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

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+ C.A.(COMM.IPD-PAT) 6/2024

PHILIP MORRIS PRODUCTS S.A. .....Appellant  
Through: Mr. Manish Aryan, Mr. Nishant Rai,  
Ms. Manisha Singh and Mr. Abhai Pandey,  
Advocates.

versus

DEPUTY CONTROLLER OF PATENTS AND DESIGNS

.....Respondent  
Through: Mr. Jagdish Chandra, CGSC with Mr.  
Sankalp Mishra, G.P. and Mr. Sujeet Kumar,  
Advocate.

65

+ C.A.(COMM.IPD-PAT) 40/2024

PHILIP MORRIS PRODUCTS S.A. .....Appellant  
Through: Mr. Manish Aryan, Mr. Nishant Rai,  
Ms. Manisha Singh and Mr. Abhai Pandey,  
Advocates.

versus

ASSISTANT CONTROLLER OF PATENTS AND DESIGNS

.....Respondent  
Through: Mr. Jagdish Chandra, CGSC with Mr.  
Sankalp Mishra, G.P. and Mr. Sujeet Kumar,  
Advocate.

66

+ C.A.(COMM.IPD-PAT) 49/2024

PHILIP MORRIS PRODUCTS S.A. .....Appellant  
Through: Mr. Manish Aryan, Mr. Nishant Rai,  
Ms. Manisha Singh and Mr. Abhai Pandey,  
Advocates.

versus



ASSISTANT CONTROLLER OF PATENTS AND DESIGNS

.....Respondent

Through: Ms. Nidhi Raman, CGSC with Mr.  
Om Ram and Ms. Nikita Singh, Advocates.

67

+ C.A.(COMM.IPD-PAT) 61/2024

PHILIP MORRIS PRODUCTS S.A.

.....Appellant

Through: Mr. Manish Aryan, Mr. Nishant Rai,  
Ms. Manisha Singh and Mr. Abhai Pandey,  
Advocates.

versus

DEPUTY CONTROLLER OF PATENTS AND DESIGNS

.....Respondent

Through: Ms. Nidhi Raman, CGSC with Mr.  
Om Ram and Ms. Nikita Singh, Advocates.

68

+ C.A.(COMM.IPD-PAT) 79/2024

PHILIP MORRIS PRODUCTS S.A.

.....Appellant

Through: Mr. Manish Aryan, Mr. Nishant Rai,  
Ms. Manisha Singh and Mr. Abhai Pandey,  
Advocates.

versus

DEPUTY CONTROLLER OF PATENTS AND DESIGNS

.....Respondent

Through: Ms. Nidhi Raman, CGSC with Mr.  
Om Ram and Ms. Nikita Singh, Advocates.

69

+ C.A.(COMM.IPD-PAT) 28/2024

PHILIP MORRIS PRODUCTS S.A.

.....Appellant

Through: Mr. Manish Aryan, Mr. Nishant Rai,  
Ms. Manisha Singh and Mr. Abhai Pandey,  
Advocates.

versus



ASSISTANT CONTROLLER OF PATENTS AND DESIGNS

.....Respondent

Through: Ms. Nidhi Raman, CGSC with Mr.  
Om Ram and Ms. Nikita Singh, Advocates.

70

+ C.A.(COMM.IPD-PAT) 32/2024

PHILIP MORRIS PRODUCTS S.A.

.....Appellant

Through: Mr. Manish Aryan, Mr. Nishant Rai,  
Ms. Manisha Singh and Mr. Abhai Pandey,  
Advocates.

versus

ASSISTANT CONTROLLER OF PATENTS AND DESIGNS

.....Respondent

Through: Ms. Nidhi Raman, CGSC with Mr.  
Om Ram and Ms. Nikita Singh, Advocates.

71

+ C.A.(COMM.IPD-PAT) 27/2025

PHILIP MORRIS PRODUCTS S.A.

.....Appellant

Through: Mr. Manish Aryan, Mr. Nishant Rai,  
Ms. Manisha Singh and Mr. Abhai Pandey,  
Advocates.

versus

ASSISTANT CONTROLLER OF PATENTS AND DESIGNS

.....Respondent

Through: Ms. Nidhi Raman, CGSC with Mr.  
Om Ram and Ms. Nikita Singh, Advocates.

**CORAM:**

**HON'BLE MS. JUSTICE JYOTI SINGH**

**ORDER**

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**17.04.2026**

**C.A.(COMM.IPD-PAT) 6/2024**

1. This appeal is filed on behalf of the Appellant under Section 117A of  
The Patents Act, 1970 ('1970 Act') for setting aside/quashing impugned



order dated 19.10.2023 passed by the Respondent, whereby Patent Application No. 201617029499 dated 30.08.2016 for grant of patent has been refused.

2. Necessary details are tabulated as below:-

| Sr. No. | Dates      | Events                                                                                                                                                                                                                                                                          |
|---------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 28/04/2014 | Appellant filed first US Patent provisional Application No.61/984,968, in United States of America                                                                                                                                                                              |
| 2.      | 28/04/2014 | Appellant filed second provisional EP application 14166210.6                                                                                                                                                                                                                    |
| 3.      | 23/04/2015 | Appellant filed a PCT International Application No. PCT/IB2015/001283 claiming priority from the above two applications.                                                                                                                                                        |
| 4.      | 30/08/2016 | Appellant filed a National Phase application in India with the Application No. 201617029499 “the subject application” with the Patent Office, Delhi under the provisions of Patents Act, 1970 (as amended) (hereinafter “the Act”) in the national phase of the PCT application |
| 5.      | 27/01/2017 | Subject application was published under the provisions of the Act.                                                                                                                                                                                                              |
| 6.      | 24/03/2018 | Appellant filed a request for examination for the subject application to be examined under the provisions of the Act.                                                                                                                                                           |
| 7.      | 20/04/2020 | Subject application was examined and the First Examination Report (hereinafter “FER”) was issued                                                                                                                                                                                |
| 8.      | 08/10/2020 | Reply to FER was filed by the Appellant                                                                                                                                                                                                                                         |
| 9.      | 11/08/2023 | Respondent issued a hearing Notice                                                                                                                                                                                                                                              |
| 10.     | 11/09/2023 | Agent for the Appellant appeared for hearing                                                                                                                                                                                                                                    |
| 11.     | 22/09/2023 | Subsequent to hearing a written submission post hearing was filed                                                                                                                                                                                                               |
| 12.     | 19/10/2023 | Respondent passed the order refusing grant of patent.                                                                                                                                                                                                                           |

3. As stated in the appeal, subject invention pertains to a device which is a flavoured nicotine powder inhaler, wherein the flavoured powder is delivered at low air flow rates that are within the conventional smoking regime inhalation or air flow rates and provides a metered dose of flavoured nicotine and also provides simultaneous delivery of second active ingredient, which is a pharmaceutical drug and thus has medicinal use. The



technical problem addressed by the invention is that the Dry Powder Inhalers ('DPIs') are known and used to treat respiratory diseases by delivering the dry powder comprising Active Pharmaceutical Ingredients ('APIs') in aerosol form through inhalation into patients' airways. For deep delivery into the lungs, particles in the range of 1 to 5 micrometres are required, however, in pharmaceutical dry powders, API is agglomerated on the surface of larger carrier particles, for example lactose and therefore, DPI operates on complex mechanism to ensure that such agglomerates disperse, break up or disaggregate so that API can be inhaled into the lungs. The existing DPIs first grind a dry powder or impact the larger particles of dry powder to result in desired particle size range and subsequently use force of patient's inhalation to entrain the powder from the device to subsequently break-up the powder into particles that are small enough to enter the lungs. Therefore, high inhalation rates are required to ascertain correct dosing and complete disaggregation of powder. The disadvantage of DPI is that typically a large amount of API remains attached on the surface of the carrier and is deposited in the upper airways due to incomplete de-aggregation of the powder. Existing DPIs are therefore only suitable for delivering dry powders to users in a manner that is different from the inhalation rate associated with smoking articles and thus, there was a need to invent an inhaler that can deliver API to a user at inhalation or air flow rates that are within conventional smoking regime inhalation or air flow rates.

4. Learned counsel for the Appellant *inter alia* argues that the patent application has been refused under Section 3(b) of 1970 Act placing reliance on 9 published documents, which were referred to by the Respondent for the first time in the impugned order. These documents were neither notified in the First Examination Report ('FER') nor in the hearing notice and



Appellant had no opportunity to rebut them and/or address arguments with respect to the documents and this has resulted in violation of principles of natural justice. In ***Otsuka Pharmaceutical Co. Ltd. v. Controller of Patents, 2022 SCC OnLine Del 4982***, this Court observed that no person can be condemned unheard and all objections must be communicated to the Applicant at the threshold. This position was reaffirmed by this Court in ***Perkinelmer Health Sciences Inc and Others v. Controller of Patents, 2023 SCC OnLine Del 8590***, where it was observed that no new grounds can be raised by the Controller/Examiner at the time of hearing. This ground is enough to set aside the impugned order and remand the matter back to the Respondent for fresh consideration.

5. Learned counsel also addressed arguments on other issues: (a) hearing notice fails to give any reasoning as to how the claimed invention causes serious prejudice to human life or health and to the environment; (b) refusal of the application under The Prohibition of Electronic Cigarettes (Production, Manufacture, Import, Export, Transport, Sale, Distribution, Storage and Advertisement) Act, 2019 ('ENDS Act') is a glaring error since ENDS Act does not prohibit patenting of aerosol-generating devices; and (c) Respondent has misinterpreted the scope of claimed invention and wrongly applied Section 3(b) of 1970 Act. Respondent has failed to consider that the subject invention as claimed in claim 1 has medicinal use. The claimed flavoured nicotine powder inhaler enables delivery of flavoured nicotine powder to use at lower inhalation or air flow rates, which are within the conventional smoking regime with a similar size and configuration of nicotine powder inhaler such as a conventional cigarette. It also provides a metered dose of flavoured nicotine and an optional simultaneous delivery of second active ingredient with a simplified configuration.



6. It is further urged that the primary or intended use or commercial exploitation of the device is to provide an inhaler which can deep deliver APIs with lower inhalation rate i.e., it can mimic conventional smoking regime. Respondent has erred in passing the order on a preconceived notion that use of nicotine is *per se* harmful to human health, contrary to the accepted fact that Nicotine Replacement Therapies (NRTs) are approved by US Food and Drug Administration for quitting smoking and nicotine patches, gums and lozenges are most common quit-smoking OTC medicines. In fact, Ministry of Health and Family Welfare has included NRT in the national list under the head '23.5-Medicines for disorders due to psychoactive substance abuse'. Further, the subject application describes that the nicotine powder is a pharmaceutically acceptable nicotine salt or nicotine salt hydrate and it is disclosed by way of an example that nicotine salicylate can be administered for fever relief, as an anti-inflammatory or pain killer, nicotine fumarate for treating multiple sclerosis, nicotine monopyruvate for treating chronic obstructive pulmonary disease (COPD) or for weight loss.

7. It is also argued that corresponding Foreign Patent Applications have been granted in multiple jurisdictions such as US, Canada, Japan etc. and while this may not be a binding fact on the Respondent, yet it cannot be completely disregarded, moreover, in areas involving public policy and for the sake of uniformity in interpreting questions of law.

