv) The duration of the infringement;*
- (v) Degree of intention/neglect underlying the infringement;*
- (vi) Conduct of the infringing party to mitigate the damages being incurred by the injured party;*

In the computation of damages, the Court may take the assistance of an expert as provided for under Rule 31 of these Rules.”

72. A perusal of the aforementioned decisions as also IPD Rules shows that various aspects such as sales made by the Defendant, market share of the Defendant, royalty which the Defendant would have to pay if the infringing product had to be a licensed product, have to be considered before awarding damages.

73. Further, as per the landmark decision of the UK Court of Appeal in ***Gerber Garment Technology Inc. v Lectra Systems Ltd. [1997] R.P.C. 443***, if the patentee cannot prove the loss, it is permissible to assess the same on a



reasonable royalty basis. Where the patentee is a manufacturer of the patented product, reasonable profit that the patentee would have had earned if the infringing products were in fact sold by the patentee would be reasonable measure. It is further clarified that, once infringement is established, the Court can infer that reasonable invasion of the patentee's monopoly would cause damage to the patentee and accordingly, a fair and reasonable measure can be adopted by the Court for computing the damages.

74. Reverting to the facts of this case, the Plaintiff's witness has not given any evidence of damages and the Defendant's sales or profits are not disclosed on record. The Defendant has chosen to stay away from the proceedings and cannot be given an advantage. In a case where the evidence is not led, the damages have to be notional and are to be considered on a reasonable/fair basis. In such a case, the Court can only make a broad assessment of profits, on the basis of the evidence on record.

75. One of the prayers in the plaint is for rendition of accounts, however the Defendant has chosen not to furnish its account of sales of kettles containing the infringing product. Thus, the same is to be calculated by the Court based on the evidence on record and publicly available information.

76. In the present case, the Plaintiff's witness has placed on record printouts from the Defendant's website to show that the Defendant is a leading manufacturer and seller of house-hold appliances. The documents filed by the Defendant, itself, exhibited as DW1/3 claims as under:



MAHARAJA WHITELINE
India's Trusted Family Brand

HOME | ABOUT US | PRODUCTS | CUSTOMER CARE | CONTACT US

About Us

Maharaja Whiteline plans to expand

Maharaja Whiteline, India's most trusted family brand is back with its new range of products. Whiteline started its foray into home appliances in 1976. The company commenced its venture as a one product company. Today Maharaja dominates a share of about 22% in home appliances with a product range of over 60 products in 18 product categories. The company has already sold off billions of kitchen appliances in the past 3 decades. Behind this successful story is vision of Mr. Harish Kumar, Managing Director, Maharaja Whiteline Group, a dynamic and a self motivated first generation entrepreneur.

Maharaja Whiteline started its operations in 1976 and now the company enjoys the undisputed leadership position in Indian Appliance industry. In addition to this, today the 'Maharaja' employs over 1000 qualified & professional work force, ready to take up the challenges of the new millennium and build the company into a global appliance leader. The company has a huge Manufacturing infrastructure base with a plant in Baddi (HP).

Recently, Maharaja has acquired Gem and Beltek, and has diversified its range into the consumer durable industry the company is soon launching a range of sealing fans and office accessories. In near future, **Maharaja Whiteline** plans to export its products in the SAARC countries.

Mission of the Maharaja Whiteline

We are a group committed to produce the highest quality and best value appliances and white goods. To achieve this, we constantly endeavor to exceed our customer expectations. In doing so we endure long-term relationship with all our stake holders.

Product Range

The products offered by Maharaja Whiteline are many and diverse. It includes products like Food Processors, Mixer Grinders, Hand Blenders, Electric Kettles, Hand Blenders and many more. This gives ample of variety to its customers.

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77. A perusal of the above would show that the publicly acknowledged stand of the Defendant is that it is one of India's leading home appliances companies having over 60 products. The page relating to Kettles, on the Defendant's website is also extracted below which shows it has two models of kettles, one is Model no. EK-172 that uses the infringing sensor. The said page is as under:





MAHARAJA
WHITELINE
India's Trusted Family Brand

HOME | ABOUT US | PRODUCTS | CUSTOMER CARE | CONTACT US

Electric Kettle

- Juicer Mixer Grinder
- Mixer Grinder
- Wet Grinder
- Oven Toaster Griller
- Food Processor
- Electric Iron
- Emergency Light
- Electric Kettle
- Toaster
- Rice Cooker
- Juice Extractor
- Halogen Heater
- Heat Convector
- Hand Blender

