

Application Nos.2363 of 2009 and 5350 of 2012  
in C.S.No.221 of 2009 (Transfer C.S.No.618 of 2011)

R.SUDHAKAR, J.

First defendant in C.S.No.221 of 2009 – M/s.MIRC Electronics Ltd., Mumbai has filed Application No.2363 of 2009 under Order XIV Rule 8 of the Original Side Rules read with Order VII Rules 10 and 11 CPC and Section 151 CPC praying to reject the plaint in C.S.No.221 of 2009.

2. Second defendant in C.S.No.221 of 2009 – M/s.Samsung India Electronics Pvt. Ltd., New Delhi, has filed Application No.5350 of 2012 under Order XIV Rule 8 of the Original Side Rules read with Order VII Rule 11 and Section 151 CPC praying to dismiss the suit C.S.No.221 of 2009 in the light of order dated 1.6.2012 passed by the Intellectual Property Appellate Board (for brevity, “*the IPAB*”) revoking patent No.214388 of the respondent/plaintiff.

3. Heard Mr.Arun C.Mohan, learned counsel for the applicant in A.No.2363 of 2009 (*first defendant in C.S.No.221 of 2009*); Mr.M.S.Bharath, learned counsel appearing for the applicant in A.No.5350 of 2012 (*second defendant in C.S.No.221 of 2009*); Mr.R.Lakshmanan, learned counsel appearing for the first respondent in A.Nos.2363 of 2009 and A.No.5350 of 2012 (*plaintiff in C.S.No.221 of 2009*); and Mr.Ramesh Kumar, learned counsel for respondents 3 and 11 to 13 in A.Nos.2363 of 2009 and 5350 of 2012 (*defendants 3, 11, 12 and 13 in C.S.No.221 of 2009*).

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4. The parties are referred to as per their rank in C.S.No.221 of 2009.

5. The plaintiff filed Civil Suit No.221 of 2009 against the defendants 1 to 13 seeking the following reliefs:

*"a. A permanent injunction restraining the defendants by themselves or their men, servants, partners, heirs, legal representatives, agents, distributors, affiliates, subsidiaries, holding company or any one claiming under them from in any manner infringing upon the plaintiff's patent "Mobile phones with a plurality of SIM CARDS allocated to different communication networks" [Patent Certificate No.214388] by manufacturing, marketing, selling and distributing mobile phones having simultaneous use of more than one SIM thereby infringing the plaintiff's patented product and process.*

*b. The defendants be directed to pay to the plaintiff a sum of Rs.10,00,500/- as damages.*

*c. The defendants to be ordered to surrender for destruction to the plaintiff all materials and implements used for creation of the infringing goods to be forfeited or destroyed as the court deems fit in the facts and circumstances of the case.*

*d. Pass a preliminary decree in favour of the plaintiff directing the defendants to render true and complete accounts of all transactions and profits*

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*made by the defendants through the sales of the dual SIM mobile phones and the final decree be passed in favour of the plaintiff for the amount of profits found to have been made by the defendants after the latter have rendered accounts.  
e. For costs of the suit."*

6. The cause of action for filing the Civil Suit No.221 of 2009 before this Court, as averred in paragraph 15 of the plaint, is as follows:

*"15. The cause of action partially arose at Chennai within the jurisdiction of this Hon'ble Court when the plaintiff was granted his Patent on 11-02-2008 with effect from 04/03/2002 by the Patent Controller at Chennai, Guindy and on various dates where the plaintiff became aware of the Defendant's activities of manufacturing, selling, marketing, offering for sale the infringing products, viz., the mobile phones which offer dual SIMS at Chennai, within the jurisdiction of this Hon'ble Court; The cause of action continues to arise everyday till the defendants cease to manufacture and sell the product, which would infringe upon the plaintiff's registered patent by an order of injunction by this Hon'ble Court."*

7. The plaintiff claims to be an Electronics Engineer, Inventor and Innovator in the field of mobile technology. In the year 2002, plaintiff filed an application before the competent authority under the Patents Act, 1970 (for brevity, "*the Act*"). Accordingly, Patent Certificate bearing No.214388

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dated 11.2.2008 was granted in the name of the plaintiff with effect from 4.3.2002.

8. The issue with which we are concerned now relates to infringement of the patent granted in favour of the plaintiff in respect of the technology relating to the innovation, namely, plurality in the use of SIMCARD.