8. Learned CGSC defends the impugned order and submits that it is a well-reasoned order and patent application has been rightly refused as the claimed invention is inherently harmful to human health. The burden of proving that the invention would not cause serious prejudice to human life or health was on the Appellant, which it failed to discharge and overcome



the bar of Section 3(b) of 1970 Act. There is no violation of principles of natural justice inasmuch as the 9 documents cited in the impugned order were only for better clarification of the objections already raised and moreover, these were publicly available known and published documents, which is evident from the bare perusal of the documents, which are as follows:-

1. Chakma, J.K., Dhaliwal, R.S., Mehrotra, R. and Writing Committee, 2019. White paper on electronic nicotine delivery system. The Indian Journal of Medical Research, 149(5), pp. 574–583 (hereinafter referred to as “A1”).

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6702703/pdf/IJMR-149-574.pdf>;

2. Media report on (Electronic Nicotine Delivery System (ENDS) by Indian Council of Medical Research (hereinafter referred to as “A2”).

[https://main.icmr.nic.in/sites/default/files/ICMR\\_NEWS\\_ENDS.pdf](https://main.icmr.nic.in/sites/default/files/ICMR_NEWS_ENDS.pdf);

3. Government of India, Ministry of Health & Family Welfare order no. F.No.-P-16012/19/2017-TC dated 28.08.2018 (hereinafter referred to as “A3”).

[https://ntcp.mohfw.gov.in/assets/document/CIRCULAR-ADVISORY/Advisory-on-Electronic-Nicotine-Delivery-Systems-\(ENDS\)-and-the-like-devices-which-enable-nicotine-delivery.pdf](https://ntcp.mohfw.gov.in/assets/document/CIRCULAR-ADVISORY/Advisory-on-Electronic-Nicotine-Delivery-Systems-(ENDS)-and-the-like-devices-which-enable-nicotine-delivery.pdf);

4. Government of India, Ministry of Home Affairs order no. F.No. 24013/50/Misc./2019-CSR.III dated 07/10/2019 (hereinafter referred to as “A4”).

[https://www.mha.gov.in/sites/default/files/CSDiv\\_ecigarette\\_12122019.pdf](https://www.mha.gov.in/sites/default/files/CSDiv_ecigarette_12122019.pdf);



5. World Health Organization (WHO) report on the global tobacco epidemic<sup>2021</sup> (hereinafter referred to as “A5”).

<https://iris.who.int/bitstream/handle/10665/343287/9789240032095-eng.pdf?sequence=1>;

6. The Prohibition of Electronic Cigarettes (Production, Manufacture, Import, Export, Transport, Sale, Distribution, Storage and Advertisement) Act, 2019 (No. 42 of 2019) dated 05/12/2019 (hereinafter referred to as “A6”).

[https://ntcp.mohfw.gov.in/assets/document/The-Prohibition-of-Electronic-Cigarettes-Production-Manufacture-Import-Export-Transport-Sale-Distribution-Storage-and-Advertisement\)-Act-2019.pdf](https://ntcp.mohfw.gov.in/assets/document/The-Prohibition-of-Electronic-Cigarettes-Production-Manufacture-Import-Export-Transport-Sale-Distribution-Storage-and-Advertisement)-Act-2019.pdf);

7. Government of India, Ministry of Commerce and Industry notification no. 20/2015-2020 dated 26/09/2019 (hereinafter referred to as “A7”).

<https://content.dgft.gov.in/Website/Notification%20No.%2020%20dated%2026.09.2019%20in%20E.pdf>;

8. Government of India, Ministry of Commerce and Industry notification no. 22/2015-2020 dated 30/09/2019 (hereinafter referred to as “A8”).

[https://content.dgft.gov.in/Website/Noti%2022%20dated%2030.09.2019%20Eng\\_0.pdf](https://content.dgft.gov.in/Website/Noti%2022%20dated%2030.09.2019%20Eng_0.pdf); and

9. Government of India, Ministry of Health & Family Welfare report on Economic Burden of Tobacco Related Diseases in India (hereinafter referred to as “A9”).

[https://nhm.gov.in/NTCP/Surveys-Reports-Publications/Economic\\_Burden\\_of\\_Tobacco\\_Related\\_Diseases\\_in\\_India-Report.pdf](https://nhm.gov.in/NTCP/Surveys-Reports-Publications/Economic_Burden_of_Tobacco_Related_Diseases_in_India-Report.pdf).



9. It is argued that even if an invention satisfies the requirements of novelty and inventive step under Section 2(1)(j) and 2(1)(ja) of 1970 Act, it must overcome exclusions listed in Section 3, which sets up a second tier of qualifying standards peculiar to Indian jurisdiction. Even assuming that the invention has a technical improvement, the harmful effects cannot be overlooked and therefore, grant of patent has been rightly refused. The Indian Council of Medical Research (ICMR) in its 2019 White Paper has unambiguously assessed harmful effects of nicotine, whether delivered through combustible cigarettes or Electronic Nicotine Delivery Systems, including heat-not-burn product and has considered it as one of the most addictive substances. WHO in its report on Global Tobacco Epidemic, 2021 has emphasized that nicotine is a highly addictive chemical that adversely affects multiple biological systems even when delivered through non-combustible methods and poses many serious health concerns. The ‘serious prejudice’ referred to in Section 3(b) of the 1970 Act implies consequences on health such as respiratory illnesses, cancers, cardiovascular diseases, which may fall out by use of nicotine and any invention that facilitates or enhances the production or use of products that may cause damage to health is barred under Section 3(b), since the Legislative intent behind the provision is to prevent patenting of inventions which may cause or contribute *inter alia* to human health issues, irrespective of intermediate technical efficiencies.

**C.A.(COMM.IPD-PAT) 40/2024**

10. This appeal is filed on behalf of the Appellant under Section 117A of 1970 Act for setting aside/quashing impugned order dated 01.02.2024 passed by the Respondent, whereby Patent Application No. 201617028283 dated 19.08.2016 for grant of patent has been refused.



11. Necessary details are tabulated as below:-

| Sr. No. | Dates      | Events                                                                                                                                                                                                                                                       |
|---------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 21.05.2015 | Appellant filed PCT International Application No. PCT/EP2015/061293 titled “Aerosol-Generating Article with Multi-Material Susceptor” which further claimed priority from EP Patent Applications 14169192.3, 14169194.9 and 14169241.8 filed on May 21, 2024 |
| 2.      | 19.08.2016 | Appellant filed PCT National Phase Application no. 201617028283                                                                                                                                                                                              |
| 3.      | 21.01.2020 | Subject application was examined, and First Examination Report (‘FER’) was issued                                                                                                                                                                            |
| 4.      | 11.05.2020 | Reply to the FER was filed by the Appellant along with amended claim set                                                                                                                                                                                     |
| 5.      | 02.11.2023 | Respondent issued a hearing notice                                                                                                                                                                                                                           |
| 6.      | 01.12.2023 | Agent of the Appellant appeared for the hearing                                                                                                                                                                                                              |
| 7.      | 16.01.2024 | Written submissions along with relevant documents were filed by the agent of the Appellant                                                                                                                                                                   |
| 8.      | 01.02.2024 | Respondent passed an order refusing the grant of patent.                                                                                                                                                                                                     |

12. It is stated in the appeal that the subject invention relates to an aerosol-generating article comprising an aerosol forming substrate for generating an inhalable aerosol when heated. The aerosol generating article is provided with an aerosol-forming substrate and a susceptor for heating the aerosol-forming substrate. The susceptor comprises a first susceptor material and a second susceptor material, where the first susceptor material is disposed in intimate physical contact with the second susceptor material. The second susceptor material preferably has a Curie temperature that is lower than 500°C. Use of such a multi-material susceptor allows heating to be optimised and the temperature of the susceptor to be controlled to approximate the second Curie temperature without need for direct temperature monitoring. By providing a multi-material susceptor having first and a second susceptor material with either the second susceptor material having a Curie temperature and the first susceptor material not having a Curie temperature or first and second susceptor materials having first and



second Curie temperatures distinct from one another, the heating of the aerosol-forming substrate and the temperature control of the heating may be separated. While the first susceptor material may be optimized with regard to heat loss and thus heating efficiency, second may be optimized for temperature control and thus the immediate proximity of the first and second susceptor materials may be of advantage in providing an accurate temperature control. The present invention also relates to a system comprising such an aerosol-generating article and an aerosol-generating device having an inductor for heating the aerosol-generating device.

13. It is stated that the aerosol-generating articles in which tobacco is heated rather than combusted exist in the prior art which reduce known harmful smoke constituents of the type produced by the combustion and pyrolytic degradation of tobacco. Typically, such heated aerosol-generating articles comprise an aerosol-forming substrate and an inductive heating device. The inductive heating device comprises an induction source, which produces an alternating electromagnetic field that induces a heat generating eddy current in a susceptor material. The susceptor material is in thermal proximity of the aerosol-forming substrate. Inductively heating the aerosol-forming substrate using a susceptor is a form of ‘contactless heating’ and there is no direct means to measure the temperature inside the consumable’s aerosol-forming substrate itself i.e., there is no contact between the device and the inside of the consumable where the aerosol-forming substrate is and thus, the technical problem solved by the present invention is to improve the control of the temperature of the aerosol-forming substrate.

14. It is stated that the technical solution to the problem achieved by the invention lies in claim 1, “.....characterised in that the susceptor (1, 4) comprises a first susceptor material (2, 5) and a second susceptor material



(3, 6), the first susceptor material being disposed in intimate physical contact with the second susceptor material and the second susceptor material having a Curie temperature that is lower than 500°C.” Use of multi-material susceptor allows heating to be optimized and the temperature of the susceptor to be controlled without the need for direct temperature monitoring. While the first susceptor material may be optimized with regard to heat loss and thus heating efficiency, the second susceptor material may be optimized in respect of temperature control. The second susceptor material need not have any pronounced heating characteristic. The second susceptor material may be selected to have a Curie temperature or a second Curie temperature, which corresponds to a pre-defined maximum desired heating temperature of the first susceptor material. The maximum desired heating temperature may be defined such that a local overheating or burning of the aerosol-forming substrate is avoided. The aerosol-forming substrate may be controlled by a repeated activation and deactivation of the inductive heating device and this temperature control is accomplished by contactless means. Independent claim 1 pertains to an aerosol-generating article (10) comprising an aerosol-forming substrate (20) and a susceptor (1, 4) for heating the aerosol-forming substrate (20), characterised in that the susceptor (1, 4) comprises a first susceptor material (2, 5) and a second susceptor material (3, 6), the first susceptor material being disposed in intimate physical contact with the second susceptor material and the second susceptor material having a Curie temperature that is lower than 500°C and the claim is directed to a susceptor material and in no way primary or intended use of the susceptor material will cause serious prejudice to human life or health.

15. Learned counsel for the Appellant submits that no reasoning has been



given in the impugned order as to how the present invention falls under Section 3(b). Respondent has himself noted in the order that conventional cigarettes may not fall under Section 3(b) contingent upon the evidence demonstrating the adverse effects of traditional cigarettes. There is no general bar or embargo on all inventions related to e-cigarettes being patented unless there is evidence to support the view that invention falls within the scope of Section 3(b) and in the present case, there is not a whisper in the order as to how the invention has the potential to harm human health.

