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INTELLECTUAL PROPERTY LAW

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I INTRODUCTION

INTELLECTUAL PROPERTY litigations are quite diverse in India like several other countries with steady increase in number of intellectual property rights (IPR) being registered under different categories and number of disputes being challenged against piracy and infringement. The present survey summarizes and portrays the ratio of cases relating to intellectual property rights decided by the apex court and high courts of the country during the survey year. High Court of Delhi remains the hotspot for IPR litigations, though the High Courts at Madras and Bombay also share commendable number of cases.

II COPYRIGHT

Title

In *Lyca Productions v. Manimaran*,¹ the High Court of Madras upheld that the precedent set by the Supreme Court that there is no copyright in a title, would apply to all feature films. In 2016, the apex court observed in *Krishika Lulla v. Shyam Vithalrao Devkatta*² that the words ‘desi’ and ‘boys’ were quite common in India and even their combination is not protectable either on the basis of copyright or trade mark or in passing off action. In *Lyca*, the high court further explained that there is no copyright in title of a literary work or a cinematograph film and a title does not qualify for being described as ‘work’ under section 13 of the Copyright Act.

Contrary to its own decision in *Lyca*, the High Court of Madras in *Sathya Movies v. Suresh Production Entertainment (P.) Ltd.*,³ upheld the plaintiff’s claim to the protection of its film title registered with the Tamil Film Producers Council, ‘Naan Aanaaittaal’. Giving such contradictory judgments is perilous and judiciary should avoid pronouncing contradictory judgments unless it has justifiable and compelling reasons to overrule.

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1 2018 (73) PTC 525 (Mad).

2 (2016) 2 SCC 521.

3 CS.No.820 of 2017 decided on Aug.1, 2018.

Question papers

India like many other countries has witnessed a good number of legal battles on copyright infringement issues surrounding question papers, text books, guides *etc.* The law on copyright on question paper is made clear, way back in 1996, in *Rupender Kashyap v. Jiwan Publishing*⁴ in which it was held that if there is a copyright in the question paper, then the publishing of answer book using such question papers, will amount to infringement of copyright.

The appellant/ infringing publisher in the present case, *Ravinder Singh and Sons v. Evergreen Publications (India) Ltd.*,⁵ has published ten year question bank (in which the respondent had copyright) with answers. The High Court of Delhi by upholding the injunction passed against the infringers held that publishing the copyrighted questions of the respondents though with answers amount to copyright infringement.

Similarly, when a copyrighted published work is prescribed as text book, a 'guide' can be published on the basis of it, provided the guide fulfills the test of a 'derivative work'. At the same time, the guide book has to be materially different from the text book. In order to call something as derivatives work, it is to be found as to whether the work of the subsequent party is 'transformative' in nature and add something new, with a further purpose or different character, altering the first work of the plaintiffs.

Reduction on the duration

In *Kajal Aggarwal v. VVD and Sons*⁶ the High Court of Madras observed that where the Copyright Act gives the first owner of the copyright of the cinematograph film a term of 60 years to exploit the work under section 26 of the Act, the same could not be restricted by the parties by way of a contract for a lesser period. A person who becomes the first owner of the copyright for a work, has been conferred with a statutory right for a period of 60 years over the cinematograph film. This statutory right cannot be taken away by a performer in the cinematograph film by virtue of an agreement. With respect to the impact of section 38-A (2) it was held that the appellant having consented to the incorporation of her performance in the cinematograph film, cannot object to the respondent's right as producer in the cinematograph film since there is no contract to the contrary. The appellant cannot stop the respondent from enjoying producer's right.

Software copyright

The Supreme Court of India was confronted with two issues in *Diyora and Bhanderi Corporation v. Sarine Technologies Ltd.*,⁷ a matter relating to copyright in software: (i) whether appointment of local commissioner as expert suffered from any

4 (1996) 16 PTC 439 (Del).

5 MANU/DE/5012/2018.

6 Original Side Appeal No.269 of 2017 decided on June 25, 2018.

7 (2018) 8 SCC 804.

infirmity and (ii) whether the trial court was justified in restricting comparison of the source code and object code only in respect of the registered version of the plaintiff? The court after finding that there were correspondence and emails from the defendants and the local commissioner since his appointment, which suggest that the appointment and engagement of said local commissioner was not only accepted but the defendants had clearly acquiesced in such arrangement; affirmed the appointment of local commissioner as an expert. With regard to the second issue, the court held that the trial court was justified in restricting comparison of the source code and object code only in respect of the registered version of the plaintiff, since at the interim stage, it was not the content and extent of the right under common law which was considered to examine whether *prima facie* case was established by the plaintiff, but the aspect of registered copyright and rights emanating there under.

Customer database

The plaintiffs in *Navigators Logistics Ltd. v. Kashif Qureshi*⁸ have sought *inter alia* permanent injunction restraining the defendants from violating the plaintiff's copyright in its 'original literary and artistic works' and the plaintiff's confidential data information and trade secrets resident in the electronic devices of the plaintiff handed over to the defendants during the course of their employment with the plaintiff. The IPR related issues before the court were (i) whether the business/customer-related list prepared by the plaintiff is eligible for copyright protection and (ii) whether these data constitute trade secret? The High Court of Delhi after mentioning that copyright, as distinct from a trademark, is a statutory and not a common law right or a natural right; observed that unless it can be found that a copyright vests in such a list under the Copyright Act, the plaintiff cannot have any right in the list maintained/prepared/compiled by it of its customers/clients with their contact numbers.

The court further held that the alleged list in which the plaintiffs claim copyright does not fall in the definition of either cinematograph film and sound recording or original artistic work or dramatic work or musical work. All compilations cannot be considered as literary work in which copyright can subsist. So the list does not qualify for copyright protection. The plaintiff in the present suit has not disclosed the identity of author. The plaintiff does not claim any confidentiality about such identity. It was, in the opinion of the court, essential for the plaintiff to disclose identity of the author, to claim ownership of copyright. As to the second issue, the court went on to hold that every customer list cannot qualify as confidential information or a trade secret unless the confidentiality around such a list is of economic value/business value/commercial value.

Copyright Act and Information Technology Act

In *B.N. Firos v. State of Kerala*,⁹ the Supreme Court examined the interface between Copyright Act and Information Technology Act. The issue before the court to resolve was that whether section 70(1) of IT Act (which barred access to a person

8 2018 (76) PTC 564 (Del).

9 (2018) 9 SCC 220.

to system declared as a ‘protected system’ without authorization from appropriate government) had to be read conjointly with sections 2(k) and 17 of Copyright Act, 1957 in order to give due effect to related provisions of two different enactments made by legislature. The court clarified the relationship between the two legislations by holding that section 70 of the IT Act could not be construed independent of provisions of Copyright Act.

