

by the learned Magistrate whose judgment explains clearly why it was that he held the complaint to be false and vexatious. We think there is no substance in this contention nor in the further contention that the complaint cannot be said to be false because on the first hearing of the evidence two witnesses were found to support the complaint. The Magistrate's order was confirmed on appeal by the Sessions Judge. There are no legal grounds on which we feel called upon to interfere in revision.

We discharge the rule.

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*Broomfield J.*

*Rule discharged.*

J. G. R.

ORIGINAL CIVIL.

*Before Mr. Justice B. J. Wadia.*

THE CALICO PRINTERS ASSOCIATION LIMITED (PLAINTIFFS) v. GOSHO  
KABUSHIKI KAISHA LIMITED (DEFENDANTS).\*

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September 25

*Indian Patents and Designs Act (II of 1911), section 53—Piracy of registered design—Remedy of aggrieved party—Right to recover actual damages or lump sum damages prescribed under the Act—Alternative claim—Plaintiffs' liability to elect remedy.*

The Patents and Designs Act is an Act the provisions of which are exhaustive both as regards the rights of parties whose registered designs have been pirated and as to their remedies. Section 53 of the Act deals with piracies of registered designs, and the remedies given by sub-section (2) of that section are disjunctive and not cumulative. A person claiming reliefs under section 53 (2) of that Act must elect between the two distinct remedies provided therein, viz., (1) an account of the profits made by the defendant by the use of the plaintiffs' design by way of damages, or (2) the payment of a sum of Rs. 1,000 which is the maximum amount recoverable for the piracy of one registered design. The plaintiffs must make this election before the defendants are called upon to file their written statement.

SUIT for an injunction and for damages under section 53 of the Patents and Designs Act for piracy of a registered design. The Calico Printers Association Ltd. (plaintiffs) were the registered proprietors under the Patents and

\*O. C. J. Suits Nos. 1141 of 1935 and 979 of 1935.

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Designs Act (II of 1911) of a certain design printed on their textile piece goods.

The defendants (Gosho Kabushiki Kaisha Limited) imported into Bombay a large number of cases of Japanese piece goods having imprinted thereon a design identical with the plaintiffs' registered designs.

The plaintiffs filed two separate suits against the defendants praying for the following reliefs: (1) for an injunction restraining the defendants from wrongfully using their registered design in any manner whatever; (2) for an account of the profits made by defendants by the sale of goods bearing that design, or in the alternative (3) for damages, and in the further alternative (4) for a sum of Rs. 1,000 under the provisions of section 53 (2) (b) of the Patents and Designs Act.

Before filing their written statements in both the suits, the defendants took out a Chamber summons in both the suits calling upon the plaintiffs to elect whether they claimed from the defendants (1) an account of profits or (2) damages or (3) a sum of Rs. 1,000. They also asked for an order calling upon the plaintiffs to amend their plaints in both the suits in accordance with the election they might make as to the reliefs claimed by them.

The plaintiffs contended that the defendants were not entitled to ask the plaintiffs to make the election at that stage and that the plaintiffs were entitled to wait till the hearing of the suit to make their election as to the reliefs claimed by them.

The summonses were heard by B. J. Wadia J.

*N. P. Engineer*, with *Kenneth McI. Kemp*, Advocate General, for the plaintiffs.

*M. L. Maneksha*, with *Sir Jamshed Kanga*, for the defendants.

B. J. WADIA J. The plaintiffs are the registered proprietors under the Indian Patents and Designs Act, II of 1911, of a certain design printed on textile piece goods bearing No. 34681 and duly registered. They allege that the defendants in the two suits respectively have imported into Bombay a large number of cases of Japanese prints having imprinted thereon without the plaintiffs' license or consent a design which is identical with and/or a fraudulent or obvious imitation of the plaintiffs' registered design. Plaintiffs have accordingly filed these suits, praying for an injunction against the defendants, and in addition they have asked that the defendants may be ordered to render an account of the profits made by them from sales of the goods bearing the said design, or in the alternative to pay damages, or in the further alternative to pay the sum of Rs. 1,000 under the provisions of section 53 (2) (a) of the Act. The suits were filed on July 18 and June 26, 1935, respectively, but the summons in the later suit was taken out a few days earlier than in the other. The points involved in the two summonses are substantially the same, and they have, therefore, been heard together. The summons has been taken out by the defendants in each of the two suits calling upon the plaintiffs to elect whether they claim from the defendants an account of the profits made by the defendants from sales, or damages, or payment of the sum of Rs. 1,000, and for an order that until such election is made all further proceedings in the suits may be stayed.