16. It is submitted that 1970 Act is a complete Code in itself and any invention is to be granted or refused based on the provisions of the 1970 Act alone and not based on general Government policies and guidelines. There is no provision in the 1970 Act which *per se* bars patentability of an e-cigarette or aerosol-generating device and Respondent has completely erred in rejecting the application on the basis of ENDS Act. Moreover, Article 4quarter of Paris Convention provides that grant of patent shall not be refused and a patent shall not be invalidated on the ground that sale of patented product or of a product obtained by means of a patented process is subject to restrictions or indications resulting from the domestic law. Similar provision is available in Article 27(2) of Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), which provides that members may exclude from patentability inventions, the prevention within their territory of the commercial exploitation of which is necessary to protect *ordre public* or morality, including to protect human, animal or plant life or health or to avoid serious prejudice to the environment, provided that such exclusion is not made merely because the exploitation is prohibited by their law and India is a member of both the Treaties. Article 51(c) of the



Constitution of India provides that State shall endeavour to foster respect for international law and treaty obligations in the dealings of organized peoples with one another.

17. Respondent failed to appreciate that the ENDS Act ought not to have been the ground to refuse the application as Government policies and statutory provisions are ever changing and evolving. There is a possibility of revocation of the ban in future and if that happens, refusal of the application at this stage will cause irreparable damage to the Appellant. Illustratively, before 01.01.2005, India was granting only process patent and not product patent, however, to safeguard the interests of the inventors, mailbox facility was provided and from 01.01.1995 to 01.01.2005 an application could be filed for a product patent which was subsequently examined post 01.01.2005 and those who comply with the requirements are being granted product patents. In any event, patent is a negative right and does not automatically give the patentee the right to use/sell the patented product or process or product by process in India, by virtue of Section 48 of the 1970 Act. Therefore, grant of patent at this stage will only confer a right on the Appellant to prevent third parties from using the invention without its permission. Instances are replete where IPO has granted patents in similar fields relating to smoking articles, wrapper material over a tobacco smoking material including nicotine and traditional cigarettes and many of these examples were cited by the Appellant before the Respondent including references to several articles on the subject in response to the FER and during the post-hearing submissions, but none of these points have been considered in the impugned order.

18. Learned CGSC submits that claims 1-18 of the claimed invention attract provisions of Section 3(b) of the 1970 Act and are not allowable, in



light of prohibition under the ENDS Act. Present invention relates to aerosol-generating device which includes an aerosol-forming substance and a susceptor specifically engineered to heat the substrate. As per ENDS Act, e-cigarettes are completely banned in India and hence, claimed invention is contrary to public health and public order and non-patentable under Section 3(b). The ban order by the Government through a Legislation in itself is evidence to the fact that the invention will be harmful to human life and health. Grant of patents on corresponding applications in other jurisdictions has no relevance as each case has to be decided on its own facts and moreover, *prima facie* the titles of the inventions granted in foreign jurisdictions suggests that they relate to conventional cigarettes/smoking articles etc. and not to e-cigarettes, in respect of which there is a specific ban in India.

19. It is further urged that reliance on Article 27 of TRIPS can be of no help to the Appellant inasmuch as Section 3(b) itself prohibits grant of patent when the invention causes serious prejudice to human, animal or plant life or health and therefore, the objection is in consonance with Article 27 and insofar as Article 4 of Paris Convention is concerned, the same has no relevancy in light of the fact that the objection is not merely the ENDS Act but is also under Section 3(b) of the 1970 Act.

**C.A.(COMM.IPD-PAT) 49/2024**

20. This appeal is filed on behalf of the Appellant under Section 117A of 1970 Act for setting aside/quashing the impugned order dated 05.03.2024 passed by the Respondent, whereby Patent Application No. 202017032493 dated 29.07.2020 for grant of patent has been refused.

21. Necessary details are tabulated as below:-



| Sr. No. | Dates      | Events                                                                                                                                     |
|---------|------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 23.04.2018 | Appellant filed EP Patent Application No.18168846.6                                                                                        |
| 2.      | 23.04.2019 | Appellant filed PCT International Application No. PCT/EP2019/060380 titled “AN AEROSOL-GENERATING DEVICE HAVING TEMPERATURE-BASED CONTROL” |
| 3.      | 29.07.2020 | Appellant filed PCT National Phase Application no. 202017032493                                                                            |
| 4.      | 20.05.2022 | Subject application was examined, and First Examination Report (‘FER’) was issued.                                                         |
| 5.      | 11.11.2022 | Reply to the FER was filed by the Appellant.                                                                                               |
| 6.      | 17.11.2023 | Respondent issued a hearing notice.                                                                                                        |
| 7.      | 15.12.2023 | Agent of the Appellant appeared for the hearing.                                                                                           |
| 8.      | 22.12.2023 | Written submissions along with amended claims were filed by the agent of the Appellant.                                                    |
| 9.      | 05.03.2024 | Respondent passed an order refusing the grant of patent.                                                                                   |

22. It is stated that the subject invention pertains to an aerosol generating device with temperature-based control, having a controller arranged to control supply for power to an electrical heater based on determined rate of increase in temperature. Technical problem addressed by the invention is that typically, the aerosol-generating device is configured to generate heat using the electric heater according to a predetermined heating profile. However, variations in the aerosol-forming substrate may result in undesirable variations in a user experience. For example, in high humidity environments, the aerosol-forming substrate may exhibit a high water content. Since water is aerosolised at typical operating temperatures for aerosol-generating devices, a high water content may result in an undesirably high perceived aerosol temperature by a user. In another example, an aerosol-forming substrate that has already been heated may exhibit a low water content. A low water content will result in a reduced transfer of heat from the aerosol-forming substrate if a user attempts to re-heat the aerosol-forming substrate in an aerosol-generating device. The



reduced transfer of heat from the aerosol-forming substrate may result in overheating of the aerosol-generating device.

23. It is stated that the present invention solves the above technical problem of overheating of the aerosol generating device due to variations in aerosol-forming substrate and thus, the present invention enhances user experience. Technical advantage with respect to the invention is that in the aerosol generating device of the present invention, a controller is arranged to determine a rate of increase in temperature of the electrical heater during a first time period. From the determined rate of increase in temperature it can be assessed that there is a relatively low-water content of an aerosol-forming substrate received within the cavity. A relatively low determined rate of increase in temperature may be indicative of a relatively high water content. A relatively high determined rate of increase in temperature may be indicative of a relatively low water content. Thus advantageously, based on the determined rate of increase in temperature, the controller varies a supply of power to the electrical heater during a subsequent second time period to adjust further heating of the electrical heater.

24. It is stated that the primary or intended use of the present invention is to provide an aerosol generating device temperature-based control having a controller arranged to control a supply of power to an electrical heater based on a determined rate of increase in temperature. The controller in the aerosol generating device adjusts the supply of power from the power supply to the electrical heater during a second time period that prevents the supply of power from the power supply to the electrical heater based on a comparison of the determined rate of increase in temperature with a second threshold, wherein the second threshold is different from the first threshold. The second threshold may be indicative of a threshold between a normal water



content of the aerosol-forming substrate and a low water content of the aerosol-forming substrate. In other words, a determined rate of increase in temperature below the second threshold may be indicative of a normal water content of the aerosol-forming substrate. By no stretch of imagination, taken as a whole the invention can intend to cause harm to human health.

25. Learned counsel for the Appellant submits that the impugned order deserves to be set aside on the sole ground that it is non-speaking and unreasoned and there is no reasoning why the application was refused. The order comprises of one paragraph which purportedly contains ‘*Reason for refusal*’ but a bare perusal shows that it is only a reproduction of amended claim 1 of the invention with no reasoning to refuse the application. The second paragraph records the view of the Controller that the instant invention is related to use of tobacco and hence, causes serious prejudice to human life or health and cannot be granted under Section 3(b) of the 1970 Act. Neither the arguments raised by the Appellant nor the points and legal issues raised in the written submissions even find mention in the order, leave alone examining them. This Court in ***Agriboard International LLC v. Deputy Controller of Patents and Designs, 2022 SCC OnLine Del 940***, has held that passing of a reasoned and speaking order is an integral part of principles of natural justice. In ***Boehringer Ingelheim Vetmedica GMBH v. Controller of Patents, 2024 SCC OnLine Del 8578***, Court set aside the impugned order *inter alia* on the ground that the Controller has not considered the written submissions filed by the Appellant.

26. Learned CGSC argues that Appellant’s application was rightly refused under Section 15 of the 1970 Act on the ground that the claimed invention is non-patentable under Section 3(b). It is wrong to contend that the order is a non-reasoned order inasmuch as the ultimate conclusion is



correct in law and wholly justified. The invention read as a whole, is not merely a control mechanism but a tangible device and system specifically designed to heat a tobacco substrate for inhalation. Appellant has wrongly described the invention as a device for ‘temperature-based control’ obscuring the true identity and purpose of the invention which is to function as a more effective e-cigarette, which is confirmed by the specification that the device is designed to heat an ‘aerosol-forming substrate’ and that the claimed system includes ‘aerosol-generating article comprising an aerosol-forming substrate’, which may comprise tobacco. Clearly, the device’s entire function is to create an aerosol for inhalation and the invention is likely to cause serious prejudice to human health and falls within the scope of Section 3(b) read with Section 3(d) and the bar under the ENDS Act.

**C.A.(COMM.IPD-PAT) 61/2024**

27. This appeal is filed on behalf of the Appellant under Section 117A of 1970 Act for setting aside/quashing the impugned order dated 30.03.2024 passed by the Respondent, whereby Patent Application No. 202117030336 dated 06.07.2021 for grant of patent has been refused.

28. Necessary details are tabulated as below:-

| Sr. No. | Dates      | Events                                                                                                                                          |
|---------|------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 08.04.2019 | Appellant filed EP Patent Application No. EP19167966.1                                                                                          |
| 2.      | 18.03.2020 | Appellant filed PCT International Application No. PCT/EP2020/057507 titled “AEROSOL-GENERATING SUBSTRATE COMPRISING AN AEROSOL-GENERATING FILM” |
| 3.      | 06.07.2021 | Appellant filed PCT National Phase Application no. 202117030336                                                                                 |
| 4.      | 27.04.2023 | Subject application was examined, and First Examination Report (‘FER’) was issued.                                                              |
| 5.      | 04.10.2023 | Reply to the FER was filed by the Appellant.                                                                                                    |
| 6.      | 01.01.2024 | Respondent issued a hearing notice.                                                                                                             |
| 7.      | 25.01.2024 | Agent of the Appellant appeared for the hearing.                                                                                                |
| 8.      | 31.01.2024 | Written submissions along with amended claims were                                                                                              |



|    |            |                                                          |
|----|------------|----------------------------------------------------------|
|    |            | filed by the agent of the Appellant.                     |
| 9. | 30.03.2024 | Respondent passed an order refusing the grant of patent. |

29. It is stated that the subject invention pertains to an aerosol-generating substrate formed with an aerosol-generating film and to an aerosol-generating article incorporating such an aerosol-generating substrate. Substrates for heated aerosol-generating articles have in the past often been produced using randomly oriented shreds, strands or strips of tobacco material. As an alternative, rods for heated aerosol-generating articles formed from gathered sheets of tobacco material. Alternative forms of substrates comprising nicotine have also been known, for example, liquid nicotine compositions have been already proposed. Substrates of this type may require particular care in the manufacture of the containers holding the liquid composition in order to prevent undesirable leakages. To address this issue and simplify the overall manufacturing process, it has been proposed to provide a gel composition comprising nicotine that generates a nicotine-containing aerosol upon heating.