The appropriate government’s power to declare a system as ‘protected system’ might invade a copyright which might be vested in a private owner. The legislatures have, however, made provisions in the copyright system itself to balance such situation in section 17 of the Copyright Act. Therefore, the provisions of section 2(k) of the Copyright Act, 1957 which defines ‘Government work’ and section 17(d) of the same Act and section 70 of the IT Act has to be construed harmoniously. If the said provisions are to be read and construed harmoniously, the power of declaration of a ‘protected system’ would be only in respect of ‘Government work’, the copyright in which of the government is acknowledged by section 17(d) of the Copyright Act, 1957.

In *Fermat Education v. Sorting Hat Technologies Pvt. Ltd.*,¹⁰ the plaintiffs were creators/authors CAT questions. The defendants had reproduced the questions on their website. The court held that the defendants had infringed the copyright of the plaintiff. The court disallowed the defendants to rely on section 52(1)(i) of the Copyrights Act, since they upload materials for consideration. Once consideration is paid for uploading materials, then it becomes a business venture and a responsibility is imposed on the defendants to ensure that they do not infringe the copyright of any another person.

The defendants also argued that they connect educators to students, and only host content that is uploaded by its users. Hence, it is entitled to be protected by the safe harbour provision of section 79 of the IT Act. By holding against the defendant the court observed that the act of paying consideration draws the first defendant further away from the definition of the an intermediary.

Copyright and trade mark

The case at hand, *Anant v. The State of Maharashtra*¹¹ presents unusual facts. On one hand, the accused had registration certificate for artistic work under Copyright Act. On the other hand, there was certificate of registration of trademark in favour of complainant. The accused approached the court to quash criminal proceedings initiated against him in a case registered for commission of offence punishable under sections 420 and 34 of IPC and sections 27, 28, 103 and 104 of Trade Mark Act, 1999. The High Court of Bombay held that when there is certificate in favour of the accused under Copyright Act, his act of reproduction of the artistic label on tea bags does not amount to infringement of trademark of the complainant. The observations made by the court are worth mentioning:¹²

10 O.A.No.502 of 2018 decided on Aug.13, 2018.

11 2019 ALLMR (Cri) 1327.

12 *Id.*, para 24-25.

With the change in society and increase of education in society, the needs of the society changed and different approach is developed by persons to satisfy those needs. There was a time when only few companies were there in tea industry having trade mark which had become popular. In those days, poor persons could not afford to purchase branded tea and they were opting for purchasing loose tea powder. The educated persons who liked particular taste were preferring tea of particular company having particular trademark. The advertisement of tea is made with regard to its taste, colour, aroma and also strength. On that basis, many persons buy the tea. Some like colour, some like taste, some like aroma and liking of some depend on the strength of tea. These days when persons go to mall or shop, they make demand of tea of a particular company and also by giving particular trade name given by the particular company. Those days when there was possibility of deception have gone and people know as to which brand of which company they like. They take the decision about choosing also on the basis of price. Thus, these days there is not that possibility of deception of customers which was there in the past. These developments in the society needs to be kept in mind by the Courts for deciding the matter like present one and it is not possible to hold for criminal case that there is infringement of right under the Act. In that background, this Court holds that it is not possible to accept the opinion given to Dy.S.P. by Registrar under the Act in favour of complainant....in a case like present one, Court needs to go with the presumption that the compliance of provision of section 115 of the Act is mandatory. The Court needs to consider the situation that there are two different opinions of authorities created under the Acts which are inconsistent with each other. The opinion given by the authority is opinion of expert and it is not binding on the Court.... Thus, on merits also, if the contentions are examined for present purpose, in view of the provisions of both the Special Enactments quoted and the present approach of the persons of the society, it is not possible to infer that there is deceptive similarity in the label used by the accused with the label which is registered under trademark by the complainant.

Rectification of the register of copyrights

The question that arose before the High Court of Delhi in *Marico Ltd. v. Jagit Kaur*¹³ was as to whether the respondent's impugned copyright registration for artistic work NIHAL UTTAM is an 'entry wrongly made in or remaining on the copyright register.' The court held that if any person has obtained registration of copyright of a work which is not an original work under section 13 of the Copyright Act, such a registration or entry made in the register would be an entry wrongly made. In this case, the respondent's artistic work was not an original work but an imitation of the

13 2018 (74) PTC 384 (Del).

appellant's label which is a registered trade mark. Copyright registration can only be granted to original artistic works. Registration of copyright cannot be granted to works which are a reproduction or imitation of other original works.

Since the respondent's label is a substantial reproduction and a colourable imitation of the appellant's NIHAR trade mark, the appellant is a 'person aggrieved' and is entitled to maintain the petition under section 50¹⁴ of the Copyright Act, 1957 for rectification. By setting aside the order of the copyright board which refused rectification petition of the appellant, the court observed thus: ¹⁵

Under the Copyright Act, all that the Board needs to look at is the comparison of the artistic works. The board has not examined all the factors that were relevant to a passing off action. The artistic works being so similar is almost an imitation of the other, there is no justification to reject the rectification application. The respondent had access to the appellant's works and was dishonestly copying the same. The appellant being a person aggrieved, the registration is an entry which wrongly remains in the register. The reasoning of the copyright board is contrary to law.

Although trademarks and copyright operate under different statutes, since rights in an original artistic work could overlap with label marks registrable under the Trade Marks Act, the legislature has added several provisions to remove the inconsistencies such as proviso to section 45, section 50 of the Copyright Act *etc.* However, the various authorities established under the statutes are supposed to discharge their respective responsibilities honestly and sincerely in order to overcome the legislative overlaps. This decision is significant as it reduces the overlap between copyright and trademark protection.

Cause of action in copyright infringement and passing off

In *Amilal Ramkishan Dass v. Ashok Kumar Sethi*,¹⁶ the High Court of Madras examined the meaning of the expression 'cause of action' in copyright infringement and passing off action. Cause of action is a bundle of facts and all and every fact in the bundle which constitutes a *lis* may not qualify as cause of action. However, those facts in a long chain of facts which are imperative to be proved for the plaintiff to be entitled to a decree, go to constitute a cause of action. The court found that in the present case copyright infringement and passing off are not two parts of one cause of action, but are two causes of action. In such situations, the bundle of facts and chain of events which need to be proved for the plaintiff to be entitled to a decree qua injunctive reliefs against infringement of copyright suit is different and distinct qua

14 S. 50: Rectification of register by appellate board.- The appellate board on application of the registrar of Copyrights or of any person aggrieved, shall order the rectification of the Register of Copyrights by-

(a) the making of any entry wrongly omitted to the register, or (b) the expunging of any entry wrongly made in, or remaining on, the register, or (c) the correction of any error or defect in the register.