9. The plaintiff having come to know that many of the manufacturers are using the plaintiff's technology, namely, plurality of SIMCARDS, and such goods manufactured were being sold in the market by the dealers, issued notice to cease and desist from infringing upon the product patent standing in the name of the plaintiff in relation to the plurality in SIMCARD, otherwise called as dual SIM. According to the plaintiff, he intimated defendants 1, 2 and 3 (who are the manufacturers) and defendants 4 to 13 (who are dealers). Since the defendants were indulging in infringement of patented technology granted in favour of the plaintiff, he was compelled to file the present suit C.S.No.221 of 2009.

10. Along with the suit, plaintiff filed Original Application No.193 of 2009 for the following relief:-

*"interim injunction restraining the respondents/defendants by themselves or their men, servants, partners, heirs, legal representatives, agents, distributors, affiliates,*

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*subsidiaries, holding company or any one claiming under them from in any manner infringing upon the applicant's patent "Mobile phones with a plurality of SIM CARDS allocated to different communication networks" [Patent Certificate No.214388] including manufacturing mobile phones having simultaneous use of more than one SIM thereby infringing the applicant's patented product and process."*

This Court by order dated 23.3.2009 granted interim injunction and the said order reads as follows:-

*"Heard the submissions made by the learned counsel appearing for the applicant.*

*2. M/s.Anand and Anand has taken notice for the second respondent. Mr.A.Rameshkumar for 3<sup>rd</sup> respondent, 12<sup>th</sup> respondent and 13<sup>th</sup> respondent, M/s.Shivakumar and Suresh for 5<sup>th</sup> respondent and M/s.R & P Partners for 9<sup>th</sup> respondent have submitted that they shall file vakalat and counter by 13.04.2009.*

*3. It is submitted by the counsel for R2, R3, R9, R12 and R13 that those respondents do not have any manufacturing unit for manufacturing either dual or plural sim card phones in India. Learned counsel appearing for R5 would submit that he has not got instructions from his client.*

*4. The applicant has produced Patent Certificate granted on 11.02.2008 for the invention of Mobile Phones with plurality of sim cards allocated to*

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*different communication networks.*

*5. Therefore, there shall be an order against respondents 1, 4, 6, 7, 8, 10 and 11 that they shall not engage in manufacturing dual or plural sim card phones in India till 13.4.2009.*

*6. Notice to respondents 1, 4, 6, 7, 8, 10 and 11 returnable by 13.04.2009.*

*Post the matter on 13.04.2009"*

Thereafter, after appearance of all the defendants, by order dated 16.11.2009, the above order was modified as follows:-

*"Heard both sides.*

*2. The learned counsel for the applicant/plaintiff prays for two weeks adjournment. Whereupon, the learned advocates for the respondents/defendants in unison would make a uniform representation to the effect that the applicant/plaintiff after having filed the suit as well as this original application, is simply avoiding the court, the Intellectual Property Appellate Board also passed an order dated 23/10/2009 granting stay of the applicant/plaintiff's patent right, which he obtained from the authority concerned under the Patent's Act.*

*3. The learned advocates for the respondents/defendants also would further submit*

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*that the Customs Authorities, Chennai also passed orders against the applicant/plaintiff herein, whereupon a writ petition was filed and it was also dismissed. As of now, according to the learned counsel for the respondents/defendants, even though there is no extension of injunction, yet, there would be an apprehension as though the injunction order is looming large on the respondents/defendants and this court has to dispel such apprehension in the mind of the respondents/defendants also, so that they could proceed further.*

*4. The learned counsel for the applicant /plaintiff would openly submit that despite communication having been sent to his client/the applicant/plaintiff, so far no acknowledgment has been received from him.*

*5. When such is the position I would like to observe here, that the interim injunction was granted till 13.04.2009 by order dated 23.03.2009 and it was extended up to 09.06.2009 and thereafter, it was not extended and in such a case, it is clear that as of now, there is no interim injunction in vogue. The applicant/plaintiff wants time, hence the matter shall be posted after two weeks.*

*Post on 30/11/2009."*

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11. The suit did not proceed any further thereafter, till such time A.No.5350 of 2012 was filed in the year 2012.

12. In the above factual backdrop and in view of subsequent developments, these applications are filed asserting as under:

(i) The first defendant filed Application No.2363 of 2009 under order XIV Rule 8 of the Original Side Rules read with order VII Rules 10 and 11 CPC and Section 151 CPC praying to reject the plaint in C.S.No.221 of 2009 on the ground that the first defendant is located at Mumbai and no cause of action arose before the Hon'ble Court. Besides, it is also contended that the plaintiff does not reside within the jurisdiction of this Court and therefore, no cause of action has arisen before this Court for filing the suit and consequently, the plaint should be rejected.