30. It is stated that the known aerosol generating substrate has certain disadvantages and higher environmental degradation impact. Therefore, the objective technical problem to be solved by the present invention is to provide an aerosol-generating article having a novel aerosol-generating film with improved stability. Additionally, it would be desirable to provide such an aerosol-generating article with an aerosol-generating film that has a high aerosol-former content, such that it can successfully be used as an aerosol-generating substrate. It would be particularly desirable to provide such an aerosol-generating article that is easier to dispose of after use or that has reduced environmental impact. It would be further desirable to provide such an aerosol-generating article that optimises generation of aerosol from the



aerosol-generating substrate during use. The above technical problem is solved by claim 1: *“An aerosol-generating article (10, 70) comprising a rod of aerosol generating substrate (14, 74), wherein the rod of aerosol-generating substrate (14, 74) comprises: “an aerosol-generating film comprising 25 percent to 90 percent by weight of a polyhydric alcohol and 10 percent to 70 percent by weight of a cellulose based film-forming agent, wherein the aerosol-generating film is configured such that the exposed surface area of the aerosol-generating film within the aerosol-generating substrate (14, 74) is at least 5 square millimetres per mg of the aerosol-generating film and wherein the aerosol-generating film is substantially tobacco-free.”*

31. It is stated that the technical effect of the above solution is that the composition of the aerosol-generating film may be selected such that the majority of the components of the film evaporate upon heating, during use of the aerosol-generating article, leaving minimal residue. This may advantageously provide an aerosol-generating article that is easier to dispose of and has a reduced environmental impact. The properties and composition of the aerosol-generating film can be readily adapted in order to control the resultant aerosol generated upon heating of the film. The use of the aerosol-generating film also enables a highly consistent aerosol to be provided to the consumer.

32. It is stated that the ‘primary or intended use’ of the present invention is to provide an alternative to aerosol forming substrate which have larger environmental impact and the aerosol generating article could be easily disposed after use. Therefore, the primary and intended use of the present invention is to provide a novel aerosol-generating article having a novel aerosol-generating substrate formed with an aerosol-generating film. The



composition of the aerosol-generating film is selected in such a way that the majority of the components of the film evaporate upon heating, during use of the aerosol-generating article, leaving minimal residue. This may advantageously provide an aerosol-generating article that is easier to dispose of and has a reduced environmental impact. The devices have not been invented with an intent to cause harm to human health.

33. Learned counsel for the Appellant submits that the impugned order is speculative and has not provided a single scientific reasoning as to how the claimed invention will cause serious prejudice. Respondent has clearly guessed without any basis and erroneously that despite absence of tobacco in the aerosol-generating film, invention may still involve the act of inhaling substances/nicotine into the lungs which may carry inherent health risk and this observation is also contrary to Respondent's own observation in the order that due to absence of tobacco there will be reduction in the harm caused by conventional cigarette.

34. It is further urged that the sole ground that weighed with the Respondent to refuse the application was the ban on e-cigarettes imposed by ENDS Act, which according to the Respondent reflects a broader social concern about potential health risk regardless of whether the invention contemplates use of tobacco or not. Respondent has thus ignored that the decision ought to have been guided by considerations under the 1970 Act, which is a complete Code in itself. Respondent has also erred in holding that Article 4 quarter of Paris Convention provides guidelines for patentability but domestic laws will take precedence in determining the grant of patent, more particularly, Section 3(b) of the 1970 Act, the application of which, is not negated by the Paris Convention.

35. Learned CGSC submits that the application has been rightly refused



as the e-cigarette or heat-not-burn products or any similar devices whose primary or intended use causes serious prejudice to human health are classified as ‘electronic cigarette’ under Section 3(d) of the ENDS Act and falls within the scope of Section 3(b) of the 1970 Act. The argument that tobacco-free product cannot be prejudicial to health is not correct. While the film itself may be tobacco-free, the specification makes it clear that the intended application is within the ‘nicotine delivery systems’ and by clever drafting, Appellant has avoided using terms like e-cigarette and has instead opted for general phrasing such as ‘electrically operated aerosol-generating device’ and ‘electrically heated aerosol-generating device’. The very purpose of invention is to create an inhalable aerosol containing an addictive substance to facilitate inhalation of an aerosol, preferably containing nicotine.

36. It is further urged that Respondent fully acknowledges India’s commitment to obligations under Paris Convention and TRIPS Agreement, however, it is critical to refer to part of Article 27.2 of TRIPS which provides a crucial proviso explicitly allowing Member States to exclude inventions from patentability where the commercial exploitation is necessary to protect public health, provided exclusion is based on substantive harm and is not merely on a legal prohibition.

**C.A.(COMM.IPD-PAT) 79/2024**

37. This appeal is filed on behalf of the Appellant under Section 117A of 1970 Act for setting aside/quashing the impugned order dated 07.06.2024 passed by the Respondent, whereby Patent Application No. 6886/DELNP/2014 dated 16.08.2014 for grant of patent has been refused.

38. Necessary details are tabulated as below:-



| Sr. No. | Dates      | Events                                                                                                                                     |
|---------|------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 13.02.2012 | International application number PCT/EP2012/077086 claimed priority from EP 12155248.3, filed on February 13, 2012.                        |
| 2.      | 28.12.2012 | Appellant filed PCT International Application No. PCT/EP2012/077086 titled “Aerosol generating article having an Aerosol Coolong Element”. |
| 3.      | 16.08.2014 | Appellant filed PCT National Phase Application no. 6886/DELNP/2014                                                                         |
| 4.      | 21.02.2019 | Subject application was examined, and First Examination Report (‘FER’) was issued.                                                         |
| 5.      | 16.08.2019 | Reply to the FER was filed by the Appellant.                                                                                               |
| 6.      | 31.08.2022 | Respondent issued hearing Notice scheduling a hearing on September 19, 2022                                                                |
| 7.      | 21.10.2022 | Respondent issued extended hearing notice was issued on scheduling a hearing on November 09, 2022.                                         |
| 8.      | 09.11.2022 | Agent of the Appellant appeared for the hearing.                                                                                           |
| 9.      | 22.11.2024 | Written submissions along with amended claims were filed by the agent of the Appellant.                                                    |
| 10.     | 07.06.2024 | Respondent passed an order refusing the grant of patent.                                                                                   |

39. It is stated that the subject invention relates to an aerosol-generating article comprising an aerosol forming substrate and an aerosol-cooling element for cooling an aerosol formed from the substrate. The technical problem addressed by the invention is that conventional cigarettes combust tobacco and generate temperatures that release volatile compounds. Temperatures in the burning tobacco can reach above 800°C and such high temperatures drive off much of the water contained in the smoke evolved from the tobacco. As a result, the mainstream smoke produced by conventional cigarettes tends to be perceived by a smoker as having a low temperature because it is relatively dry. The present invention relates to an aerosol-generating article in which an aerosol-forming substrate, such as a tobacco-containing substrate, is heated rather than combusted. Systems using aerosol-generating articles of this type are known in the art. Such systems are configured to heat a tobacco-containing substrate at



temperatures significantly lower than the ones associated with the combustion of tobacco in conventional cigarettes. Due to the lower temperatures to which the substrate is heated, an aerosol generated by the heating of an aerosol-forming substrate without burning may, however, have a higher water content compared with the mainstream smoke generated in a conventional cigarette. As a consequence, despite being generated at a significantly lower temperature, the aerosol stream generated by an aerosol-generating article in which a tobacco-containing aerosol forming substrate is heated rather than combusted may be undesirably perceived by a consumer to have a higher temperature than conventional cigarette smoke. Thus, the present invention solves a technical problem of perceived higher temperature of aerosol stream generated despite being generated at significantly lower temperature.

40. Learned counsel for the Appellant submits that the impugned order is non-speaking and unreasoned inasmuch as it fails to record any reason for refusing the application, save and except, the standard observation of a bar on e-cigarettes under the ENDS Act. There is no reasoning as to how the present invention falls under Section 3(b) of the 1970 Act despite the Appellant explaining in detail in the written submissions that present invention solves a technical problem of perceived higher temperature of aerosol stream generated despite being generated at a significantly lower temperature. No part of the written submissions has been referred to in the order and dealt with and hence, the order falls foul of the judgment of this Court in *Agriboard International (supra)*. Insofar as the rejection is based on Section 3(b) of the 1970 Act, learned counsel reiterates the arguments made in other matters, as above.

41. Learned CGSC reiterates the arguments as above, on interpretation of



Section 3(b) and justifies refusal of the application on the ground that it is intended to harm human health. It is urged that Independent Claim 1 explicitly defines invention as ‘heated aerosol-generating article comprising a plurality of elements assembled in the form of a rod’. This rod includes not just the cooling element but also a mouthpiece filter and most crucially an aerosol-forming substrate. It is Appellant’s own claim that invention is not a generic cooling device but is a smoking article designed to be heated and regardless of the technical framing, the device, system and method all serve one unified purpose i.e., to function as an e-cigarette or heat-not-burn product for inhaling tobacco/nicotine or aerosol-based vapors. Appellant has created a misleading narrative around the invention framing it as a safe technical solution with potential benefits, conveniently ignoring the explicit disclosures and assertion in its own specification.

**C.A.(COMM.IPD-PAT) 28/2024**

42. This appeal is filed on behalf of the Appellant under Section 117A of 1970 Act for setting aside/quashing the impugned order dated 02.01.2024 passed by the Respondent, whereby Patent Application No. 201917025257 dated 25.06.2019 for grant of patent has been refused.