15 *Supra* note 13, para 14.

16 (2018) 8 MLJ 160.

bundle of facts which the plaintiff will have to prove (though arising out of same factual matrix with vast overlaps) to be entitled to a decree with regard to passing off prayer. Mere overlap will not make the two different parts of one cause of action.

TRAI Act vis a vis Copyright Act

In *Star India (P.) Ltd. v. Department of Industrial Policy and Promotion*,¹⁷ one of the issues before the Supreme Court was whether the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 violates certain provisions of the Copyright Act, 1957. The court noticed on comparison of definitions of ‘broadcast’ in section 2(dd) of Copyright Act and of ‘broadcasting services’ in clause 2(j) of impugned regulation that, words ‘intended to be received by general public either directly or indirectly’ were completely missing from definition of ‘broadcast’ contained in Copyright Act. Also, section 52(1) (b) of Copyright Act indicated that transient or incidental storage of a work or performance purely in technical process of electronic transmission or communication to public was not an act that would constitute infringement of copyright. The court, after analysing

in different fields.

While TRAI Act focuses on broadcasting services provided by broadcaster that impact ultimate consumer, interest of end user/ consumer is not the focus of Copyright Act. Copyright Act would operate within its own sphere, broadcaster being given full flexibility to either individually or in form of a society charge royalty or compensation for copyright. TRAI, while exercising its regulatory functions under TRAI Act, does not impinge upon any of these rights, but merely acts, as a regulator, in public interest, of broadcasting services provided by broadcasters and availed of by ultimate consumers. According to the court, if in exercise of its regulatory power under TRAI Act, TRAI were to impinge upon compensation payable for copyright, best way in which both statutes could be harmonized was to state that, TRAI Act, being a statute conceived in public interest, which was to serve interest of both broadcasters and consumers, must prevail, to extent of any inconsistency over Copyright Act which was an Act which protected property rights of broadcasters. To extent royalties/ compensation payable to broadcasters under Copyright Act were regulated in public interest by TRAI under TRAI Act, former shall give way to latter.

III TRADEMARK

Use of mark and territorial jurisdiction

In *Burger King Corporation v. Techchand Shewakramani*,¹⁸ the High Court of Delhi has reiterated that provisions of section 134 of Trade Mark Act and section 62 of Copyright Act were in addition to and not in exclusion of section 20 of Civil Procedure Code, 1908 (CPC). ‘Use of a trade mark in relation to goods in the course of trade’ is the crux of cause of action in an infringement as well as passing off action. The phrase ‘in relation to’ includes advertising, promotion, publicity, etc. When section

¹⁷ (2019) 2 SCC 104.

¹⁸ 2018 (76) PTC 90 (Del).

20 of CPC provides that a suit could be filed in any place where cause of action arose, in a suit involving rights in a trade mark, cause of action arises in each and every place where there is any form of use of said mark. The court held that in the present case, the defendant had 'used' the plaintiff's mark: (a) by promoting mark Burger King in Delhi; (b) by entertaining franchisee queries from territory of Delhi; (c) by seeking franchise requests through website *theburgerking.in*; (d) by openly and publicly expressing their intention to expand all across country including Delhi; and (e) by allowing would be franchisees to apply through website by filling a form.

Jurisdiction *vis a vis* 'carries on business'

The plaintiff in *NV Distilleries Pvt. Ltd. v. Frost Falcon Distilleries Ltd.*¹⁹ who is the proprietors of registered trade mark CRAZY ROMEO has its registered office at Delhi and distillery at Ambala. The suit examined the issue whether the plaintiff would be entitled to sue the defendant at Ambala also? By applying section 134 of the Trade Marks Act and in accordance with the *dicta* of the division bench in *Ultra Home Construction Pvt. Ltd. v. Purushottam Kumar Chaubey*,²⁰ the court held that the plaintiff, having its registered office at Delhi and distillery at Ambala (if treated to be a subordinate office), would be entitled to sue the defendant at Ambala also and the defendant cannot compel the plaintiff to sue the defendant in the courts at Sonipat, Haryana where the defendant has its distillery.

It is settled position of law that to constitute 'carrying on business' at a certain place, the essential part of the business must take place in that place.²¹ In *Louis Vuitton Malletier v. Kapil Pahuja*²² the High Court of Delhi further clarified that where a corporation is having ordinary residence/principal place of business and cause of action has also arisen at that place, the corporation has to institute a suit at the said place and not at other places. Section 134 of the Trademarks Act never intended to operate in the field where the place of business and cause of action has arisen at that place so as to enable it to file a suit at a distant place where its subordinate office is situated. In the present case, since the plaintiff does not carry on business at Chandigarh where the cause of action has arisen and it carries on business from Delhi, in view of section 134(2) of the Trade Mark Act, the court at Delhi has territorial jurisdiction to adjudicate the suit.

In *Rajesh Kumar Makhija v. Devendra Nath Shukla*,²³ the court further explained that section 134(2) of the Trademarks Act has removed the embargo of suing at the place of accrual of cause of action wholly or in part with the place where the plaintiff or any of them ordinarily resides, carries on business or personally works for gain. While the court observed that it has territorial jurisdiction to try and decide the present suit, however, it granted liberty to the defendant to raise the issue of jurisdiction at the stage of trial and final arguments.

19 2019 (77) PTC 333 (Del).

20 (2016) 227 DLT 320.

21 *Dhodha House v. S.K. Maingi* (2006) 9 SCC 41.

22 MIPR 2018 (1) 302.

23 2018 (75) PTC 590 (Del).

Infringement and passing off by dishonest adoption

The plaintiff in *RSPL Ltd. v. Prithvi Chemicals*²⁴ alleged that the trademark, logo and label GHANTI used by the defendant amounted to infringement of plaintiff's trademark and copyright in GHARI. The defendant had substantially copied the GHARI mark/label/packaging/wrapper with its all features and artistic works, layout design, lettering style, get up, make up, colour combination and idea thereof. The defendant has replaced the Hindi word GHARI with the Hindi word GHANTI which is visually, phonetically and structurally identical with that of the plaintiff's mark.

While granting a permanent injunction in favour of the plaintiff, the High Court of Delhi restrained the defendant from infringement of trademark, copyright and passing off. The court found that due to extensive use over substantial period of time, the plaintiff's GHARI mark and logo have acquired reputation and goodwill in India. From evidence on record, it was apparent that use of the plaintiff's trade mark and trade name dishonestly and *mala fide* without any explicit permission or authorization from the plaintiff amounted to infringement. In the opinion of the court, the use of the impugned mark by the defendant is bound to cause loss and injury to the plaintiff and immense public harm.