(ii) The second defendant has filed A.No.5350 of 2012 under Order XIV Rule 8 of the Original Side Rules read with Order VII Rule 11 and Section 151 CPC praying to dismiss the suit C.S.No.221 of 2009 in the light of order dated 1.6.2012 passed by the IPAB in ORA/17/2009/PT/CH and ORA/31/2009/PT/CH revoking patent No.214388 of the plaintiff.

13. In the present lis, the dates and the events will be relevant for adjudication and are as follows:-

- (i) The Civil Suit No.221 of 2009 for permanent injunction against infringing of the patent was filed by the plaintiff on 6.1.2009.
- (ii) Interim injunction was ordered on 23.3.2009 in the Original Application No.193 of 2009 in favour of the plaintiff and against the defendants 1, 4, 6, 7, 8, 10 and 11 that they shall not engage in manufacturing dual or plural simcard phones in India till 13.4.2009.
- (iii) On notice, on 9.4.2009, the second defendant filed ORA/31/2009/PT/CH before the IPAB for revocation of the Patent No.214388 granted to the plaintiff with relation to dual simcard.
- (iv) On notice, the third defendant filed ORA/17/2009/PT/CH before the IPAB for the very same relief of revocation of the patent No.214388 granted to the plaintiff.
- (v) Thereafter, on 10.4.2009, namely, after filing the revocation application before the IPAB, the second defendant filed written statement in the present suit along with counter-claim under Order VIII Rule 6A

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CPC read with Sections 64, 104 and 107 of the Act and sought for revocation of the plaintiff's registered Patent Certificate bearing No.214388 and to declare the same as invalid for the grounds specified in the counter claim.

14. The plaintiff has not chosen to file any reply to the written statement-cum-counter claim made by the second defendant.

15. In this background of the case, the IPAB proceeded to adjudicate the application filed by defendants 2 and 3 for revocation of the patent granted in favour of the plaintiff. It is to be mentioned here that there was no restraint by this Court on the proceedings before the IPAB. On the contrary, the plaintiff, on notice from the IPAB, entered appearance through the counsel – M/s.Gopalakrishna Raju and Ebinezer Inbaraj on behalf of the counsel on record M/s.S.Bharath and Radhapandian, and another counsel Ms.N.Devi on behalf of M/s.R.Radha Pandian appeared for the plaintiff, who is the respondent before the IPAB.

16. It appears that for reasons stated in the order dated 14.6.2011 passed by the IPAB, cost was imposed on the present plaintiff, who was the first respondent in that proceedings and, therefore, the IPAB came to the conclusion that the first respondent should not be allowed to be heard

through the counsel. However, in paragraphs (6) and (7) of the order dated 1.6.2012, the IPAB has recorded as follows:

"6. In our order dated 14.06.2011 we have stated that:

'If the cost is not paid the mere filing of counter will not entitle the respondent to be heard on 16.08.2011.'

7. The counsel for respondent 1 filed his counter in open court on 16.08.2011 but costs has not been paid so far to any of the applicants. Since the respondent has not complied with the direction of this Board, we allowed to the counsel of applicants to proceed with their case and the matter was heard ex-parte on 16.08.2011, 28.09.2011 and 26.12.2011."

From the above facts it appears that a counter was filed in the IPAB proceedings on 16.8.2011. However, the plaintiff was set *ex parte* before the IPAB and the matter was heard on three occasions, namely 16.8.2011, 28.9.2011 and 26.12.2011 and thereafter, a final order came to be passed on 1.6.2012 revoking the patent granted in favour of the plaintiff. The relevant portion of the said order reads as follows:

"90. In the present case since we are revoking the patent on the ground of anticipation and lack of inventive step, it is not necessary to deal with the other grounds such as insufficiency, mere combination and violation of Section 8.

91. In view of the analysis and finding as stated above the patent number 214388 is revoked and respondent 2 is directed to remove this patent from the register of patents. The ORA/17/2009/PT/CH and ORA/31/2009/PT/ CH are

allowed with costs of Rs.5,000/- each."

17. Consequent to the said order passed by the Intellectual Property Appellate Board, Application No.5350 of 2012 is filed by the second defendant seeking dismissal of the suit, *inter alia* contending that consequent to the order passed by the IPAB revoking patent No.214388 by order dated 1.6.2012, the cause of action for filing the suit ceased to exist and therefore Order VII Rule 11 of the CPC has to be invoked. Consequently, the suit deserves to be dismissed *in limine*, since the patent has been revoked by a forum with competent jurisdiction and in the absence of a valid patent, the suit has no legs to stand. The order of the IPAB has not been challenged by the plaintiff in the manner known to law and, therefore, the plaintiff is not entitled to maintain the suit any further. The continuation of the suit is causing prejudice to the defendants.

