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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: **24.04.2025**

CORAM

THE HONOURABLE **MR.JUSTICE SENTHILKUMAR RAMAMOORTHY**

(T)CMA(PT) No.70 of 2023
(OA/19/2020/PT/CHN)

ANNIKKI GMBH
of Rankengasse 28a A-8020 Graz,
Austria. ... Appellant

-vs-

The Assistant Controller of Patents and Designs,
The Patent Office,
Intellectual Property Building,
SIDCO Plot,
GST Road, Guindy, Chennai - 600 032. ... Respondent

Prayer: Transferred Civil Miscellaneous Appeal (Patents) filed under Section 117-A of the Patents Act, 1970 and the Patent Rules, 2003 to allow the present appeal and set aside/quash the impugned order dated 10.12.2019 passed by the respondent in Indian Patent Application No.467/CHENP/2012 and direct grant of patent in respect thereof.

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For Appellant : Mr.Abhishek Jan
Mr.K.Muthu Selvam
for M/s. K and S Partners

For Respondent : Mr.C.Samivel, SPC

JUDGMENT

This appeal is directed against order dated 10.12.2019 rejecting Indian Patent Application No.467/CHENP/2012 for grant of patent for the claimed invention titled "PROCESS FOR THE PRODUCTION OF CARBOHYDRATE CLEAVAGE PRODUCTS FROM A LIGNOCELLULOSIC MATERIAL".

2. Upon request by the appellant, the respondent issued First Examination Report (FER) dated 30.11.2017. In such report, objections were raised *inter alia* on grounds of alleged lack of novelty and inventive step. Such objection was raised by citing prior art documents D1 to D6. The appellant responded to the FER on 28.05.2018 and submitted amended claims. Hearing notice dated 31.05.2018 was issued thereafter maintaining

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all the objections raised in the FER. Pursuant to hearing on 13.07.2018, the appellant filed written submissions dated 09.08.2018. The order impugned herein was issued in the said facts and circumstances.

3. Learned counsel for the appellant invited my attention to the complete specification. He pointed out that the claimed invention relates to the production of xylitol by a non-fermentative process. He also pointed out that enzyme costs are a critical factor in the process. By specific reference to internal page 5 of the complete specification, learned counsel submitted that alcohol is used and that the advantage of the process is the high selectivity of lignin degradation. He also points out that by referring to internal page 7 of the complete specification that the energy expenditure is limited and that lignin is used as a valuable product rather than merely as a source of energy for fermentation.

4. With this introduction, learned counsel referred to the prior art documents cited in the impugned order. Since the impugned order relied heavily on prior art document D5, learned counsel first dealt with the said

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prior art. By referring to the flow chart (Fig.3 of D5), learned counsel submitted that the flow chart clearly indicates that D5 involves fermentation. By referring to the impugned order at page 51 of the paper book, learned counsel submits that the conclusion recorded therein that the disclosure in prior art D5 clearly makes use of non-fermentative conversion process is contrary to the process described in Fig.3 of D5. According to learned counsel, the said conclusion was drawn by erroneously referring to the background of the invention, which dealt with the art existing prior to D5. In this connection, learned counsel also referred to the detailed description of the invention at column 7 of page 199 of the paper book.

5. Learned counsel next referred to prior art D1, which is non-patent literature titled “Selective Solvent Delignification for Fermentation Enhancement”. He submitted that the very title indicates clearly that it involves fermentation. By referring to table 3 of D1 at page 148 of the paper book, learned counsel pointed out that lignin is used as an energy source for fermentation in the process described in D1 and that this is evident from the lignin content after extraction from either cornstover or wheat straw. As regards prior art D2, learned counsel pointed out that the process involves

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alkali treatment and that such process is completely dissimilar to the process used in the claimed invention. With regard to prior art D3, by referring to the 3rd column at page 158 of the paper book, learned counsel submitted that the temperature level specified therein is far higher than the temperature level specified in the claimed invention. By referring to prior art D4, learned counsel points out that the said prior art recites fermentation as being involved in step 4 thereof.

6. Learned counsel further submitted that the appellant's response to the FER was not taken into consideration by the respondent and that this is evident on perusal of the hearing notice, which repeats and maintains the objections in the FER. He also submits that the reasons set out in the impugned order are different from those raised in the FER and hearing notice. In support of the contention that the non-fermentative process adopted in the claimed invention is a technical advance over prior arts, he referred to the declaration by Mr. Mag. Ortwin Ertl, CEO of the appellant, and the co-inventor of the claimed invention. He also points out that this material could not be placed before the respondent because such objection

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was not raised either in the FER or the hearing notice.

7. In response to these contentions, learned counsel for the respondent relies heavily on the impugned order. In particular, learned counsel relies on the conclusions at pages 50 & 51 of the paper book to the effect that prior art D5 discloses the use of non-fermentative conversion process and that the earlier steps of the process of the claimed invention are disclosed in prior arts D1 to D4. Therefore, he contends that no interference is warranted with the impugned order.