In *HT Media Ltd. v. Sandeep Singh*²⁵ wherein the defendants have misused the computer database and proprietary data of the plaintiffs and used without any explicit permission or authorisation the plaintiffs' trademark, the High Court of Delhi held that the use of the trademarks SHINE and SHINE.COM by the defendants amounted to infringement of copyright as well as passing off of plaintiffs' trademark. The defendants have caused confusion and deception in the minds of the users, who have assumed a connection between the plaintiffs and the defendants and deposited money with the defendants. The use of the impugned mark by the defendants has thus caused loss and injury to the plaintiffs and immense public harm.

The court declined from granting injunction in *Unilever Industries (P.) Ltd. v. Kwalitiy Ltd.*,²⁶ considering the fact that the defendant has been using the word Kwalitiy in conjunction with other words and was incorporated much before the dispute arose with no objection from the plaintiffs or any of them for using the word Kwalitiy as a part of its corporate name. The defendants have been using the word Kwalitiy in relation to its business name for at least 20 years. The court observed that an order of injunction at this stage would cause irreparable prejudice to the defendant.

Different goods in same class and concurrent use

In *Nandhini Deluxe v. Karnataka Co-Operative Milk Producers Federation Ltd.*,²⁷ the dispute pertained to the use of mark NANDHINI. The appellant adopted the mark NANDHINI for its restaurants in the year 1989 whereas the respondent, a Co-operative Federation of the Milk Producers of Karnataka, adopted the mark

24 247(2018) DLT 221.

25 MANU/DE/1272/2018.

26 MANU/WB/0338/2018.

27 (2018) 9 SCC 183.

NANDINI in the year 1985 and registered the said mark under classes 29 and 30. The Intellectual Property Appellate Board (IPAB) and High Court of Karnataka adopted the view that the two marks are deceptively similar and the appellant's use of the mark would cause confusion in the mind of consumers. The High Court of Karnataka had further held that though the nature of goods is different, the goods of the appellant and the respondent belong to same class and, therefore, it would be impermissible for the appellant to have the registration of the concerned trade mark in its favour. By setting aside the order of the high court in the writ petition and order of IPAB directing the cancellation of the mark by the appellant, the apex court held that the proprietor of a trade mark cannot enjoy monopoly over the entire class of goods and, particularly, when he is not using the said trade mark in respect of certain goods falling under the same class. It is pertinent to note that section 11 of the Trade Mark Act which prohibits registration of mark in respect of the similar goods do not cover the same class of goods.

According to the Supreme Court, not only visual appearance of the two marks is different, they even relate to different products. Further, from the manner in which they are traded by the appellant and the respondent respectively, it is difficult to imagine that an average man of ordinary intelligence would associate the goods of the appellant as that of the respondent. Hence, the appellant has not adopted the trade mark to take unfair advantage of the trade mark of the respondent.

The use of mark by the appellant in respect of its different goods would not be detrimental to the purported distinctive character or repute of the trade mark of the respondent. Moreover, there is no document or material produced by the respondent to show that by the year 1989 the respondent had acquired distinctiveness in respect of their trade mark, and therefore, it is more of a case of concurrent user of trade mark by the appellant.

In the instant case, when the respondent has its limited business only in milk and milk products with no intention to expand the business of trading in other goods falling under class 29 and the appellant was given registration in other articles only, specifically excluding milk and milk products, there was nothing wrong in according registration of those products in favour of the appellant under the trade mark NANDHINI. When a person trades or manufactures one good under the broad classification having no *bona fide* intention to trade in all other goods falling under that broad classification, he cannot be permitted to enjoy monopoly in articles falling under such classification.

Rectification in infringement

In an infringement suit, if validity of the trademark registration to be challenged by way of defence, it is necessary that the issue on the aspect of invalidity of the registration of the plaintiff's trademark has to be got framed by the civil court on an application of a defendant. In *Country Inn Private Ltd. v. Country Inns and Suites*,²⁸

28 2018 (74) PTC 548 (Del).

it was held by the High Court of Delhi that once the defendant in an infringement suit of trademark does not seek framing of an issue of invalidity of plaintiff's registration by the court by taking a *prima facie* view on invalidity of plaintiff's trademark registration before the commencement of trial, then the defendant is deemed to have abandoned its right to question the validity of the registration of the plaintiff's trademark. In such cases, right to question plaintiff's registration is deemed to be lost and will no longer survive.

In the present case, no plea has been raised by the defendant in its written statement to file rectification proceedings before IPAB to cancel the registration of the plaintiff's trademark, and no amendment was applied to the written statement prior to framing of issues to bring forth the pleading to seek remedy of approaching IPAB for cancellation of the registered trademark of the plaintiff. The rectification proceedings were initiated seven years later from framing of issues, and after substantial evidence has been led by the plaintiff. In the opinion of the court, this is obviously barred by law and against the decision of the Supreme Court in *Patel Field Marshal Agencies*.²⁹

Passing off of trademarks and sub trademarks

Several issues were involved surrounding several trade marks in *Luxembourg Brands S.A.R.L. v. G.M. Pens International Pvt. Ltd.*³⁰ decided by the High Court of Delhi. One of the issues was whether the defendant had passed off its goods by using shape which is similar to the shape of the goods sold under the trademark REYNOLDS. It is necessary for the plaintiffs to establish in such claim of passing off that the particular shape of pen had come to be identified with the trademark REYNOLDS. However, the plaintiffs in the present suit could not establish that the shape of the pens sold under the trademark REYNOLDS were distinctive and had come to be identified with the trademark REYNOLDS.

With respect to another issue of deceptive similarity, the court held that the trademark TERAMAX bears a high degree of deceptive similarity with TRIMAX. It is well settled that a party which is restrained from using a particular trademark must follow the safe distance rule and ensure that the trademark adopted is not even remotely similar to the trademark, the use of which has been interdicted.

With respect to the question of passing off, the court observed that one of the necessary elements of passing off is misrepresentation. In order to successfully establish a case of passing off, it is necessary for the claimant to establish that a false or deceptive statement was made. In the present case, since the same is not established, it is difficult to accept that the defendant had made any false or untrue statement. Law does not permit anyone to carry on its business in any manner that would persuade its customers or clients in believing that the goods or services belonging to someone else are his or are associated therewith. But, this would not preclude a person from claiming that his goods are his own goods even though the same may adversely affect the

29 *Patel Field Marshal Agencies v. P.M. Diesels Ltd.*, 2018 (73) PTC 15.