18. The second defendant has filed a memo on 21.2.2013 stating as follows:

- i. that when the suit was listed before this Court on 18.2.2013, Mr.R.Lakshmanan, learned counsel for the plaintiff, who had entered appearance had stated that a writ petition has been filed before this Court challenging the order of the IPAB in SR.No.16315 of 2013, but on verification it was found that the writ petition filed in the

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morning of 18.2.2013 was either withdrawn or returned the same evening and as on date, there is no writ petition on record; and

- ii. that the learned counsel for the plaintiff is not able to state in clarity whether any writ petition has been filed or not.

19. A second memo has been filed by the second defendant on 26.2.2013. In that memo, the statement of the learned counsel for the plaintiff that the suit patent has been renewed and it is still subsisting is refuted as an incorrect and wrong statement. In support of the same, he has produced a copy of the E-Register in respect of patent No.214388. The copy of the register supplied by the Patent Office at Chennai shows that renewal fee has been paid up to 19<sup>th</sup> Year. The entry also shows as follows:

<i>Date of Entry</i>	<i>Particulars</i>
12612	ASSIGNMENT: REVOKED  As per the direction of the Hon'able Board the Patent number 214388 is revoked and removed from the register of patents vide the Order No.140 of 2012 passed by the Hon'able Board (IPAB) on 1st June 2012 in respect of ORA/17/2009/PT/CH & ORA/31/2009/ PT/CH.

20. The second defendant sought for dismissal of the suit stating that the Patent Office has recorded the order passed by the IPAB and revoked the

patent and, therefore, there is no justification to maintain the suit as such. The provision of Order VII Rule 11 of the CPC stands attracted. He also pleaded for dismissal of the suit by invoking Section 151 of the CPC.

21. The learned counsel for the plaintiff has made his objection in the memo clarifying that renewal fee has been paid up to the 19<sup>th</sup> Year and insofar as writ petition is concerned, appropriate action has been taken as per law.

22. Mr.Ramesh Kumar, learned counsel for defendants 3, 11, 12 and 13 stated that a written statement has been filed along with a counter claim and there is no reply to the written statement nor a written statement to the counter claim has been filed by the plaintiff. Therefore, the defendants plea stands un rebutted.

23. In effect, the defendants plea is that in view of the order passed by the IPAB at the behest of the defendants 2 and 3, who have filed applications for revocation of the patent and the order passed by the IPAB revoking the patent by its order dated 1.6.2012 and recorded by the patent office, it is for the plaintiff to have pursued the matter for setting aside the order of the IPAB in the mode prescribed. If only the patent is restored in favour of the plaintiff, the cause of action for continuing the suit would arise. Since the plaintiff has not chosen to challenge the order of the IPAB revoking the

patent, it would amount to the plaintiff abandoning his claim in the suit. The plaintiff has also not chosen to take steps to rebut the stand taken in the counter claims filed by the defendants and that is an admission of the defendants stand that there is no valid patent. Since all these events establish that the plaintiff has no cause of action for continuing the suit for infringement of patent and in order to shorten the litigation, the Court in exercise of its power under Section 151 of the Code of Civil Procedure should dismiss the suit.

24. The learned counsel for the plaintiff pleaded as follows:

- i. that the plaintiff has filed the suit on 6.1.2009 and had the benefit of an order of interim injunction granted in O.A.No.193 of 2009 on 23.3.2009;
- ii. that the second defendant has filed a written statement and counter claim on 10.4.2009 and one day prior to that, namely on 9.4.2009, filed an application before the Intellectual Property Appellate Board seeking revocation. Hence, the second defendant is pursuing two proceedings parallelly;
- iii. that the order passed by the Intellectual Property Appellate Board revoking the patent is non est in law, in view of the specific bar in terms of Section 10 of the Code of Civil Procedure;

- iv.that since in the previously instituted suit written statement has been filed with counter claim seeking revocation of the patent, the Intellectual Property Appellate Board ought not to have proceeded with the application filed for revocation of the patent, as the matter in issue before the Intellectual Property Appellate Board is strictly and substantially the same issue pending before this Court;
- v. that the object behind the provision of Section 10 of the Code of Civil Procedure is to avoid two contradictory verdicts by two or more courts in respect of the same relief and in other words, there should not be multiplicity of proceedings and conflicting decisions. In support of the said plea, reliance was placed on the decision of the Supreme Court in *Indian Bank v. Maharashtra State Co-operative Marketing Federation Ltd.*, (1998) 5 SCC 69;
- vi.that if the conditions laid down in section 10 of the Code of Civil Procedure are fulfilled, the subsequent suit cannot be proceeded with and the previously instituted suit alone can proceed; and
- vii.that Section 117-G of the Patents Act, 1970, which came into effect from 2.4.2007, provides for transfer of all cases of appeals against any order or decision of the