43. Necessary details are tabulated as below:-

| Sr. No. | Dates      | Events                                                                                                                                                                |
|---------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 24.02.2017 | Appellant filed EP Patent Application No.17157957.6                                                                                                                   |
| 2.      | 13.02.2018 | Appellant filed PCT International Application No. PCT/EP2018/053579.                                                                                                  |
| 3.      | 25.06.2019 | Appellant filed PCT National Phase Application no. 201917025257 titled “ <b>MOULDED MOUNTING FOR AN AEROSOL-GENERATING ELEMENT IN AN AEROSOL-GENERATING SYSTEM</b> ”. |
| 4.      | 08.07.2021 | Subject application was examined, and First Examination Report (‘FER’) was issued.                                                                                    |
| 5.      | 26.11.2021 | Reply to the FER was filed by the Appellant.                                                                                                                          |
| 6.      | 09.11.2023 | Respondent issued a hearing notice.                                                                                                                                   |
| 7.      | 28.11.2023 | Agent of the Appellant appeared for the hearing.                                                                                                                      |



|    |            |                                                                                         |
|----|------------|-----------------------------------------------------------------------------------------|
| 8. | 08.12.2023 | Written submissions along with amended claims were filed by the agent of the Appellant. |
| 9. | 02.01.2024 | Respondent passed an order refusing the grant of patent.                                |

44. It is stated that the subject invention relates to a mounting arrangement for an aerosol-generating element in an aerosol-generating system. In a conventional aerosol generating system, there is typically some means of transporting liquid aerosol generating substrate to the vicinity of an electrically operated vaporiser, such as a heating element to replenish liquid that has been vaporized by the vaporiser. It is also necessary to provide an airflow through or past the vaporiser to entrain vapour from the vaporiser and to supply electrical power to the vaporiser. Power is typically supplied to the vaporiser through electrical contacts connected to the vaporiser. Claim 1 of the invention recites as: *a cartridge (100) for an aerosol-generating system, the cartridge (100) comprising: an air inlet (150), and an air outlet (110) and an airflow path (140, 145) from the air inlet (150) to the air outlet (110); an atomiser assembly comprising a fluid permeable aerosol-generating element and two electrical contact portions connected to the aerosol-generating element, the atomiser assembly having a first side and a second side opposite the first side, wherein a first side of the aerosol-generating element is exposed to the airflow path (140, 145) and a second side of the aerosol-generating element is in contact with a liquid aerosol-forming substrate (131);*

***characterized in that:***

*an atomiser mount (134) is moulded around the atomiser assembly, the atomiser mount (134) covering a portion of the first side of the atomiser assembly to isolate the electrical contact portions from the airflow path (140, 145) and covering at least a portion of the second side of the atomiser*



*assembly to isolate the electrical contact portions from the liquid aerosol-forming substrate (131).*

45. It is stated that the technical problem being addressed by the present invention is that contact between the liquid and vapours in the airflow path with electrical contacts over a period of time damage the electrical contacts, thus, a simple, robust and inexpensive device or arrangement is necessitated in which electrical contacts within the aerosol generating device is protected within the device from liquid or vapour in the airflow chamber. The present invention provides an aerosol-generating device which comprises two main components, a cartridge 100 and a control body 200. A connection end 115 of the cartridge 100 is removably connected to a corresponding connection end 205 of the control body 200. The control body contains a battery 210 and a control circuitry 220. The cartridge 100 comprises a housing 105 containing an atomising assembly 120 and a liquid storage compartment having a first portion 130 and a second portion 135. A liquid aerosol-forming substrate is held in the liquid storage compartment. The first portion 130 of the liquid storage compartment is connected to the second portion of the liquid storage compartment 135 so that liquid in the first portion can pass to the second portion. The atomising assembly receives liquid from the second portion 135 of the liquid storage compartment. In this embodiment, the atomising assembly is a generally planar, fluid permeable heater assembly.

46. Learned counsel for the Appellant submits that the impugned order violates principles of natural justice inasmuch as Respondent has for the first time relied on 9 documents in the impugned order, which were admittedly not cited in the FER or hearing notice issued earlier and consequently, Appellant had no chance to deal with and rebut the said documents. In



***Otsuka Pharmaceutical (supra)***, this Court has held that where the impugned order takes into account documents including prior arts for the first time while finally adjudicating the application, when they did not form a part of the objections raised earlier and that too without giving an opportunity to the applicant to respond to them, the order suffers from legal infirmity and cannot be sustained in law. The same view was taken by this Court in ***Perkinelmer Health (supra)***.

47. It is further urged that Respondent has erroneously recorded a submission that by providing nicotine without tobacco to the body to decrease the withdrawal symptoms experienced when smoking is stopped and to reduce the urge to smoke is a myth. This submission was never made by the Appellant either in response to FER or even in the written submission and shows non-application of mind by the Respondent. In fact, the impugned order is a cut-copy-paste of another order passed in relation to patent application no. 201617029499. Learned counsel reiterates arguments on interpretation of Section 3(b) of the 1970 Act vis-à-vis considerations under the ENDS Act and also emphasizes that similar patent applications were filed in many other jurisdictions and in some, patents have been granted, which crucial fact has also been overlooked by the Respondent *albeit* this may not be binding but certainly is persuasive for the sake of uniformity on questions of law.

48. Learned CGSC defends the impugned order and submits that all required procedures of issuing FER, notice of hearing and grant of hearing were followed. The order is a well-reasoned order reflecting why the application was refused. The invention provides a cartridge and an aerosol-generating system which in essence is an e-cigarette designed to solve a technical problem of protecting electrical contacts and falls within the scope



of Section 3(b) as its primary or intended commercial exploitation would cause serious prejudice to human health. The technical improvement suggested by the invention, according to the Appellant, lies in ‘electrical contacts’ but that is not the end in itself and is a means to manufacture a product which is inherently and seriously prejudicial to human life and the most compelling evidence of this comes from Appellant’s own specification which states that handheld aerosol-generating systems such as e-cigarettes are mass-market products and so it would be desirable to provide an arrangement that is simple, robust and inexpensive to produce. Even the heat-not-burn products are classified as e-cigarettes under the ENDS Act and Appellant’s products clearly fall in that category. Counsel relies on WHO’s report to urge that some of the nicotine and tobacco products including ENDS, heated tobacco products and nicotine pouches pose serious health concerns.

**C.A.(COMM.IPD-PAT) 32/2024**

49. This appeal is filed on behalf of the Appellant under Section 117A of 1970 Act for setting aside/quashing the impugned order dated 24.01.2024 passed by the Respondent, whereby Patent Application No. 201617026827 dated 05.08.2016 for grant of patent has been refused.

50. Necessary details are tabulated as below:-

| Sr. No. | Dates      | Events                                                                                                                             |
|---------|------------|------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 21.05.2014 | Appellant filed EP Patent Application No. 14169192.3                                                                               |
| 2.      | 21.05.2015 | Appellant filed PCT International Application No. PCT/EP2015/061217 titled “Aerosol-forming substrate and aerosol-delivery system” |
| 3.      | 05.08.2016 | Appellant filed PCT National Phase Application no. 201617026827                                                                    |
| 4.      | 13.11.2019 | Subject application was examined, and First Examination Report (‘FER’) was issued.                                                 |
| 5.      | 18.03.2020 | Reply to the FER was filed by the Appellant.                                                                                       |
| 6.      | 09.11.2023 | Respondent issued a hearing notice.                                                                                                |



|    |            |                                                                                         |
|----|------------|-----------------------------------------------------------------------------------------|
| 7. | 16.11.2023 | Agent of the Appellant appeared for the hearing.                                        |
| 8. | 28.11.2023 | Written submissions along with amended claims were filed by the agent of the Appellant. |
| 9. | 24.01.2024 | Respondent passed an order refusing the grant of patent.                                |

51. It is stated that the subject invention pertains to an aerosol-forming substrate for use in combination with an inductive heating device which comprises a solid material capable of releasing volatile compounds that can form an aerosol upon heating of the aerosol-forming substrate and a first susceptor material for heating the aerosol-forming substrate and also a second susceptor material. The first and the second susceptor materials are arranged in thermal proximity of the solid material. The second susceptor material has a second Curie temperature which is lower than a first Curie temperature of the first susceptor material and the second Curie temperature of the second susceptor material corresponding to a pre-defined maximum heating temperature of the first susceptor material. Prior art devices had diverse combinations of use of aerosol forming substrate for use in combination with susceptor material in order to ascertain an adequate heating of substrate. To mitigate this, it was essential to find an operating temperature at which the substrate forms satisfactory aerosols which is contactless to avoid over heating of aerosol forming substrate. Working of the present invention is that upon inductive heating of the aerosol-forming substrate the second susceptor material will reach its specific second Curie temperature first. At the second Curie temperature the second susceptor material reversibly changes from a ferromagnetic phase to a paramagnetic phase. During the inductive heating of the aerosol-forming substrate this phase-change of the second susceptor material may be detected on-line and the inductive heating may be stopped automatically. Thus, the second Curie-temperature of the second susceptor material corresponds to a pre-defined



maximum heating temperature of the first susceptor material. After the inductive heating is stopped, the second susceptor material cools down until it reaches a temperature lower than its second Curie-temperature, at which it regains its ferromagnetic properties. This phase change may be detected online and the inductive heating may be activated again.

52. It is stated that the technical advancement associated with the invention is that inductive heating of the aerosol-forming substrate corresponds to a repeated activation and deactivation of the inductive heating device. The temperature control is accomplished contactless. Besides the electronic circuitry which may already be integrated in the inductive heating device, there is no need for any additional circuitry and electronics.

53. Learned counsel for the Appellant submits that the application has been refused erroneously under Section 3(b) of the 1970 Act placing sole reliance on the ENDS Act and prohibition of e-cigarettes for which reliance is placed on the arguments made in the other matters, which are not being repeated herein for the sake of brevity. Additionally, it is pointed out that the rejection is contrary to Respondent's own observation in the order that traditional cigarettes may not fall within the purview of Section 3(b). If that be so, it is not understood how the present application is refused merely because it relates to e-cigarettes, when e-cigarettes are known to reduce harmful gases released during burning of conventional cigarettes. Majority of harmful chemicals in cigarette smoke come from tobacco burning and by removing this step the levels of harmful chemicals are reduced and there could be no harm to human health. The intended use of the present invention is to control the operating temperature of the aerosol-forming substrate contactless to avoid overheating of the same. The object is to avoid



overheating of the substrate and only because the system could be used for nicotine delivery, it does not automatically imply that the intended use is harmful to human health. In response, CGSC has defended the order based on interpretation of Section 3(b) read with ENDS Act as captured above.

**C.A.(COMM.IPD-PAT) 27/2025**

54. This appeal is filed on behalf of the Appellant under Section 117A of 1970 Act for setting aside/quashing the impugned order dated 14.02.2025 passed by the Respondent, whereby Patent Application No. 201717043299 dated 02.12.2017 for grant of patent has been refused.

55. Necessary details are tabulated as below:-

| Sr. No. | Dates      | Events                                                                                                                                   |
|---------|------------|------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 29.05.2015 | Appellant filed a priority application number EP 15169992.3 before the EPO.                                                              |
| 2.      | 27.05.2016 | Appellant filed PCT International Application No. PCT/EP2016/062008 filed on May 27, 2016. titled "Method of Making Tobacco Cut Filler". |
| 3.      | 02.12.2017 | Appellant filed PCT National Phase Application no. 201717043299                                                                          |
| 4.      | 28.09.2020 | Subject application was examined, and First Examination                                                                                  |
| 5.      | 10.03.2021 | Reply to the FER was filed by the Appellant.                                                                                             |
| 6.      | 11.08.2023 | Respondent issued hearing notice scheduling a hearing on September 01, 2023                                                              |
| 7.      | 24.08.2023 | Respondent issued an extended hearing notice scheduling a hearing on September 22, 2023                                                  |
| 8.      | 22.09.2023 | Agent of the Appellant attended the hearing.                                                                                             |
| 9.      | 05.10.2023 | Written submissions along with amended claims were filed by the agent of the Appellant.                                                  |
| 10.     | 01.02.2024 | Respondent issued another hearing notice scheduling a hearing for February 23, 2024                                                      |
| 11.     | 19.02.2024 | Agent of the Appellant filed an adjournment request, subsequent to which a hearing dated March 22, 2024 was scheduled.                   |
| 12.     | 19.03.2024 | Agent of the Appellant filed another adjournment request.                                                                                |
| 13.     | 21.03.2024 | Based on the adjournment request a hearing notice was issued scheduling a hearing for April 22, 2024.                                    |
| 14.     | 22.04.2024 | Agent of the Appellant attended the hearing.                                                                                             |



|     |            |                                                                                                                      |
|-----|------------|----------------------------------------------------------------------------------------------------------------------|
| 15. | 07.05.2024 | Another set of written submissions along with claim set and other documents were filed by the Agent of the Appellant |
| 16. | 14.02.2025 | Respondent passed an order refusing the grant of patent.                                                             |

56. It is stated that the present invention relates to the production of tobacco cut filler comprising reconstituted tobacco and to a smoking article formed from a tobacco rod comprising the cut filler. In other words, the present invention provides a technical advance in terms of filing of lesser tobacco material in the tobacco rod of standard dimension which has advantage of providing same consumer experience with lesser combustion of tobacco and also it will efficiently utilize the material to be filled in tobacco rod. Conventionally, the cut filler tobacco products for smoking articles are formed predominantly from the lamina portion of the tobacco leaf, which is separated from the stem portion of the leaf during a threshing process. Much of the stem portion that remains after the lamina has been removed and separated, is not used. It is known to provide tobacco cut filler comprising cut rolled stems having a predetermined rolled thickness and cut to a predetermined width. In order to improve the taste and burning characteristics of the tobacco stem for use in the cut filler, the stems are often first subjected to one or more treatment procedures. In addition, or as an alternative, it is known to combine a reconstituted tobacco material with the lamina. Reconstituted tobacco is formed from tobacco material such as tobacco stems, tobacco stalks, leaf scraps and tobacco dust, which are produced during the manufacturing processes of tobacco products. Such tobacco material may, for example, be ground to a fine powder and then mixed with water and typically with a binder, such as guar gum, to form a slurry. This slurry is then cast onto a supportive surface, such as a belt conveyor and dried to form a sheet i.e., so called 'cast leaf' that can be



removed from the supportive surface and wound into bobbins.