30 2019 (77) PTC 68 (Del): 254 (2018) DLT 603.

business of another. What is important question in a passing off suit is whether the defendant is selling its goods as that of the plaintiffs.

Prior user vis a vis registered proprietor

In *Sun Pharma Laboratories Ltd. v. Lupin Ltd.*³¹ the High Court of Delhi held that the rights granted by the registration of a trademark in the form of exclusivity are not absolute but are subject to the provisions of the Trade Mark Act. While comparing two mark for similarity test, the full words have to be compared and not a part of the word. On comparison, the court held that the defendants' mark TRI-VOBIT is structurally and phonetically similar to the trade mark of the plaintiff TRIVOLIB. These medicines are for same ailment. Merely because the defendant was using VOBIT earlier cannot be a ground to plead that the words have to be split and then compared as is sought to be done.

The court also clarified the law on prior user by stating that the passing off rights are considered to be superior to that of registration rights. The plaintiff is a much prior user of the brand TRI VOLIB and has vested rights in the said trade mark. Section 28(3) of the Trade Mark Act provides that the rights of two registered proprietors of identical or nearly resembling trademarks shall not be enforced against each other. However, they shall be same against the third parties. Section 28 (3) merely provides that there shall be no rights of one registered proprietor *vis a vis* another but only for the purpose of registration. The said provision 28 (3) nowhere comments about the rights of passing off which shall remain unaffected due to overriding effect of section 27(2) of the Act and thus the rights emanating from the common law shall remain undisturbed by the enactment of section 28(3) which clearly states that the rights of one registered proprietor shall not be enforced against the another person. An action for passing off could lie despite section 28(3) of the Act against the use of a registered trade mark. Prior user is considered superior than that of any other rights.

By referring to *Patel Field Marshal Agencies v. P.M. Diesels Ltd.*³² the court reiterated the legal aspects of rectification that the issues relating to the validity of a registration have to be dealt with by the tribunal and not by the civil court. In the event, the civil court is approached and the issue of invalidity of the trade mark is raised, such a plea is not to be decided by the civil court but by the tribunal. However, the tribunal will come into seizing of the matter only if the civil court is satisfied that an issue with regard of invalidity ought to be framed in the suit. Once the issue is framed, the matter will have to go to the tribunal and the decision of the tribunal will thereafter bind the civil court.

In *Anjani Kumar Goenka v. Om Education Trust*,³³ the plaintiffs are the proprietors of registered marks - GD GOENKA WORLDS INSTITUTE, GOENKA, GOENKA SCHOOL AND GD GOENKA PUBLIC SCHOOL, *etc.* from 1994. The defendant has started running the school from the academic year 2015-16.

31 2018 (74) PTC 103 (Del).

32 2017 (13) SCALE 783.

33 MIPR 2018 (3) 241.

In an infringement case, the accepted test is of an unwary purchaser having average intelligence and imperfect recollection: whether an unwary purchaser with an average intelligence and imperfect recollection would be deceived by overall similarity of the two products. In the opinion of the court, clearly an unwary parent/student of average intelligence and imperfect recollection can be deceived by the overall similarity of the two names especially when both the plaintiff and defendant are in the same field. This is bound to create confusion.

In the pleadings, the defendant has alleged suppression of material facts from the plaintiff since they did not disclose decline of injunction against the defendant who was also using GOENKA in *Goenka Institute of Education and Research v. Anjani Kumar Goenka*,³⁴ on similar facts and circumstances. With regard to this, by holding the plaintiff not guilty of suppression of material facts, the court observed that when the plaintiff is obliged to disclose material facts while filing the suit, not every fact having some remote connection with the rights of the plaintiff needs to be mentioned. Hence, merely because no reference was made in the plaint to the judgment of *Goenka Institute of Education and Research* cannot be said to lead to a conclusion that there was suppression of any material facts. Where there is an obligation to speak, a failure to speak will constitute 'suppression of a fact' but where there is no obligation to speak silence cannot be termed as 'suppression'.

In *Apex Laboratories (P) Ltd. v. Pegasus Farmaco India (P) Ltd.*,³⁵ the plaintiff has a registered trademark in class 5 pharmaceutical and medicinal preparations for the mark ZINCOVIT. The plaintiff also has copyright registration in the artistic work under the title Zincovit in the label of the cartons in which the aforesaid product is marketed. The plaintiff prayed *inter alia* for grant of permanent injunction restraining the defendants (i) from in any manner infringing the plaintiffs' copyrighted artistic work ZINCOVIT by using the offending artistic work ZIB along with the word ZINCOVIT or any other work or works which are identical and similar to the plaintiff's registered copyright over the artistic work ZINCOVIT and (ii) from in any manner passing off of their pharmaceutical products bearing the offending trade mark and the artistic work ZINCOVIT as and for the celebrated pharmaceutical products of the plaintiffs bearing the registered trade mark and the copyrighted artistic work ZINCOVIT, either by manufacturing, selling or offering for sale or in any manner advertising the same. The defendant by taking a fair stand has filed affidavit stating that they have stopped using the alleged artistic work for the trade mark ZIB as claimed by the plaintiff. The suit has been decreed in favour of the plaintiff with respect to both the above mentioned prayers.

The suit was decreed with cost in *VRS Foods Ltd. v. Prem Chand*³⁶ where the plaintiff sought permanent injunction and damages in respect of the trademark PARAS and the defendant did not appear after appointment of local commissioner.

34 2009 (40) PTC 393

35 MANU/TN/6230/2018.

36 MANU/DE/3664/2018.

Fraudulent, dishonest and illegal registration of mark by the defendant

Whether registration of an identical trademark by the defendant creates any legal impediment in maintaining an action in respect of infringement of a registered trademark by the plaintiff and obtaining interim relief? The High Court of Bombay was called to examine this issue in *Kantilal Premji Maru v. Madan Kumar*.³⁷ While answering the question in affirmative, the court also criticised such registration of identical trademark in respect of identical goods/services where public confusion and deception is bound to take place.

Comparison of rival marks as a whole revealed that the defendant copied prominent, essential and distinctive features of plaintiff's registered trade mark. According to the court, addition of numeral 5 and of five small stars made no difference in the defendant's mark. The court found that the defendant secured a registration of his mark which was *ex facie* fraudulent and illegal and one which shocked conscience of the court. Fact of copying itself clearly showed the defendant's knowledge of plaintiff's prior registration which further indicates that the defendant illegally and dishonestly adopted an identical/deceptively similar mark to sell his products as if they were of plaintiff's. When, essential feature of plaintiff's mark was bodily lifted and copied by the defendant, subsequent registration ought not to have been granted, and was *ex facie* illegal. Therefore, despite registration of impugned mark, there was no legal impediment in maintaining an action in respect of infringement of a registered trade mark, and obtaining interim relief in that regard. Once it was found that mark which was copied was distinctive section 17³⁸ of Trade Mark Act, could not come to rescue the defendant. Hence, it was not open to the defendants to raise a plea in equity.