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Controller and all cases pertaining to revocation of patent to the Appellate Board on such date as may be notified by the Central Government in the Official Gazette, but Section 117-G of the Patents Act, 1970 does not permit the transfer of suits filed for infringement and for rectification of register pending before the High Court in which a counter claim has been made. In the present case, since the suit is filed for infringement of the patent and in the written statement a counter claim has been made, the application before the Intellectual Property Appellate Board should have been stayed and the proceedings before this Court in the suit for infringement and for revocation made in the counter claim should have been decided together.

25. Per contra, Mr.M.S.Bharath, learned counsel for the second defendant, placing reliance on the decision of the Delhi High Court in *Dr.Aloys Wobben v. Yogesh Mehra and others, 2012 (49) PTC 534 (Del.)*, submitted:

- i. that under the Patents Act, 1970, the second defendant has the right to seek revocation independent of his right to file a counter claim seeking revocation of the patent granted in favour of the plaintiff and he is entitled to

proceed simultaneously in both fora and the bar under Section 10 of the Code of Civil Procedure will not apply to the present case, as the right to seek revocation is specifically granted under Section 64 of Patents Act, 1970;

- ii. that what all Section 107 of the Patents Act, 1970 provides is that in a suit for infringement of a patent, every ground on which it may be revoked under Section 64 of the Patents Act, 1970 shall be available as a ground for defence, meaning thereby that the defendant can take recourse to the defence of revocation in the suit and also avail the statutory right available under Section 64 of the Patents Act, 1970 for revocation of the patent and they have in fact filed the said application under Section 64 of the Patents Act, 1970 before the Intellectual Property Appellate Board; and
- iii. that immediately after notice in the suit for infringement and before they could file a written statement before this Court along with counter claim, they have filed application for revocation under Section 64 of the Patents Act, 1970 before the Intellectual Property Appellate Board and, therefore, they are entitled to proceed with the application filed for revocation before the Intellectual

Property Appellate Board, which has the power to decide the claim for revocation and the suit by itself will not be a bar for proceeding with the application filed for revocation.

26. Certain facts, which are not in dispute, are as hereunder:

- (i) The suit for infringement of patent was filed by the plaintiff at the first instance on 6.1.2009 and an order of interim injunction was granted and notice was ordered.
- (ii) The second defendant, after receipt of the notice, filed an application before the IPAB on 9.4.2009 for revocation of the patent No.214388 granted in favour of the plaintiff relating to Dual Simcard.
- (iii) The third defendant also filed an application before the IPAB seeking the same relief as sought for by the second defendant.
- (iv) Thereafter, on 10.4.2009, the second defendant filed written statement in the suit along with counter claim in terms of Section 64, 104 and 107 of the Act.
- (v) The defendants, in their written statements, sought for revocation of the patent No.214388 granted in favour of the plaintiff.

27. In respect of the plea raised by the plaintiff that there is a bar under Section 10 of the CPC and, therefore, the proceedings before the IPAB could not be proceeded and the decision rendered by it is bad and contrary to law, the learned counsel for the second defendant relied upon a decision of the Delhi High Court rendered in *Dr.Aloys Wobben v. Yogesh Mehra and others, 2012 (49) PTC 534 (Del.)*, wherein it has been held that if proceedings are initiated before the IPAB for revocation of patent and in a suit filed by the respondent on the ground of infringement of the patent a counter claim has been filed, the proceedings before the IPAB as well as the proceedings in the suit can run concurrently so long as the proceedings before the two fora has not reached a stage of collusion.

28. The above said decision of the Delhi High Court, on which emphasis has been laid by the learned counsel for the second defendant, on appeal, did not find favour with the Supreme Court in *Dr.Aloys Wobben and another v. Yogesh Mehra (Civil Appeal No.6718 of 2013, dated 2.6.2014)*, wherein the Supreme Court by interpreting Section 64 and other provisions of the Act and Sections 10 read with Section 151 of the CPC clearly held that even if more than one remedy is available under Section 64 of the Act, both the remedies cannot be pursued simultaneously. In that case, the defendant had initially filed an application for revocation before the IPAB, even before the institution of the suit and after institution of the suit made a counter

claim for revocation of the patent. Such a procedure did not find favour with the Supreme Court. The relevant portion of the said decision reads as under:

"16. When a challenge is raised at the pre-grant stage, under Section 25(1) of the Patents Act, the same is liable to be determined at the hands of the "Controller". An order passed by the "Controller" can be assailed by way of an appeal before the "Appellate Board". When a challenge is raised under Section 25(2), it must be raised within one year of the publication of the grant (of patent). The same has to be examined, in the first instance, by an "Opposition Board" contemplated under Section 25(3). The recommendations made by the "Opposition Board" are then to be placed before the "Controller" for consideration. After issuing notice to the patent-holder, and after affording an opportunity of hearing to the patent-holder, the "Controller" is required to pass the final order, on a notice of opposition filed under Section 25(2). Such order passed by the "Controller" is assailable by way of an appeal, before the "Appellate Board". A challenge raised by "any person interested", under Section 64(1), is liable to be adjudicated, at the very first instance, by the "Appellate Board". If in response to an "infringement suit", the defendant files a "counter-claim" seeking the revocation of the concerned patent, the said process of adjudication would lie before the jurisdictional High Court (see, the proviso to Sections 64(1) and 104 of the Patents Act).

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22. We do not have the slightest hesitation in accepting the above contention (fifth in the series of contentions), that even though more than one remedies are available to the respondents in Section 64 of the Patents Act, the word “or” used therein separating the different remedies provided therein, would disentitle them, to avail of both the remedies, for the same purpose, simultaneously. On principle also, this would be the correct legal position.

23. Keeping in view the submissions advanced at the hands of the learned counsel for the appellants (as have been noticed in the foregoing paragraphs), the question which arises for determination is, that having chosen both the above remedies, which one of the two, should the respondents, be permitted to pursue. The answer to the above query, will, if possible, have to be determined from the provisions of the Patents Act itself. In this behalf we may at the outset record, that learned counsel for the rival parties, did not invite our attention to any provision from the Patents Act, which would provide a clear pointer, to the course to be adopted. Whilst it was undoubtedly submitted, on the one hand, that the choice should fall in favour of the superior forum. Details about the locus, in respect of other challenges have been narrated in paragraph 16 hereinabove. We may in the passing record, that the determination of the “counter-claim” would be with the superior forum, i.e., the jurisdictional High Court (Sections 64(1) and 104 of the Patents Act). The above submission was sought to be countered, on the other hand, by pointing out, that the opportunities provided by the legislature to assail the order(s) passed under the Patents Act, could not be

reduced. In this behalf, it was submitted, that the remedies provided by the legislature, where a "revocation petition" is filed, were far in excess of the remedies, in case revocation was sought through a "counter-claim". The legitimate inference derived from the former submission, was thus equally legitimately, repudiated by the latter contention. Since no legitimate solution could emerge from the provisions of the Patents Act, it would be essential, to rely on known principles of law, to resolve the issue. We shall therefore attempt to resolve the issue, on accepted principles of law.

24. A "counter-claim" for all intents and purposes, must be understood as a suit, filed by one who is impleaded as a defendant. A "counter-claim" is essentially filed to obstruct the claim raised in a suit. A "counter-claim" is tried jointly, with the suit filed by the plaintiff, and has the same effect as a cross-suit. Therefore, for all intents and purposes a "counter-claim" is treated as a plaint, and is governed by the rules applicable to plaints. The court trying a suit, as well as, the "counter-claim", has to pronounce its judgment on the prayer(s) made in the suit, and also, those made in the "counter-claim". Since a "counter-claim" is of the nature of an independent suit, a "counter-claim" cannot be allowed to proceed, where the defendant has already instituted a suit against the plaintiff, on the same cause of action. The above conclusion is drawn on the basis of the accepted principle of law crystallized in Section 10 of the Code of Civil Procedure, 1908 (hereinafter referred to as, the CPC) read with Section 151 of the CPC. Both the above provisions are being extracted hereunder:-

'10. Stay of suit.- No Court shall proceed with the trial of any suit in which the matter in issue is also directly and substantially in issue in a previously instituted suit between the same parties, or between parties under whom they or any of them claim litigating under the same title where such suit is pending in the same or any other Court in India having jurisdiction to grant the relief claimed, or in any Court beyond the limits of India established or continued by the Central Government and having like jurisdiction, or before the Supreme Court.

Explanation- The pendency of a suit in a foreign Court does not preclude the Courts in India from trying a suit founded on the same cause of action.

151. Saving of inherent powers of Court.- Nothing in this Code shall be deemed to limit or otherwise affect the inherent power of the Court to make such orders as may be necessary for the ends of justice or to prevent abuse of the process of the Court.'