57. It is stated that in a conventional process, reconstituted tobacco or tobacco stem material or both are typically blended with threshed tobacco lamina to undergo a series of treatments, such as conditioning and drying. For this purpose, a reconstituted tobacco sheet is typically ripped into randomly shaped sheet-like pieces having a non-uniform size, generally of several square centimetres. These irregular pieces are intended to be similar in size to tobacco lamina, such that they can be blended with the tobacco lamina and cut. In particular, the blend is typically cut into particles having a predetermined cut width. However, because the reconstituted tobacco sheet is rather randomly ripped into pieces, the tobacco fibres are generally not aligned in a uniform direction. Due to reduced tobacco fibre length within the reconstituted tobacco material, exposure to the same treatment as tobacco lamina may degrade, to some extent, the reconstituted tobacco. Additionally, the cutting techniques generally employed to convert the tobacco material blend into filler may result in some lamination and compression of the reconstituted tobacco material. All this causes a reduction in the filling power of the treated reconstituted tobacco and consequently, of the tobacco cut filler as a whole. The claimed invention solves the technical problem of how to provide a manufacturing process of tobacco cut filler, whereby the filling power of the tobacco cut filler is improved and the production of tobacco dust is reduced, more particularly, claims 1 and 15 thereof.

58. Learned counsel for the Appellant urges that Respondent has failed to carry out a detailed analysis of the claimed invention and was primarily influenced by the fact that the intended use of the invention is to produce a tobacco cut filler with improved filling powder, designed to be incorporated



into smoking articles, such as cigarettes which are well-documented to pose serious risks to human health, as can be seen from the impugned order. There is no discussion on how the invention improves the filling power of cut-filler cigarettes *albeit* Respondent acknowledges that the primary and intended use of the invention is not to cause serious prejudice. Respondent has erroneously relied on WHO and ICMR reports, both of which relate to Electronic Nicotine Delivery System, which is not the technical field of the claimed invention. For the first time, reliance is placed in the impugned order on several statutes including ENDS Act, The Cigarettes and Other Tobacco Products Act, 2003 ('COTPA') to refuse the application, but none of these objections were raised in the FER or the hearing notice and on this ground alone, the order deserves to be set aside in light of the judgment of this Court in *Agriboard International (supra)*. Learned counsel reiterates the arguments on scope of Section 3(b) of the 1970 Act vis-à-vis the ENDS Act, which are not being repeated herein and most significantly, strenuously urges that the invention has no connect with e-cigarettes and therefore, the very reliance on ENDS Act in the impugned order to refuse the application under Section 3(b) is misconceived and enough to vitiate the order.

59. Heard learned counsels for the parties and examined their submissions.

60. Insofar as, C.A. (COMM.IPD-PAT) 6/2024 and C.A. (COMM.IPD-PAT) 28/2024 are concerned, the common argument is that 9 documents have been referred to in the impugned orders, which were not notified to the Appellant either in the FERs or in the hearing notices and hence, Appellant had no opportunity to rebut them or address arguments with respect to these documents and this is violation of principles of natural justice. Respondent is unable to dispute this factual position. In *Otsuka Pharmaceutical (supra)*,



this Court has held that no person can be condemned unheard and all or any objections on which the Respondent wishes to place reliance, must be put to the applicant at the stage of issuance of FER/hearing notice. This position was affirmed by this Court in ***Perkinelmer Health (supra)***, wherein it was observed that no new grounds can be taken by the Controller/Examiner at the time of hearing and instead, applicant ought to have been made aware of all grounds of objection before the hearing and afforded sufficient opportunity to contest the same at the time of hearing as also that it was incumbent upon Respondent to have raised objection in the notice of hearing itself. A similar view was taken by the Calcutta High Court in ***ITC Limited v. The Controller of Patents Designs and Trademark, MANU/WB/1167/2025***, wherein it was observed that in passing of the impugned order, reliance of the three additional documents cited in the impugned order *sans* providing an opportunity to the applicant to deal with the same neither in the FER nor the hearing notices is both a serious procedural infirmity in the impugned order as also a violation of principles of natural justice.

61. In C.As. (COMM.IPD-PAT) 6/2024, 28/2024, 32/2024, 40/2024, 49/2024, 61/2024 and 79/2024, common ground taken by the Appellant is the misinterpretation of Section 3(b) and applicability of ENDS Act. It is urged that Respondent has wrongly refused the applications influenced by the fact that the inventions relate to aerosol-generating device or use of tobacco or nicotine. Legislative intent behind introducing Section 3(b) was to increase the threshold for an invention to be refused as being non-patentable under Section 3(b), the primary or intended use of which may cause prejudice or injury to human health. Expression “serious prejudice” is not defined in the 1970 Act and going by the dictionary meaning it would mean something which would cause grave and serious prejudice to human



health. Therefore, to refuse any invention under Section 3(b), Respondent is required to examine whether primary or intended use or commercial exploitation of the claimed invention causes “serious prejudice” to human, animal or plant life or health or to the environment and this must be demonstrated or established by scientific analysis of the subject invention and not on any preconceived notion that technical field of invention relates to an aerosol generating substance or tobacco or nicotine.

62. It is further urged that “Manual of Patent Office Practice and Procedure” provides guidance on what would fall within the scope of Section 3(b) and this does not include the invention related to aerosol generating device or use of tobacco or nicotine. *Albeit* the list is not exhaustive and merely illustrative, it cannot include the claimed inventions, which are subject matter of the present appeals as Section 3(b) is based on intent principle and not the effect or harm principle.

63. It is further urged that provisions such as Section 3(b) exist in major IP jurisdictions including EPO, Albania, Argentina, Armenia, Croatia, Czech Republic, Ecuador, Finland, Guatemala, Italy, Japan, Mexico, etc and as a matter of record inventions such as the present ones have been granted in several jurisdictions and surely, if they were intended to cause serious prejudice to human health, no Patent Office would have granted patent to cause damage to the health of people living in those countries. In fact, in some of the IP jurisdictions, this provision has been further clarified by way of an example as to what can fall within the exclusion from patentability such as process for cloning human beings, process for modifying the germ line genetic identity of human beings, use of human embryos for industrial or commercial purposes and process for modifying the genetic identity of animals which are likely to cause them suffering from such process. The



refusal of the applications by IPO has resulted in creating an ambiguity in the scope of Section 3(b) as to what is not an invention and has given an unfettered discretion to the Controller to allow or refuse the grant of patent, where the subject matter relates to either aerosol generating devices or use of nicotine or tobacco, based purely on his whims and fancies and has resulted in arbitrariness in taking decisions on these applications under Section 3(b). While it is trite that decisions of Controllers in other jurisdictions granting patents may not be binding on the Respondent, however, it is in the interest of justice and to maintain uniformity that the Respondent must consider grant of patents in other jurisdictions, when applications before him relate to the same invention, more particularly, when the question relates to a policy decision or issues such as prejudice to human or plant health etc. and questions of law, under Section 3(b). It is reiterated that an invention which is considered as not harmful to human health in one country is hardly likely to be harmful in another country.

64. Court finds merit in the argument that the Legislative intent behind Section 3(b) is to increase the threshold for granting patent on a claimed invention, which may be intended to cause prejudice or injury to human health. But, as rightly flagged by counsel for the Appellant, this analysis must be real with scientific basis and must come forth from the impugned order. Merely because the claimed invention relates to an aerosol-generating substance or device or use of tobacco or nicotine cannot *per se* be a ground to deny grant of patent. Appellant had urged before the Respondent the 1970 Act, nowhere mentions that the examination of patentability of an invention will be decided based on government policies and guidelines or any other Statute, save and except, in Section 4 which relates to the invention in the field of atomic energy and that there is no provision in the Indian Patents



Act which bars patentability of an e-cigarettes or aerosol generating devices or invention directed to reducing the harmful effect of cigarette, and thus, the refusal of the inventions on any other ground is unjustified. Appellant also argued that “electronic cigarette” is defined in ENDS Act to mean an electronic device that heats a substance, with or without nicotine and flavours, to create an aerosol for inhalation and includes all forms of Electronic Nicotine Delivery Systems, Heat Not Burn Products, e- Hookah and the like devices, by whatever name called and whatever shape, size or form it may have, but does not include any product licensed under the Drugs and Cosmetics Act, 1940 (‘1940 Act’) but there is no blanket ban even on electronic cigarettes and hence, even before the Appellant applies for a license under 1940 Act, refusing the grant of the Patent Applications in the garb of blanket ban on e-cigarettes in India is misplaced. Also that refusing grant of the invention on threshold under Section 3(b) is antithesis to technological research and progression in the field of Tobacco industry. The prime-most object of the patent system is to give a fillip and impetus for the betterment of industrial techniques in consideration of monopoly for limited years. Appellant illustrates technological progression in the field of tobacco industry and submits that because of the research in the field of tobacco industry various innovations have come to the public for better good. For example, invent of filter in conventional cigarette has substantially reduced the amount of smoke inhaled by a user or invent of heat not burn devices have reduced levels of harmful chemicals compared to smoke. Heat-not-Burn devices represent a major technological leap by incorporating complex electronic components and the invention may be around power source, heating system, sensors and controls etc. Therefore, refusing the grant of patent application without appreciating the contribution of that invention and



how it causes serious prejudice will definitely put an embargo on further development in the tobacco industry and the consumer, as a whole, will not be benefited with the research on the invention which reduces harmful effect of conventional cigarette. It was also flagged that aerosol forming devices may or may not use tobacco or tobacco products, still they are beneficial to human health compared to conventional smoking cigarettes or e-cigarettes. Cigarette smoking increases the risk of chronic diseases. But heating instead of burning tobacco can lower these risks, contributing to tobacco harm reduction. This study (with 984 adult American smokers) examined whether favourable changes occur in 8 coprimary endpoints (HDL-C, WBC, FEV1%pred, COHb, Total NNAL, sICAM-1, 11-DTXB2, 8-epi-PGF2 $\alpha$ ) indicative of biological and functional effects when cigarette smokers switch to the heat-not-burn Tobacco Heating System 2.2 (THS). Additionally, these biomarkers of exposure (BoExp) were quantified: MHBMA, 3-HPMA, Total NNN, CEMA, 3-OH-B[a]P, HMPMA, Total 1-OHP, NEQ, and CO exhaled. The results of this study showed favourable changes in the same direction as with smoking cessation and improved biological effects when smokers used heating systems compared with continued cigarette smoking, with similar nicotine levels in both groups. None of these points even find mention in the impugned orders and there is no gainsaying that consideration may have had an impact on the decisions to grant the patents. Non-consideration of material issues and documents vitiates the decisions on first principles of natural justice and fair consideration.