Discussion, Analysis and Conclusion:

8. In the operative portion of the impugned order, the following conclusion has been recorded in respect of the alleged lack of inventive step and exclusion under Section 3(d) of the Patents Act, 1970 (the Patents Act):

> *"The disclosure in prior art in view of D5 clearly makes the use of nonfermentative conversion process obvious to the person skilled in the art when D1-D4 disclose other earlier step of process claimed, hence claimed process is not inventive and also objected u/s 3(d) of the act. Although it is not mere use of single process*

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rather mere use of two different known processes part of which is objected from D1-D4 and part from D5, and the resultant process after combination lacks any higher supportive factual data to substantiate the fact the combination of these above stated two processes result into more effective process with more viable and cost effective production of end product i.e. xylitol.

Therefore, the present invention is not allowable u/s 2(1)(j) and 3(d) of the Act."

9. The conclusion with regard to Section 3(d) is dealt with first. Section 3(d) of the Patents Act reads as under:

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

....

(d) the mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance or the mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant.

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Explanation : For the purposes of this clause, salts, esters, ethers, polymorphs, metabolites, pure form, particle size, isomers, mixtures of isomers, complexes, combinations and other derivatives of known substance shall be considered to be the same substance, unless they differ significantly in properties with regard to efficacy; "

10. As discussed in *Novozymes v. Assistant Controller of Patents & Designs, 2023:MHC:4261*, Section 3(d) consists of about three limbs. In this case, reference has been made to the third limb which deals with the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant. The respondent did not conclude that the appellant had adopted the process specified in any one cited prior art. It is clear from the statement "*although it is not mere use of single process rather mere use of two different known processes part of which is objected from D1-D4 and part from D5* " that the respondent has combined processes from multiple cited prior arts to sustain an objection under Section 3(d). The text of the third limb of Section 3(d) contains the phrase "mere use of a known process" thereby indicating that the exclusion only applies to a single known process that also does not result

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in a new product or a new reactant. Even otherwise, unless two or more known processes had been combined earlier, such process cannot be considered as a known process. Therefore, by combining or fusing processes described in multiple prior arts, it cannot be concluded that a claimed invention merely uses a known process. The said conclusion is, consequently, unsustainable.

11. The paragraph extracted above also records the finding that D5 clearly makes use of a non-fermentative conversion process. The sustainability of this conclusion warrants consideration by examining D5. Paragraph 3 of column 7 of D5 at page 199 of the paper book reads, in relevant part, as under:

> *"The process of the invention can be characterized in that the hydrolyzed starting material is fermented with a microbe e.g. yeast strain, the ethanol produced is recovered, a separation is carried out on the remaining xylitol solution, and pure xylitol may be crystallized."*

From the above extract, it follows that the process described in D5 clearly involves fermentation. Fig.3 of D5, which contains a flow chart, reinforces the conclusion that D5 involves a fermentative process.

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12. At page 46 of the paper book, the respondent has recorded the following conclusion purportedly on the basis of common general knowledge:

> *"The use of specific enzymes for degradation of xylose is a known thing the state of art and is very obvious to the person skilled this art of enzymology and getting a end product with the use of enzymes is free of cleavage products and is extracellular, these aspects are in-house for the such processes which are quite obvious for the person skilled in the art"*

While recording conclusions on the purported basis of common general knowledge, it is necessary to at least include the source or material on the basis of which such conclusion is drawn.

13. While discussing prior art D2, the following conclusion was recorded:

> *"The end-product of D2 might be ethanol but as clear from D2 above the value of xylitol is no lesser and the disclosure of D2 is equally important for the comparable features of present invention, hence D2 is a*

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valid citation raised for lack of inventive step read along with D1."

From the above, it is evident that the respondent was conscious that the end-product of D2 was ethanol and not xylitol. Nonetheless, for reasons difficult to discern, the respondent, without any explanation, has proceeded to record that D2 constitutes analogous art.

14. The above discussion leads to the conclusion that interference with the impugned order is warranted. The appellant contended that the non-fermentative process, which is not disclosed in the cited prior art, qualifies as a technical advantage over such prior arts. In support of this assertion, the appellant has relied upon the declaration of Mr. Mag. Ortwin Ertl, CEO of the appellant and the co-inventor of the claimed invention. The said declaration also contains experimental data. The said document was not placed before the respondent when the matter was examined earlier. This is an additional reason for remanding the matter for reconsideration.

15. For reasons set out above, impugned order dated 10.12.2019 is set

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aside and the matter is remanded for reconsideration on the following terms:

(i) In order to avoid the possibility of pre-determination, an officer other than the officer who issued the impugned order shall undertake reconsideration.

(ii) After providing a reasonable opportunity to the appellant, a reasoned decision shall be issued within four months from the date of receipt of a copy of this order.

(iii) For the avoidance of doubt, it is made clear that no opinion has been expressed herein on the merits of the patent application.

16. Therefore, (T)CMA(PT) No.70 of 2023 stands disposed of on the above terms, without any order as to costs.

24.04.2025

Index : Yes / No
Internet : Yes / No
Neutral Citation: Yes / No

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SENTHILKUMAR RAMAMOORTHY J.

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