Therefore, where an issue is already pending adjudication between the same parties, in a Court having jurisdiction to adjudicate upon the same, a subsequently instituted suit on the same issue between the same parties, cannot be allowed to proceed. A similar question arises for consideration before this Court, in the present controversy. If the respondents in their capacity as "any person interested", had filed a "revocation petition" before the institution of an "infringement suit", they cannot be

permitted to file a "counter-claim" on the same cause of action. The natural conclusion in the above situation would be, the validity of the grant of the patent would have to be determined in the "revocation petition". Therefore, in the above situation, while the "revocation petition" will have to be permitted to be pursued, the "counter-claim" cannot be permitted to be continued. Therefore, in the above eventuality, it is apparent that the situation would be resolved, in the same manner, as it would have been resolved in cross-suits filed by the rival parties, before different jurisdictional courts. In our considered view, the above conclusion is imperative for a harmonious interpretation of the relevant provisions of the Patents Act."

29. The above view of the Supreme Court clearly fortifies the stand taken by the plaintiff that the second defendant cannot pursue the revocation petition before the IPAB, though it was filed one day prior to filing of the counter claim in the suit. The defendants having received the suit notice, at best, could have pursued the matter before this Court. On the contrary, a separate application for revocation of patent has been filed before the IPAB and that would amount to pursuing two remedies, which the Supreme Court has clearly held as not maintainable.

30. The next question that arises is whether the suit can still continue to be prosecuted by the plaintiff.

31. In this regard, one has to bear in mind that the suit itself was laid only on the ground that was a Patent Certificate No.214388 issued in favour of the plaintiff, which gave him the cause of action for filing the suit for infringement. On and after the order passed by the IPAB, the Patent Office has removed the patent from the register of patents. Since there is no valid patent certificate, the plaintiff would have no basis to justify the suit for infringement of the patent.

32. On the plea of rejection of the plaint under Order 7 Rule 11 of the CPC on the ground that there is no cause of action on and after revocation of the patent, the question to be considered is as to whether the plaint could be rejected on the basis of an event which happens subsequent to the filing of the suit, because on the day when the suit was laid the plaintiff had cause of action.

33. It is the plea of the learned counsel for the second defendant that the suit if allowed to proceed would lead to miscarriage of justice and to prevent abuse of the process of the Court, the suit should be dismissed invoking Section 151 of the CPC.

34. I find much force in the said plea made by the learned counsel for the second defendant as, as of now, there is no cause of action for the suit to be pursued, as the patent certificate has been revoked by IPAB and the same

has been removed from the register of patents by the Patent Office. The plaintiff, therefore, does not have any basis to prosecute the suit any further. Though the plaintiff has stated that he has challenged the order of the IPAB, even at this point of time, there is no material produced before this Court to show that the order of the IPAB has been challenged in the manner known to law and it has been stayed or set aside. In such view of the matter, the continuation of the suit would be nothing but an abuse of the process of the Court.

35. It is another matter that the plaintiff can pursue his rights as against the order of the IPAB, but the cause of action of the suit is the patent certificate, which is not on record as on dated. Subsequent events, which have happened, can be considered for doing substantial justice between the parties. Further prolongation of the litigation is nothing but an abuse of process of Court and Section 151 of the CPC gets attracted to the facts of the case. This view is fortified by the observation of the Supreme Court in *Shikharchand Jain v. Digamber Jain Praband Karini Sabha and others*, AIR 1974 SC 1178, wherein it was held as under:

"11. .... Ordinarily, a suit is tried in all its stages on the cause of action as it existed on the date of its institution. But it is open to a Court (including a court of appeal) to take notice of events which have happened after the institution of the suit and afford relief to the parties in the changed circumstances where it is shown that the relief claimed originally has (1) by reason of subsequent change of

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circumstances become inappropriate; or (2) where it is necessary to take notice of the changed circumstances in order to shorten the litigation; or (3) to do complete justice between the parties. (See *Sai Charan Mandal v. Biswanath Mandal.*) AIR 1915 Cal. 103.”

36. In such view of the matter, in exercise of the power under Section 151 of the CPC, in order to prevent abuse of the process of the Court, the plaintiff's claim, bereft of patent certificate, has to be rejected and the suit is liable to be dismissed.

In the result, Application Nos.2363 of 2009 and 5350 of 2012 are allowed.