65. There is also merit in the contention that the Respondent should not be oblivious of the fact that the some of these inventions have been approved for grant of patent in other jurisdictions *albeit* it is correct that decisions in other jurisdictions may not bind the Respondent. This is



particularly important when the objection to the grant of patent relates to harmful effects of claimed inventions on human health or life. Appellant rightly urges that if an invention has been patented in one jurisdiction, it has crossed the threshold of being an invention which cannot primarily intend to cause harm to human health. No doubt, it is open to the Respondent to make an independent analysis and if there is substantial cogent material to hold otherwise, Respondent can refuse the application but only after the material is brought on record with an opportunity to the applicant to contest the same and then a reasoned order is passed indicating how the invention is intended to cause harm. Unfortunately, this exercise is completely lacking in each of the impugned orders in these appeals and Respondent has rejected the applications under the influence of a singular fact that inventions pertain to aerosol-generating substrate/device and/or use of tobacco or nicotine by classifying the inventions as covered under the definition of ‘e-cigarette’ and therefore, applying the ENDS Act and the bar imposed by the Government of India therein on e-cigarettes. In this context, I may refer to the following observations of the Calcutta High Court in *ITC Limited (supra)*:-

*“6. Section 3(b) of the Act is set out below:*

*3 . What are not inventions. The following are not inventions within the meaning of this Act,*

*(b) an invention the primary or intended use or commercial exploitation of which could be contrary public order or morality or which causes serious prejudice to human, animal or plant life or health or to the environment;*

*7. One of the objects of the Act is to promote the progress of scientific research and technology in public interest. This object is achieved by granting exclusive rights to inventors over their invention for a specific period of time. With the lapse of this period, the invention enters the public domain. The role of the Patent Office as an administrative authority is vital in the grant or rejection of patents. The responsibility and the work which has to be performed by the Office cannot be undermined in achieving the purpose and object of the Act.*



8. Section 3(b) focuses on the “primary or intended use or commercial exploitation” of an invention. On a plain reading of the section, it is essential to identify the utility of the invention. An invention, the primary or intended use or commercial exploitation of which, would be contrary to public order or causes serious prejudice to human, animal, plant life or health or the environment is not patentable. In the impugned order, the Controller has fundamentally erred in his understanding of the invention. Though the invention works on substrates (either solid or in liquid form) which may or may not contain tobacco compounds, it is not predicated or limited to the substrate at all. The impugned order erroneously proceeds on the basis that the invention shall exclusively be only used with substrates comprising of active tobacco compounds and thus cause prejudice to human life and health.

9. Once the primary or intended use of the proposed invention is determined, the second question which arises is whether the primary or intended use is contrary to public order or to morality or causes serious prejudice to human, animal, plant life to health or to the environment. Despite the minor difference in scope and language, the expression order public in the Trade Related Aspects of Intellectual Protection of Industrial Property (TRIPs) can always be looked as guidance in interpreting the words “public order” in section 3(b). The origins of this can be traced to Article 53A of the European Patent Convention (EPC). In this context, the provisions of section 1(3) and section 1(4) of the 1977 Act which is based upon Article 53(a) of the European Patent Convention (EPC) which in turn is based on 4quater of the Paris Convention can also be considered in interpreting section 3(b) of the Act. The Guidelines indicate the purpose of the provision is to deny protection to inventions likely to induce riot or public disorder or to lead to criminal or other generally offensive behaviour (Terrell on the Law of Patents, 19th Edition, at 2-130).

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11. In concluding that the invention causes serious prejudice to human life and health and is barred under section 3(b) of the Act, the Controller has not provided any reasons nor furnish any justification at all. Admittedly, tobacco products are not per se unpatentable in India. There must be a nexus between how the mind has been applied to the matters in issue and the conclusion based thereon. This is conspicuously absent in the impugned order. [Uniworth Resorts Ltd. vs. Ashok Mittal & Ors. MANU/WB/0254/2007 : (2008) 1 Cal LT 1]. In passing the impugned order, there has also been a complete disregard to the intent principle i.e. intent behind the appellant's invention and misplaced reliance on the affect or harm principle in arriving at such conclusion. [HARVARD/Oncomouse (T19/90) [1990] O.J. EPO 476, PLANT GENETIC SYSTEMS/Glutamine Synthetase inhibitors (T356/93) [O.J. EPO 545], Howard Florey/Relaxin (1995) OJ EPO 388 and Harvard/Transgenic Animals, T 315/03 (2006) OJ EPO].



12. *The Prohibition of Electronic Cigarettes (Production, Manufacture, Import, Export, Transport, Sale, Distribution, Storage, and Advertisement) Act, 2019, as a possible ground in rejecting the application for patent has not been considered in the impugned order. This Act deals with the sale, manufacture, import export and not with the grant or non-grant of patent for an invention (Unreported decision in IPDPTA No.121 of 2023 ITC Ltd. vs. The Controller of Patents, Designs & Trademark dated 30 April, 2025 High Court at Calcutta). Despite the above, the respondent had advanced submissions on this aspect of the matter notwithstanding the fact that this ground has neither been taken in the pleadings nor mentioned in the impugned order. In such circumstances, any submissions in respect of the above ground stands rejected. It is impermissible to support the impugned order on additional grounds which are not reflected in the impugned order.*

13. *There is also an inherent fallacy in the impugned order inasmuch as it proceeds on the basis that grant of a patent confers a consequential affirmative right to sell or commercialize the product. This is not the rationale behind seeking a patent. The grant of patents do not control whether or how an invention is exploited. The grant of a patent also does not confer upon the patentee the right to use, sell or otherwise manufacture the subject invention. Historically, patent rights have been treated as exclusionary rights or negative rights inasmuch as they only gives the patentee the right to prevent third parties from manufacturing the subject invention. In an unreported decision in R J Reynolds Tobacco Company vs. The Controller Of Patents, Designs And Trademark, IPDPTA 31 of 2023, dated 16 April 2025, this Court inter alia, held as follows:*

*“It has been a longstanding principle of patent law that patents should not be granted for immoral inventions. On a plain reading, section 3(b) focuses on the primary or intended use or commercial exploitation of an invention. The underlying interest being ethical considerations. In similar context, Article 53(a) of the EPC 2000 provides that European patents 'shall not be granted in respect of inventions, the commercial exploitation of which would be “contrary to public order or morality”’.*

*In the 161st Report of the Parliamentary Standing Committee on Commerce, in section 12.1(i), it has been observed that;*

*“It was informed that section 3(b) of the Patents Act, 1970 prohibits patenting of technology, use or application at the sole discretion of the Controller if found by him to be 'contrary to public order or morality or which causes serious prejudice to human, animal or plant life or health or to the environment'. Hence, the widely worded provision of Section 3 (b) is without any sufficient guidance or safeguards against arbitrary exercise of power by the Controller. It, therefore, may lead*



*to refusal of socially useful inventions under patent protection. For example, nicotine chewing gums, which are used for dead diction to smoking, are denied patent on the ground of section 3(b). Furthermore, smoking devices which make smoking less hazardous are denied patents in India. It was suggested that that the provision should be amended wherein patents are not granted to inventions that are considered as against the law being in force. The Committee recommends the Department that the Section 3(b) of Indian Patent Act, 1970 should be amended so that a provision of a safeguard mechanism is included against the arbitrary exercise of power by the Controller in declining patents. A check and balance mechanism should be inserted under the Act which would ensure granting of patents to socially useful inventions or innovations. It, however, recommends that the provision be amended to limit the exclusion to only those inventions which are barred under any law for the time being in force.”*

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*15. The preconceived and subjective notion that all tobacco products causes serious prejudice to human life and health without any reliance on scientific or technical evidence or any other supporting facts is unsustainable.*

*16. The finding that the subject invention is contrary to public order and morality is unreasoned, cryptic and without any basis. The fact that the Controller was of the view without consideration of any independent scientific or technical evidence that the usage of the invention affects public order and morality cannot be the basis for rejecting the invention. The interaction of patent laws and ethics is an uncomfortable relationship and has always produced difficulties. In such circumstance, section 3(b) ought not to be interpreted to deal with all subjective concerns of morality, public order or health regardless of any scientific or technical evidence or any cogent reasoning.*

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*18. In view of the above, the impugned order is unsustainable and set aside. The matter is remanded back to the Controller to decide the same afresh in accordance with law after giving a right of hearing of all the parties within a period of three months from the date of communication of this order. It is made clear that there has been no expression on the merits of the case and all questions are left open to be adjudicated upon by the Controller.”*

66. The same view has been taken by another Bench of the Calcutta High Court in ***ITC Limited v. The Controller of Patents, Designs & Trademark, MANU/WB/0990/2025***. This judgment is also relevant as it deals with the

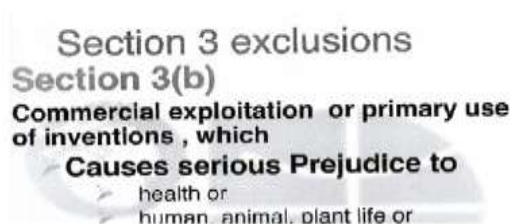
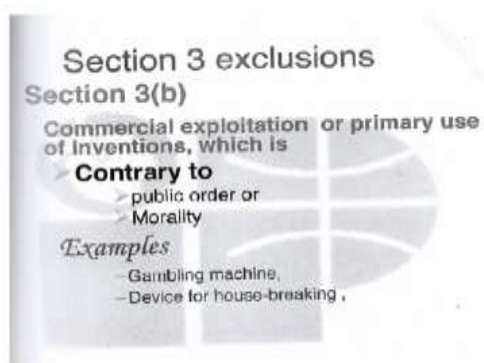