Removal for non use

Section 47 of the Trademarks Act, 1999 provides for removal from register trademark on ground of nonuse. The petitioners in *Kellogg Company v. Pops Food Products (P) Ltd.*,³⁹ applied for registration of their mark in 1989 as proposed to be used mark and has not used it till the date of present suit. There is no evidence of sale in the country from 1989 to 2011, they have neither used nor shown any evidence of commencing the business. Hence, IPAB decided to rectify the register by expunging

37 2018 (75) PTC 81 (Bom).

38 S. 17: Effect of registration of parts of a mark:

(1) When a trade mark consists of several matters, its' registration shall confer on the proprietor exclusive right to the use of the trade mark taken as a whole.

(2) Notwithstanding anything contained in sub-s.(1), when a trade mark-

(a) contains any part-

(i) which is not the subject of a separate application by the proprietor for registration as a trade mark; or

(ii) which is not separately registered by the proprietor as a trade mark; or

(b) contains any matter which is common to the trade or is otherwise of a non-distinctive character, the registration thereof shall not confer any exclusive right in the matter forming only a part of the whole of the trade mark so registered.

39 2018 (73) PTC 569 (Del).

the impugned mark and has directed to remove trademark POPS from the register of trademark in class 30.

The respondent was also registered proprietor of the trademark POPS in respect of chewing gums and bubble gums. The respondent had applied for the registration of the impugned trademark in respect of confectioneries as well. In the suit challenging this order, the High Court of Delhi holding the respondent 'an aggrieved person' under section 47, found that no material was placed on record before the IPAB which would indicate that the petitioner had used the impugned mark in this country. When the respondent itself admits that the mark has not been used then the question of proof of non user is unnecessary.

Trade mark infringement through domain names

The Supreme Court has observed in *Satyam Infoway Ltd. v. Siffynet Solutions (P) Ltd.*,⁴⁰ that the use of the same or similar domain name may lead to a diversion of users which could result from such users mistakenly accessing one domain name instead of another. A similar situation arose in *Star Television Productions Ltd.* The suit *Star Television Productions Ltd. v. Vaishali Saran*⁴¹ has been filed for permanent injunction restraining infringement of the registered trade mark, domain name, copyright, passing-off, unfair competition, delivery-up etc. The plaintiffs were proprietors of registered trade mark HOTSTAR. The defendants have *malafidely* registered identical or deceptively similar domain names such *hotstar. online, hotstarmovies.co, etc.* By decreeing the suit in favour of the plaintiffs, the court upheld the principle that a trade mark may be infringed through domain names.

The plaintiff in *Birla Edutech Ltd. v. Open Minds Birla School*⁴² filed the suit against the defendants for infringement of trade mark and passing off of 'Birla Open Mind School.' The plaintiff owns several marks in respect of *interalia* educational services across the country. Amongst schools and students and in the education sector, the plaintiff is known as OPEN MINDS/BIRLA OPEN MINDS and these trademarks are identified with the plaintiff. The Birla Open Mind Schools of the plaintiff are also run on franchise models, wherein the plaintiff reserves with itself all rights in the said trademarks. Though the defendants signed a letter of intent with the plaintiff to open Birla Open Mind School in Gopalganj, Bihar, a definitive agreement never came to be executed between the parties. The defendants, however, have unauthorizedly started using the trademarks of the plaintiff and running a school and allied services under the said trademarks at Gopalganj, Bihar. The defendants represented themselves as the franchisees of the plaintiff and also used domain names *http://www.openmindsgopalganj.com; https://openmindsabirlaschoolgopalganj.elisting.in*

While granting injunction, the court accepted the argument of the plaintiff that the unauthorized use of the said trademarks of then plaintiff and impugned domain names by the defendant is fraudulent, dishonest and deliberate with a view to trade

40 (2004) 6 SCC 145.

41 2018(75) PT C53 (Del).

42 2018 (76) PTC 490 (Bom).

upon the goodwill and reputation acquired by the plaintiff in the trademarks and the same would lead to confusion and deception amongst the students and the general public.

The plaintiffs in *Info Edge (India) Ltd. v. Akash Deep*⁴³ is the owner of various domain names other than NAUKRI.COM which contain the word NAUKRI. The defendants have been using marks such as CVNAUKRI.COM, CVNAUKRI.CO.IN, CVNAUKRI.IN, CVNAUKRI.ORG AND RESUMENAUUKRI.COM. Hence a decree of permanent injunction against the defendants was sought by the plaintiff from using these marks or any other mark consisting the word NAUKRI as a prefix or suffix. By holding that the defendants have infringed the trademark of the plaintiff and have also carried out acts in a manner which amounts passing off their goods as that of the plaintiff, the court decreed the suit in favour of the plaintiffs with cost.

The defendants in *OPPO Mobiles India (P.) Ltd. v. Samaira Online Enterprises Central Warehousing Corporation*⁴⁴ indulged in unauthorized acts of marketing, displaying, offering for sale at low price and exhibiting the plaintiff's products under the name and brand of OPPO and also by publication on the e-commerce websites including *www.amaozn.in*. The court finding that the defendant was making profits for itself and was causing immense loss of business, goodwill and market repute to the plaintiff, decreed the suit in favour of the plaintiff. Only authorised dealers and distributors of the plaintiff can sell the products in the e-commerce websites.

Intermediary's liability in trademark infringement

In *Christian Louboutin SAS v. Nakul Bajaj*,⁴⁵ the plaintiffs alleged that the defendants, offer for sale and sell various products on their website - *Darveys.com* bearing the luxury brands/names of the plaintiff. The High Court of Delhi examined the question, *inter alia*, whether the defendants' use of the plaintiff's mark, logos and image is protected under section 79 of the Information Technology Act, 2000?

A review of the judgments on section 79 in India shows that intermediaries in general have been given exemption in various fact-situations including in the case of uploading of content by users, copyright infringement and violation of design rights. However, the issue in the present case, *i.e.*, violation of trade mark rights by e-commerce platforms and the extent of protection/exemption that is to be awarded to them as also the conditions under which the same are to be awarded, are not settled by the judiciary.