28.8.2014

Index : Yes  
Internet : Yes

sasi

(29)

R.SUDHAKAR,J.

ts/sasi

Common Order in  
A.Nos.2363 of 2009 & 5350 of 2012  
in C.S.No.221 of 2009  
(Tr.C.S.No.618 of 2011)

28.8.2014

(30)

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 28.8.2014

CORAM:

THE HONOURABLE MR.JUSTICE R.SUDHAKAR

Application Nos.2363 of 2009 and 5350 of 2012  
in C.S.No.221 of 2009 (Transfer C.S.No.618 of 2011)

A.No.2363 of 2009:

MIRC ELECTRONIC LTD.  
ONIDA HOUSE G-1 M.I.D.C. MAHAKALI CAVES  
RD. ANDHERI (E) MUMBAI-400 093

[ PETITIONER ]

Vs

1 S.RAM KUMAR  
S/O.P.SOMASUNDARAM OLD NO.15/2 NEW NO.28  
SOUTH MADA STREET TALLAKULAM MADURAI -  
625002.

[ RESPONDENTS ]

2 M/S.SAMSUNG ELECTRONICS  
CO.LTD. IFCI TOWER 61 NEHRU ROAD NEW  
DELHI NEW DELHI -110024. REP. BY ITS  
MANAGING DIRECTOR.

3 SPICE MOBILE  
D1-SECTOR 3 NOIDA -201 301 UTTAR PRADESH  
INDIA REP. BY ITS MANAGING DIRECTOR.

4 EBAY INDIA PVT LTD.  
202 B WING IIND FLOOR PHOENIX HOUSE  
PHOEIX MILLS COMPOUND 462 S.B.MARG LOWER  
PAREL MUMBAI-40013.REP. BY ITS MANAGING  
DIRECTOR.

5 REDIFF.COM INDIA LTD.  
1ST FLOOR MAHALAKSHMI ENGINEERING ESTATE L.  
J.ROAD NO.1 MAHIM (WEST). MUMBAI -400016.  
REP. BY ITS MANAGING DIRECTOR.

- 6 FU-TRONICX  
DOOR NO.14 SHOP G16 H.B.ARCADE  
NARASINGAPURAM STREET (RICHI STREET) MOUNT  
ROAD CHENNAI-2. REP. BY ITS MANAGER
- 7 EXFILE TRADING  
68/834 ANNA SALAI (G1 RAHEJA COMPLEX)  
CHENNAI-2. REP. BY ITS MANAGER
- 8 GADGET WORLD  
REP. BY MR.ISMAIL BHAMLA 143 BAPU KHOTE  
STREET 2ND FLOOR JAMLI MOHALA PYDHONIE  
MUMBAI=400003. REP. BY ITS MANAGER
- 9 UNIVERCELL  
NO.278 PETERS ROAD SATHYA BUILDING  
GOPALAPURAM (OOP TO INDIAN BANK) CHENNAI-  
86 REP. BY ITS MANAGER
- 10 PRATHAM TELECOM INDIA PVT  
LTD. DHARUV FIRST FLOOR UPPER GOVIND NAGAR  
MALAD (E) MUMBAI - 400097. REP. BY ITS  
MANAGING DIRECTOR
- 11 PARNEET ELECTRONICS PVT LTD.  
MODERN ELECTRONICS INDUSTRIES A-24/2  
NARAINA INDUSTRIAL AREA PHASE-1 NEW DELHI-  
110028. REP. BY ITS MANAGER
- 12 ESSAR TELECOM RETAIL LTD.  
122 TRIPLICANE ROAD TRIPLICANE CHENNAI.
- 13 THE ANNASALAI MOBILES  
SHOP NO.6 OLD NO.189/2 NEW NO.241/2 AATHI  
CHAMBERS ANNASALAI CHENNAI.

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Prayer

To reject the plaint in C.S.No.221/2009

- 1 SAMSUNG INDIA ELECTRONICS PVT LTD [ PETITIONER ]  
7TH AND 8TH FLOORS IFCI TOWER 61 NEHRU  
ROAD NEW DELHI REP BY ITS REGIONAL  
COMMERCIAL HEAD

Vs

- 1 S. RAMKUMAR [ RESPONDENT ]  
15/2 NEW NO.28 SOUTH MADA ST TALLAKULAM  
MADURAI 625 002
- 2 MIRC ELECTRONICS LTD  
ONIDA HOUSE G-1 M.I.D.C MAHAKALI CAVES  
ROAD ANDHERI (E) MUMBAI - 400093. REP. BY  
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SHOP NO.6 OLD NO.189/2 NEW NO.241/2 AATHI  
CHAMBERS ANNASALAI CHENNAI REP BY ITS  
MANAGER

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Prayer

To dismiss the present suit in the light of order dated  
01/06/2012 passed by the Honble IPAB revoking patent No.214388  
of the Respondent/Plaintiff