In both these suits plaintiffs applied by notices of motion for an injunction against the defendants respectively. An interim injunction was first granted on an *ex parte* application made by the plaintiffs, and on the defendants submitting to an injunction at the hearing of the notice of motion in terms of prayer (a), but limited to British India, the interim injunctions were confirmed. The defendants in each suit have been served with the writ of summons, but they have not yet filed their written statements, as they say that

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they are embarrassed in filing their defence, until they know which of the alternative reliefs claimed in the suits the plaintiffs want to adopt.

It is provided by section 53 (1) of the Act, under the heading "Legal Proceedings", that during the existence of a copyright in a registered design it shall not be lawful for any person to apply the design or an imitation thereof or cause it to be applied to goods except with the license or written consent of its registered proprietor, or to have the goods sold without such license or consent. Section 53 (2) (a) provides that if any person acts in contravention of the section, he will be liable to pay to the registered proprietor of the design a sum not exceeding Rs. 500 for every contravention recoverable as a contract debt, provided that the sum so recoverable does not in the aggregate exceed Rs. 1,000. Under section 53 (2) (b) a registered proprietor can, in the alternative, if he so elects, bring a suit for the recovery of damages for any contravention of the section and for an injunction against the repetition thereof. The two clauses are disjunctive, and the provisions are based on section 60 of the English Patents and Designs Act of 1907, being 7 Edw. VII, chapter 29. Under the earlier English Act of 1883 called the Patents, Designs, and Trade Marks Act, 46 & 47 Vic. chapter 57, it was provided by section 58 that during the existence of a copyright in any design it should not be lawful for any person to contravene the section without the license or written consent of the registered proprietor, and that whoever acted in contravention should be liable for every offence to forfeit a sum not exceeding £50 to the registered proprietor who might recover such sum as a simple contract debt by action in any Court of competent jurisdiction. It was provided by section 59 of the same Act that, notwithstanding the remedy given by section 58 for the recovery of the penalty, the registered proprietor of any design might (if he elects to do so) bring an action for the recovery of damages as provided in the

section. In the statute of 1907 these two sections are combined into one section, viz., section 60, with certain changes. Under it the registered proprietor can recover the sum of £50 for each contravention of the section, but the total sum recoverable shall not exceed £100, or in the alternative the registered proprietor can bring a suit for recovery of damages for such contravention and for an injunction against its repetition. As I have said before, the provisions of section 53 of the Indian Act of 1911 are based on section 60 of the English Act of 1907. The two parts of section 53 apply to two distinct remedies, one for the payment of the sum of money mentioned in it, and the other by way of damages and injunction.

It is clear that the provisions of section 53 of the Indian Act apply to the two suits filed by the plaintiffs against the defendants. The questions which arise for consideration are: (1) Are the plaintiffs bound to elect their remedy?, (2) between which remedies must the election be made?, and (3) when must the election be made?

With regard to the first question, the defendants contend that the Act has created certain rights and liabilities not existing at common law, and has also given certain remedies to the registered proprietor of the design to enforce those rights, that the Act is exhaustive both as regards those rights and remedies, and that as new obligations are created and special remedies provided by the statute for enforcing them, section 53 must be looked upon as forming a sort of self-contained code of procedure on the subject, and that there are no means of recovery other than the specific means mentioned in the section itself. I do not think it is disputed that, the nature of the statute being as I have described it, this is the only true construction of section 53: see Halsbury, Volume XXVII, paragraphs 370 and 373 at pages 188-190. Section 53, therefore, being a self-contained code in itself, and the two parts of section 53 (2) being clearly disjunctive

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as I have said before, there is no doubt that the plaintiffs are put to their election.

The prayers of the two summonses are not exactly alike, but in effect the defendants ask that the plaintiffs may be ordered to elect either for an account of the profits made by the defendants or the payment of damages or the payment of the sum of Rs. 1,000. A question was raised in the course of the argument whether in the event of the plaintiffs electing to recover only the sum of Rs. 1,000 under the Act they would be precluded from claiming and getting an injunction also along with that sum. Plaintiffs' counsel contended that the remedy by injunction for the infringement of a right to property was open to the person whose right was infringed, even if such right was created by statute, unless the statute expressly or by necessary implication excluded the equitable remedy. He relied on *Cooper v. Whittingham*,<sup>(1)</sup> especially on the observations of Jessel M. R. at pp. 506-507. That was a case under the English Copyright Act of 1842, and the suit was for an injunction against an American firm of publishers from importing into England for sale and from selling or retaining in possession copies of a periodical publication in which plaintiffs had a copyright. The liability for that offence is mentioned in section 17 of the Act, viz., forfeiture of the offending publication, payment of £10 as penalty for each offence, and a payment of double the value of the forfeited copies of the publication. There is no specific provision in that statute for an injunction, and it was held that an injunction could be granted as an equitable remedy in aid of the statutory remedy. In *Stevens v. Chown*; *Stevens v. Clark*,<sup>(2)</sup> which was a case under the Sidmouth Market Act of 1839 as amended by the Sidmouth Market Act of 1846, it was held by Farwell J. that, where a statute provided a particular remedy for the infringement of a right to property thereby created, an injunction could be granted to restrain the

<sup>(1)</sup> (1880) 15 Ch. D. 501.