After analysing in detail the positions in India, EU and US, the court held that *Darveys.com* exercises complete control over the products offered by their website. *Darveys.com* is in fact identifying the sellers, enabling the sellers actively, promoting them and selling the products in India and hence the role of the website is much more than that of an intermediary. When an e-commerce website is involved in or conducts its business in conspiring, abetting, aiding or inducing manner and thereby contributing to the sale of counterfeit products on its platform, it could be said to cross the line

43 247 (2018) DLT 244.

44 MANU/TN/2522/2018.

45 2018 (76) PTC 508 (Del).

from being an intermediary to an active participant. In such a case, the platform or online marketplace could be liable for infringement in view of its active participation.

The intermediaries are obliged, by way of guidelines issued by the government under section 79 of the Information Technology Act, 2000 (IT Act) to have agreements that the sellers shall not host, display or upload products that violate any trade mark rights, copyrights or patent rights or any other proprietary rights. The guidelines would not offer protection to any intermediary that has conspired, 'abetted or aided or induced the commission of an unlawful act. The protection or exemption given to the intermediaries is not absolute. Under section 79(2) (b) the intermediary should not initiate the transmission, select the receiver of the transmission and select or modify the information contained in the transmission. If they engage in any such activity, it may lose the exemption to which it is entitled.

The court also looked into the interface between IT Act and Trade Mark Act and explained the relation thus, the overriding nature of the IT Act has application only if the provisions of the Trade Mark Act are inconsistent with the provisions of the IT Act. The Intermediary Guidelines, 2011 issued under the IT Act themselves require compliance with the Trade Mark Act by the persons to host, display or upload the products or services. The provisions of sections 29, 101 and 102 of the Trade Mark Act, must be analysed in order to interpret as to what constitutes 'conspiring, abetting, aiding or inducing' the commission of an unlawful act, in the context of trade mark rights. The provisions of the Trade Mark Act are not in any manner inconsistent with the provisions of the IT Act. Hence, section 81 of the IT Act does not grant any immunity to intermediaries who may be in violation of the provisions of the Trade Mark Act. While, use of a mark for any of the purposes to host, display or upload the products or services online, in respect of genuine goods of the owner would not be infringement, the performance of any such activity, in respect of counterfeit goods or goods which are not genuine, could constitute infringement.

The court further explained how the falsification of trade mark occurs through countering goods: Any online market place or e-commerce website, which allows storing of counterfeit goods, would be falsifying the mark. Any service provider, who uses the mark in an invoice thereby giving the impression that the counterfeit product is a genuine product, is also falsifying the mark. Displaying advertisements of the mark on the website so as to promote counterfeit products would constitute falsification. Enclosing a counterfeit product with its own packaging and selling the same or offering for sale would also amount to falsification. All these acts would aid the infringement or falsification and would therefore bring the e-commerce platform or online market place outside the exemption provided under section 79 of the IT Act.

Hence, the court correctly held that in cases like *Christian Louboutin SAS v. Nakul Bajaj*, giving exemptions of section 79 would in fact amount to legalizing the infringement. The seller is not known, the person from whom the seller purchases the goods is not known. It is also not known if the product is genuine, though *Darveys.com* represents same to be genuine. In view of these factors, *Darveys.com* cannot be termed as an intermediary that is entitled to protection under section 79 of the IT Act. The use

of the trade mark, Christian Louboutin, the name, the photograph of the founder, without the permission of the plaintiff, and without ensuring that the products which are sold are in fact genuine, thus constituted violation of plaintiff's rights.

It has also been alleged that when a web user enters the plaintiff's mark in a search engine such as Google, *Darveys.com* website is amongst the search results and an analysis of the code shows that the marks of the plaintiff are used as meta-keyword-tags, with a view to increasing the hits which the defendant's website obtains from search engines like Google. The court also examined the issue of meta tags. Meta tags are links which are provided using keywords. If a trade name is used as a keyword and a link is provided, the website comes up whenever a customer searches for the said trade mark. The trade mark used in the code as a keyword is invisible to the end-user or customer. Such use, though invisible to the customer, has been held to be illegal in *Kapil Wadhwa v. Samsung Electronics Co. Ltd.*⁴⁶ The present suit was thus decreed with the following direction:

- i. Darveys.com is directed with immediate effect, to disclose the complete details of all its sellers, their addresses and contact details on its website;
- ii. Darveys.com shall obtain a certificate from its sellers that the goods are genuine;
- iii. If the sellers are not located in India, prior to uploading a product bearing the Plaintiff's marks, it shall notify the plaintiff and obtain concurrence before offering the said products for sale on its platform;
- iv. If the sellers are located in India, it shall enter into a proper agreement, under which it shall obtain guarantee as to authenticity and genuinity of the products as also provide for consequences of violation of the same;
- v. Upon being notified by the Plaintiff of any counterfeit product being sold on its platform, it shall notify the seller and if the seller is unable to provide any evidence that the product is genuine, it shall take down the said listing and notify the plaintiff of the same, as per the Intermediary Guidelines 2011;
- vi. It shall also seek a guarantee from the sellers that the product has not be impaired in any manner and that all the warranties and guarantees of the Plaintiff are applicable and shall be honoured by the seller. Products of any sellers who are unable to provide such a guarantee shall not be offered on the defendant's platform.
- vii. All meta-tags consisting of the plaintiff's marks shall be removed with immediate effect.

This decision warns that e-commerce websites and online marketplaces ought to operate with caution if they wish to enjoy the protection and immunity provided to intermediaries.

Unregistered copyright in trademark

The plaintiff's marks in the suit *V.S.G. Lungi Company v. Jayam Textiles*⁴⁷ constituted by three different registered trademarks, out of which, the plaintiff had obtained registration for copyright in one of the registered trademarks. The High Court of Madras held that even with respect to the two trademarks for which no copyright registration was made, the plaintiff can claim infringement of copyright therein, since in law it is not necessary to register a copyright; the copyright in the artistic work of the trademark vests in the plaintiff and the plaintiff has a legal right to complain of infringement of copyright.

Commenting on the confusing similarities present in alleged mark of the defendant, the court observed thus: A man of average intelligence with ordinary prudence and imperfect recollection is bound to believe that the alleged offending mark originates from the plaintiff. An ordinary man is bound to believe that the defendant's offending mark is actually the plaintiff's mark.

Compensatory costs

The commercial division suit *MRF Ltd. v. Multi Race Force Lubricants Pvt. Ltd.*⁴⁸ has been filed in respect of infringement of plaintiff's trademark MRF along with prayer for injunctive relief qua passing off in the light of defendant using internet domain name, keyword, adword, HTML Code, file name *etc.* of the plaintiff.