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**ELECTRIC KETTLE
EK-172 SS**

- 360°C rotation
- Cordless
- Automatic Cutoff
- Stainless Steel chamber
- 2000W
- 1.8L Capacity
- Consiled element



**ELECTRIC KETTLE
EK-100P**

- Cordless
- Automatic cutoff
- On/off switch
- 900W
- 1 Litre capacity
- Power Indicator

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78. The Plaintiff has also placed on record the original invoice showing purchase of the Defendant's product from M/s Sehgal Electricals, U-202 Vikas Marg, Shakarpur, Near Bank of Baroda, Delhi-110092. The said invoice shows that four kettles having model no. EK-172 were purchased, and the price of each kettle is Rs.1,400/-. It is further submitted by the Plaintiff that the average price of its patented control is Rs. 270/-.

79. As per a press clipping dated 12th October 2007 placed on record by the Defendant, the Defendant claims to be having annual turnover of Rs. 180 crores. Further, as per the screenshots of the Defendants website, it claims to have a total of 18 product categories.



80. If the turnover is broadly divided amongst the 18 product categories, each product category could have a turnover of Rs. 10 crores. However, considering that kettles may not be one of the most expensive product categories, the annual sales of kettles are taken at Rs.5 Crores and divided into the two models of kettles sold by the Defendant. The sale of the infringing Kettles would constitute on an average Rs.2.5 crores per year i.e., a total of Rs.5 Crores for two years.

81. As per the invoice placed on record by the Plaintiff the sale price of one kettle is Rs.1,400/-in the retail market. The average price of the Plaintiff's patented control as per the Plaintiff's written submissions is around Rs.270/-.

82. Accordingly, it can be estimated that if sold exclusively in the retail market, the total sales of the infringing product shall be approximately 35,700 units amounting to at least Rs. 96,00,000/- as profits. Considering this is a broad estimate only calculated for the retail market and not considering all the relevant market conditions, damages of Rs.50,00,000/- are awarded in favor of the Plaintiff.

83. In addition, the Plaintiff has been forced to incur substantial costs in the present suit for having to pursue the suit for a period of 15 years. As per the bill of costs placed on record by the Plaintiff, it incurred costs of Rs.31,44,925/-. The Hon'ble Supreme Court in *Civil Appeal Nos.4862-4863/2021* titled *Uflex Ltd. v. Government of Tamil Nadu & Ors.* dated 17th September, 2021 has, clearly, held that in commercial matters, actual costs would be liable to be awarded. Thus, the following monetary amount is awarded to the Plaintiff:

- (i) Amount awarded as compensation/damages: Rs.50,00,000/-
- (ii) Actual Costs: Rs.31,44,925/-



84. The said amount shall be paid to the Plaintiff within three months, failing which, the Plaintiff would be entitled to recover the said amount along with 7% simple interest from the date of pronouncement of this judgment.

Conclusion

85. The reliefs sought by the Plaintiff are as under:

“a. permanent injunction restraining the Defendant, its representative, dealer, agents, successor and assigns from using, manufacturing, selling or importing the product patent of the Plaintiff as detailed in the claims of the patent bearing No. 192511.

b. permanent injunction restraining the Defendant, its representative, dealer, agents, successor and assigns from using, manufacturing, selling or importing the ‘Maharaja Whiteline’ electric kettle model No. EK-172.

c. An order directing the Defendant to render to the Plaintiff an account of profits made by the Defendant by use, in whole/in part of the patented product of the Plaintiff and/or sale of the product patent.

d. An order directing the Defendant to deliver up to the Plaintiff the entire stock of the impugned product, which is the product patent of the Plaintiff as describe in patent no. 192511.

e. Cost of the suit in favour of the Plaintiff and against the Defendant.

f. Any further order(s) that this Hon’ble Court deems fit and proper in facts and circumstances of the present case.”

86. The Defendant already stood enjoined vide *interim* injunction dated 10th September 2009 which operated during the pendency of the suit. As the life of the patent has already come to an end, prayers (a) and (b) have now become infructuous and are, accordingly, not granted. Prayers (d) for the relief of delivery up is also infructuous and is, accordingly, not granted. CC 54/2009 filed by the Defendant is also disposed of.



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87. Insofar as damages and costs are concerned, the suit is decreed for sum of Rs.81,44,925/-. Decree sheet be drawn accordingly.

88. All pending applications are disposed of.

**PRATHIBA M. SINGH
JUDGE**

OCTOBER 20, 2023

mr/kt