<sup>(2)</sup> [1901] 1 Ch. 394.

infringement of the newly created right, unless the statute creating the right had provided a remedy which it enacted should be the only remedy for the infringement. Reference was also made to the judgment of Buckley J. in *Attorney General v. Ashborne Recreation Ground Company*,<sup>(1)</sup> which was a case under the Public Health Act of 1875. On the other hand there is the case of *Devonport Corporation v. Tozer*.<sup>(2)</sup> In that case the by-laws under the same Act of 1875 provided for a penalty to be recovered by summary proceedings, and it was held by Joyce J. that the local authority could not enforce the right by injunction, and that the only remedy was that provided by the statute, on the ground that the right as well as the remedy were purely a creature of the statute. Counsel also referred to *Titus Astle Ltd. v. Mansfield*,<sup>(3)</sup> in which there was a claim for injunction and damages or penalty and delivery up of the offending articles and costs. Plaintiffs in that case were put to their election between the damages and the penalty claimed, but the injunction was allowed to remain. That was a case under the Patents, Designs and Trade Marks Act of 1883, which makes no mention of the remedy by injunction. When we come to the Act of 1907 we find that a provision is made not only for payment of money, which incidentally is no longer called a penalty, but also in the alternative for damages and injunction. The same provision is made under section 53 of the Indian Act of 1911. As section 53 makes up a self-contained code, it would be arguable whether by electing to claim payment of the sum of Rs. 1,000, and not to claim damages and injunction, the equitable remedy by injunction was by necessary implication excluded. Some important questions will arise for consideration on this point, the first being whether when

<sup>(1)</sup> [1903] 1 Ch. 101.

<sup>(2)</sup> (1905) 22 R. P. C. 356.

<sup>(3)</sup> [1902] 2 Ch. 182.

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complete statutory remedies are provided for the new statutory rights created by the statute, the Court has any jurisdiction either in law or equity to travel beyond its terms, and secondly, whether a statutory right to claim only the money provided for in the section could further be protected by an injunction, if the plaintiffs elected to claim the money. I have referred to these questions, as the point was raised by plaintiffs' counsel in the course of his argument, but the point at this stage is really one of academic interest only. Whether in the event of the plaintiffs electing to receive payment of the sum of Rs. 1,000 they will also be entitled to an injunction by way of further equitable relief is a question which must be decided after the election is made. The only question before me now is whether the plaintiffs are bound to elect between an account of the profits or damages and payment of the sum of Rs. 1,000. They claim the injunction in paragraph (a) of the plaint in each of the two suits. I, therefore, do not think it necessary to express any particular opinion at this stage on the point raised by counsel.

The plaintiffs cannot have an account of the profits as an alternative to a claim for damages or to a claim for payment of Rs. 1,000. It is not so provided by the statute. If the plaintiffs restrict their claim to damages and an injunction, it may be contended that a liability to account for profits of the goods actually sold is incidental to an injunction. It may also be contended that an account of the profits is the correct measure of the damages due to the plaintiffs, though there are cases in which it has also been held that the correct measure of damages is the injury to the plaintiffs and not the profits made by the defendants. Whether the plaintiffs can claim an account of the profits as incidental to an injunction is a question which will also have to be considered at the hearing. All that I can now say is that



the plaintiffs are not entitled to an account of the profits as an alternative to their claim for damages or for payment of Rs. 1,000. Moreover, the plaintiffs have not asked for an account of the profits as an ancillary relief to the injunction claimed. Plaintiffs have, however, claimed delivery up of the offending goods or articles, but whether they are entitled to it as an ancillary relief is another question to be gone into at the hearing. At present the plaintiffs are bound to elect under the section between their claim for damages along with the injunction and the payment of the sum of Rs. 1,000 which is the maximum amount recoverable.