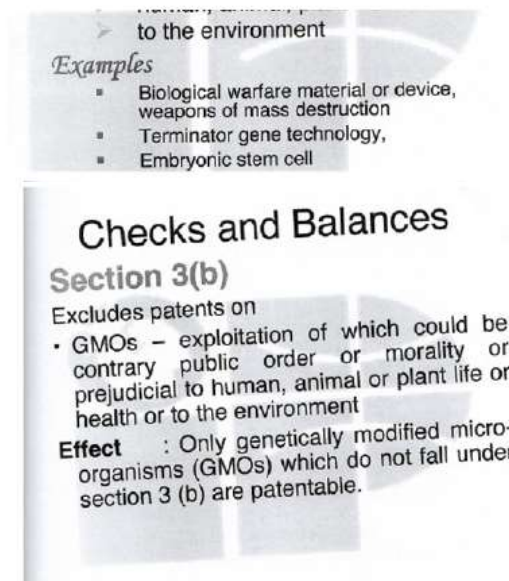
other contention of the Appellant based on Article 4 of Paris Convention and TRIPS Agreement. After noticing the two documents, Calcutta High Court has held that grant of patent should not be refused on the ground that sale of patented product or of a product obtained by means of a patented process is subject to restrictions and limitations resulting from the domestic law. Relevant passages are as follows:-

*“35 . It is the case of the appellant that the present invention does not belong to electronic nicotine delivery system, thus it does not use electrical or electronic sources to generate aerosol. It uses chemical to generate nicotine aerosol wherein it is totally eliminate electrical or electronic components.*

*36. In the present case, the respondent by taking into the consideration of the ICMR White Paper publication, the Drugs and Cosmetics Act, 1940 and Rules, 1945 framed therein and considering the other Acts has come to the conclusion that the device is an e-cigarette but the respondent has not taken the said plea in the hearing notice and the appellant has been denied an opportunity to deal with the said contention of the respondent.*

*37. The respondent has applied the serious prejudice by referring Section 3(b) of the Patents Act. Section 3(b) is the intent principle and not the effect or harm principle. Shri DPS Parmar, the then Deputy Controller of Patents and Designs provided explanation with examples on what constitutes a fit case for attracting Section 3(b) of Patents At which are as follows:*





*In none of the examples provided above discussing Section 3(b) exclusions mention tobacco, smoking or nicotine or inventions relating thereto. In the “Patents Manual” does not include tobacco/smoking/ nicotine related inventions at the time of giving examples of inventions that fall within the ambit of Section 3(b) of the Patents Act.*

*38. Article 27.2 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), it is mentioned that:*

*“27.2. Members may exclude from patentability inventions, the prevention within their territory of the commercial exploitation of which is necessary to protect order public or morality, including to protect human, animal or plant life or health or to avoid serious prejudice to the environment, provided that such exclusion is not made merely because the exploitation is prohibited by their law.”*

*Article 4quarter of the Paris Convention read as follows:*

*“Patents: Patentability in Case of Restrictions of Sale by Law*

*The Grant of a patent shall not be refused and a patent shall not be invalidated on the ground that the sale of the patented product or of a product obtained by means of a patented process is subject to restrictions or limitations resulting from the domestic law.”*

*Taking into consideration, this Court finds that the grant of patent shall not be refused on the ground that the sale of the patented product or of a product obtained by means of a patented process is subject to restrictions and limitations resulting from the domestic law.*

*39. Section 83(d) and (e) of the Patents Act, 1970 reads as follows:*

*“83. General principles applicable to working of patented inventions.- Without prejudice to the other provisions contained in this Act, in*



*exercising the powers conferred by this Chapter, regard shall be had to the following general considerations, namely;-*

*(d) that patents granted do not impede protection of public health and nutrition and should act as instrument to promote public interest specially in sectors of vital importance for socio-economic and technological development of India;*

*(e) that patents granted do not in any way prohibit Central Government in taking measures to protect public health."*

*The patents are granted to encourage inventions and to secure that the inventions are works in India on a Commercial Scale and to the fullest extent that is reasonably practicable without undue delay. The patents granted do not in any way prohibit Central Government in taking measures to protect public health.*

*40. Considering the above, this Court finds that it is the fit case to set aside the order passed by the Assistant Controller of Patent at Kolkata dated 26th June, 2023 and remand the matter back to the respondent for considering of the matter a fresh within a period of six months from this date. It is directed that the matter shall be heard a fresh by any competent officer other than the officer who has passed the impugned order. It is made clear that the officer concern is free to take its decision without being influenced, if any, observation made in this order."*

67. In the judgment in ***R J Reynolds Tobacco Company v. The Controller General of Patents Designs and Trademarks and Anr, IPDPTA/31/2023***, decided on 16.04.2025, Calcutta High Court was dealing with rejection of a patent application on ground of Section 3(b) observing that all forms of tobacco are injurious to human health. The subject invention concerned a method of preparing a sugar containing syrup from a stock of a plant Nicotiana species. The Court held as follows:-

*"A perusal of the impugned order demonstrates that there are no reasons in rejecting the subject application. The order proceeds on a preconceived notion that tobacco products are seriously harmful to human health. There is no other reason at all. The respondent Controller has not even dealt with either any of the evidence produced by the petitioner before the authorities or even discussed the subject invention. Despite the appellant having furnished a list of patents granted by the Indian Patent Office in respect of similar products, the respondent has neither dealt nor considered the same. The fact that the subject invention causes serious prejudice to human health is a conclusion without any evidence at all.*



*It has been a longstanding principle of patent law that patents should not be granted for immoral inventions. On a plain reading, section 3(b) focuses on the primary or intended use or commercial exploitation of an invention. The underlying interest being ethical considerations. In similar context, Article 53(a) of the EPC 2000 provides that European patents 'shall not be granted in respect of inventions, the commercial exploitation of which would be "contrary to public order or morality"'.*

*In the 161<sup>st</sup> Report of the Parliamentary Standing Committee on Commerce, in section 12.1(i), it has been observed that;*

*"It was informed that section 3(b) of the Patents Act, 1970 prohibits patenting of technology, use or application at the sole discretion of the Controller if found by him to be 'contrary to public order or morality or which causes serious prejudice to human, animal or plant life or health or to the environment'. Hence, the widely worded provision of Section 3 (b) is without any sufficient guidance or safeguards against arbitrary exercise of power by the Controller. It, therefore, may lead to refusal of socially useful inventions under patent protection. For example, nicotine chewing gums, which are used for deaddiction to smoking, are denied patent on the ground of section 3(b). Furthermore, smoking devices which make smoking less hazardous are denied patents in India.*

*It was suggested that that the provision should be amended wherein patents are not granted to inventions that are considered as against the law being in force. The Committee recommends the Department that the Section 3(b) of Indian Patent Act, 1970 should be amended so that a provision of a safeguard mechanism is included against the arbitrary exercise of power by the Controller in declining patents. A check and balance mechanism should be inserted under the Act which would ensure granting of patents to socially useful inventions or innovations. It, however, recommends that the provision be amended to limit the exclusion to only those inventions which are barred under any law for the time being in force."*

*The finding of the Controller that in his opinion, "it is obvious that tobacco products cause serious prejudice to human health" is unsubstantiated and bereft of any reasons. [Kabushiki Kaisha Toshiba vs. Asstt. Controller of Patents and Designs C.A. (Comm.IPD-PAT) 210/2022, Agriboard International LLC vs. Deputy Controller of Patents and Designs C.A. (Comm.IPD-PAT) 4/2022 and Alfred Von Schukmann vs. the Controller General of Patents, Designs and Trademarks and Ors.].*

*The finding that the process claimed by the present invention is seriously prejudicial to the human health is also unreasoned. There has been no independent application of mind insofar as the evidence or materials relied on by the appellant. The subjectivity of the Assistant Controller is written large in the impugned order without any reasoning*



*or consideration of the scientific evidence or data relied on by the appellant.*

*In view of the above, the impugned order is unsustainable and is set aside. The matter is remanded to the Controller to have the subject application decided afresh within a period of four months from the date of communication of this order. It is made clear that there has been no adjudication on the merits of the case and all questions are left open to be decided in accordance with law.”*

68. Thus, there is also merit in the contention that India being member of the Treaties, Respondent was obliged to consider the Paris Convention and TRIPS Agreement instead of being solely influenced by the ENDS Act. Respondent has also overlooked the two important issues raised by the Appellant, which needed consideration i.e., policies and provisions of law are constantly changing and evolving and there is every chance that the prohibition under ENDS Act may be completely or partly lifted in future and that patent is a negative right which does not automatically permit the patentee to use/sell the patented product or process and only entitles to prevent a third-party from using the invention without permission.

69. Appellant is also right that Respondent has refused applications in most cases because the invention uses nicotine or tobacco which can cause serious prejudice, overlooking that there are many NRTs approved for quitting smoking and nicotine is an active ingredient in them. Appellant also flags that nicotine patches, gums, lozenges are most common quit-smoking medicines. Ministry of Health and Family Welfare has included NRT in the national list of essential medicine for disorders due to psychoactive substance abuse. Nicotine powder is a pharmaceutically acceptable nicotine salt or nicotine salt hydrate and it is disclosed by way of an example that nicotine salicylate can be administered for fever relief, as an anti-inflammatory or pain killer, nicotine fumarate for treating multiple sclerosis,



nicotine mono-pyruvate for treating chronic obstructive pulmonary disease (COPD) or for weight loss. It is also strenuously urged and rightly so that the Respondent has given categorical findings in most orders that traditional cigarettes may not fall in Section 3(b) and if that be so *per se* an invention relating to tobacco or nicotine cannot be outrightly refused on this ground without material to establish its harmful effect to human health and more so, this view has been taken by the Respondent even in cases such as the invention which is subject matter of C.A. (COMM.IPD-PAT) 61/2024, where there is no use of tobacco. None of these issues even find a mention in the impugned orders while discussing the objections under Section 3(b).

70. Learned counsel for the Appellant also highlights that in many of the impugned orders detailed written submissions were not even considered by the Respondent and rightly relies on the judgment of this Court in ***Boehringer Ingelheim (supra)***, where the Court set aside the impugned order *inter alia* on the ground that written submissions were not taken into consideration. Interestingly, in C.A. (COMM.IPD-PAT) 28/2024, Appellant points out that submissions not made before the Respondent have been recorded and the order impugned therein is a cut-copy-paste of the order impugned in C.A. (COMM.IPD-PAT) 6/2024, reflecting non-application of mind. In fact, it is pointed out that one of the inventions relates to cut-fillers and not even e-cigarettes and thus ENDS Act has no application and yet the application has been refused. In my view, for all these reasons these batch of appeals make out a fit case for remand to the Respondent for consideration afresh, taking into account the submissions made by the Appellant.

71. Accordingly, these appeals are partially allowed, setting aside the impugned orders dated 19.10.2023 in C.A. (COMM.IPD-PAT) 6/2024; dated 01.02.2024 in C.A. (COMM.IPD-PAT) 40/2024; dated 05.03.2024 in



C.A. (COMM.IPD-PAT) 49/2024; dated 30.03.2024 in C.A. (COMM.IPD-PAT) 61/2024; dated 07.06.2024 in C.A. (COMM.IPD-PAT) 79/2024; dated 02.01.2024 in C.A. (COMM.IPD-PAT) 28/2024; dated 24.01.2024 in C.A. (COMM.IPD-PAT) 32/2024; and dated 14.02.2025 in C.A. (COMM.IPD-PAT) 27/2025. Matters are remanded back to the respective Controllers for fresh consideration after taking into account the written submissions filed by the Appellant in each of these matters and granting an opportunity of hearing. After hearing, decisions shall be taken within five months from today and shall be reasoned and speaking order. It is made clear that this Court has not expressed any opinion on the merits of the cases.

72. Appeals are disposed of accordingly.

**JYOTI SINGH, J**

**APRIL 17, 2026**

*S.Sharma/YA*