The last question is, when must the plaintiffs make their election? Counsel for the plaintiffs argued that the defendants would not in any way be prejudiced by reason of the plaintiffs not electing at this stage, and that, therefore, there was no question of their being embarrassed in putting in their defence. It was held in *Titus Astle Ltd. v. Mansfield*,<sup>(1)</sup> which I have referred to before, that the plaintiffs could not administer interrogatories if they elected to claim the penalty under the old Act of 1883. But it was argued that the claim for Rs. 1,000 under section 53 was not a claim for penalty, and, therefore, the defendants would not be able to escape discovery in any event. On the other hand the defendants' counsel argued that the plaintiffs would not be prejudiced either, if they were put to their election within a reasonable time, but before the final hearing of the suit. I think there is force in the defendants' contention that, if the plaintiffs elect to claim only the Rs. 1,000, they may not even enter upon their defence. They have already submitted to an injunction pending the hearing of the suit. And the defendants' counsel admitted that the defendants had committed an infringement in terms of section 53 (*I*) (*a*), viz., by doing something with a view to enable the plaintiffs'

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<sup>(1)</sup> (1905) 22 R. P. C. 356.

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design to be applied to goods without their license or written consent. He added that the infringement was confined only to the goods mentioned by the defendants in their respective affidavits in reply on the notices of motion, and that he made the admission only for the purposes of these two suits. There is a clear authority both in *Saunders v. Wick*<sup>(1)</sup> and *Titus Astle Ltd. v. Mansfield*<sup>(2)</sup> that a proper application can be made in chambers to the chamber Judge to put the plaintiffs to their election, and long before the hearing of the suit in both these two cases the statement of claim was ordered to be amended. These two cases are quoted as good law in Halsbury, Vol. XXVII, paragraph 1320, at p. 742, in his first edition of 1913, which was long after the English Act of 1907.

I, therefore, order the plaintiffs to make the election which I have mentioned before within a month from to-day. The plaintiffs will make the necessary amendments in the plaint in each suit at their own cost. Defendants to put in their respective written statements within a fortnight after the plaintiffs have made the election and amended the plaint, and intimated the same to the defendants.

I have heard counsel on the question of the costs of the two summonses. My attention was drawn to two letters dated August 19 and 23, 1935, written by the defendants in the two suits respectively to the plaintiffs' attorneys calling upon the plaintiffs to elect. The plaintiffs sent no reply, and thereafter the defendants took out these chamber summonses. The plaintiffs resisted the summons in each suit on the ground, first, as stated in their affidavits in reply, that the defendants could not dictate to the plaintiffs, that is to say, could not ask the plaintiffs to make an election, and secondly, on the ground taken at the hearing, that in any event they were not bound to make the election at this stage, but only at the time of the hearing. In my opinion

<sup>(1)</sup> (1892) 9 R. P. C. 459, at p. 460.

<sup>(2)</sup> (1905) 22 R. P. C. 356.

they were wrong in both these contentions. The election is to be made under the statute, and what the defendants asked was that the plaintiffs should not be allowed to postpone the election till the final hearing. I see no reason to depart from the ordinary rule that costs follow the event, and I order the plaintiffs to pay the costs of the defendants of the summons in each suit separately. Costs to be taxed.

Counsel certified.

Attorneys for plaintiffs, Messrs. *Little & Co.*

Attorneys for defendants, Messrs. *Bhaishankar, Kanga & Co.*

*Order accordingly.*

B. K. D.

## APPELLATE CIVIL.

*Before the Honourable Mr. S. S. Rangnekar, Acting Chief Justice, and  
Mr. Justice Tyabji.*

PATEL SAMALBHAI LALLUBHAI (ORIGINAL DEFENDANT NO. 1), APPELLANT  
v. JESANGBHAI RANCHHODDAS AND OTHERS (ORIGINAL PLAINTIFFS  
AND DEFENDANT NO. 2), RESPONDENTS.\*

1935  
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*Bombay Local Boards Act (Bom. Act VI of 1923), section 35—Meeting of Local Board to elect President—Two candidates—Even votes—Chairman's casting vote—Voting to be recorded in a special book—Voting by ballot—Regulation No. 35—Validity.*

Regulation 35 of the Regulations framed by the Taluka Local Board, North Daskroi, under section 35 (1) of the Bombay Local Boards Act, 1923, providing for voting by ballot in the case of election of the President and Vice-President is *ultra vires*, being clearly inconsistent with section 35 (2)(k) of the Act since under the Act there could not be any voting by ballot.

On January 16, 1935, a meeting was held for the election of the President of a Taluka Local Board. Twenty members were present and there were two rival candidates, each of them getting at the election an equal number of votes. The Chairman of the meeting decided to give his casting vote to defendant No. 1, but before he announced the result of the election, a member protested against the open voting as being

\*Second Appeal No. 261 of 1936.