While awarding compensatory cost of five lakhs in favour of the plaintiff, the court also remarked that with the passing off the Commercial Courts Act, 2015 and the subsequent amendment to Civil Procedure Code, 1908 now there is no financial cap or upper limit with regard to awarding of exemplary or compensatory costs.

Though an ordinary purchaser is not gifted with the powers of observation of a Sherlock Homes, while applying the litmus test in the present case, the court found that, a man of average intelligence with imperfect recollection and ordinary prudence will be lulled into the belief that the alleged offending mark of the defendant is that of the plaintiff's.

Trademark and designs: Maintainability of composite suit

Carlsberg Breweries A/S v. Som Distilleries and Breweries Ltd.,⁴⁹ a matter came as reference before the full court of High Court of Delhi related to aspect of maintainability of a composite suit in relation to infringement of a registered design and for passing off where the parties to the proceedings are the same. The main question before the court was permissibility of joinder of two causes of action under order II rule 3 of CPC. The court held that a composite suit - by a plaintiff against one defendant by joining two causes of action: one for infringement of a registered design and the other for passing off of the plaintiffs goods, is maintainable.

The court differentiated the factual matrix of the present suit from *Mohan Lal, Proprietor of Mourya Industries v. Sona Paint and Hardwares*⁵⁰ and *Dabur India*

47 2019 (77) PTC 277 (Mad).

48 (2018) 8 MLJ 724.

49 AIR 2019 Delhi 23.

50 013 (55) PTC 61 (Del) (FB)

*Ltd. v K.R. Industries*⁵¹ which held that there cannot be joinder of causes of action of infringement of a registered design and passing off; the nature of two actions and the fundamental edifices of two causes of action of infringement and passing off were different in those cases. The majority opinion in *Mohan Lal* held that there would arise no common questions of law and fact between the two causes of action of infringement of a registered design and passing off, and once there would arise no common questions of law and fact, there cannot be a composite suit joining the two causes of action of infringement of registered design and passing off.

According to the court in *Carlsberg Breweries*, on account of existence of common questions of law and fact between the two causes of action of infringement of a registered design and passing off, to a considerable extent, the evidence of the two causes of action will be common. In such situations, if joinder of the two causes of action is not allowed under order II rule 3 CPC, that would result in multiplicity of proceedings with waste of time, money and energy of the parties and also of the courts.

IV INDUSTRIAL DESIGNS

Newness and originality of design

In *Pentel Kabushiki Kaisha v. Arora Stationers*,⁵² it has been held by the High Court of Delhi that mere variations to existing products which do not result in requisite amount of newness or originality cannot be considered as innovations having 'newness and originality' for being granted design protection under the Industrial Designs Act, 2000. For a design to have entitlement of grant and continuation of registration under the Designs Act, it is required that the design is such that it is an intellectual property right. The intellectual property right comes into existence only if there is spent sufficient labour, effort, time, etc. whereby it can be said that consequently a new creation has come into existence. If the design is not a new or original design, then the design though registered is liable to be cancelled in the proceedings under section 19 of the Designs Act. The pendency or otherwise of the proceedings under section 19 of the Act for cancellation of the registered design shall not prevent a court from deciding the issue of entitlement of the plaintiff to grant of an interim injunction in a suit which is filed under section 22 by examining the defence that the registered design is such which is liable to be cancelled.

In *Crocs Inc. USA v. Liberty Shoes Ltd.*,⁵³ the High Court of Delhi emphasising on the novelty requirement in designs held that since the registered design of the plaintiff with respect to its footwear, does not have the necessary newness or originality for the IPR protection as a design, the same is liable to be cancelled. Once the plaintiff has a registered design in his favour then it is for the defendants to plead and establish that the registered design is such which is liable to be cancelled.

51 (2008) 10 SCC 595.

52 2018 (73) PTC 209 (Del).

53 2018 (73) PTC 425 (Del).

When there is public domain knowledge and prior publication of a design prior to its priority date, the registered designs undoubtedly lacks newness and originality; such registrations so granted are liable to cancellation in proceedings under section 19(1)(d) read with section 4(a) of the Design Act and accordingly such defences are valid defences under section 22(4) of the Act for contesting the claims by the plaintiff in the piracy suits including of interim injunction reliefs.

Balance of convenience and interim orders

The Madras High Court in *Maya Appliances Pvt. Ltd.v. Preethi Kitchen Appliances Pvt. Ltd.*⁵⁴ examined the issues involved in allowing an interim injunction in infringement of copyright in design and passing off actions. In the suit in hand, both respondent and appellant were registered proprietors of their respective designs. Illustrations of respective designs depicted no striking similarities. The respondent did not claim any propriety on tripod. If tripod is ignored, then there is no similarity in both the designs and hence, no real possibility of confusing base unit of appellant for that of respondent. In such a situation, according to the court, issuing interlocutory order would against the principle of 'balance of convenience'. If suit ultimately fails, in the opinion of the court, the harm caused to the appellant would be irreparable and it would be difficult to compute compensation. While setting aside the interlocutory orders, the high court further held thus: An impugned design ought to be compared with features of shape and configuration shown in totality in the design registration certificate. The two designs need not be identical -the word 'imitation' does not mean duplication. It does not have to be an exact replica. It has to be seen whether the essential part of the impugned design is similar to the essential part of the alleged infringing design.

V TRADE SECRETS

Ferani Hotels Pvt. Ltd. v. The State Information Commissioner, Greater Mumbai,⁵⁵ raised the issue of disclosure under the Right to Information Act, 2005 seeking information regarding the plans submitted to public authorities by a developer of a project.

After examining the interface between commercial confidential information and public domain information, the apex court held that the disclosure of plans, which were required to be in public domain, could hardly be said to be matters of commercial confidence or trade secrets. Insofar as the intellectual property is concerned, the preparation of the plan and its designs may give rise to the copyright in favour of a particular person, but the disclosure of that work would not amount to an infringement. Section 52(1) (f) of the Copyright Act, 1957 specifically provides that there would be no such infringement if there is reproduction of any work in a certified copy made or supplied in accordance with any law.

Section 8(j) of the Right to Information Act, 2005 relates to commercial confidence, trade secrets or intellectual property, which has the potentiality to harm

54 2018 (74) PTC 209 (Mad).

55 2018(4) KLT 609.

the competitive position of a third party. Even by a test of public interest, it can hardly be said that the same would not apply in matters of full disclosure of information of development plans to all and everyone. Moreover, the court finding the present appeal derives its colour from a private commercial dispute and treating the matter as a legal misadventure imposed a cost of Rs. 2.50 lakhs payable by the appellant to the respondent.

Confidential information and specific pleading

In *Navigators Logistics Ltd. v. Kashif Qureshi*⁵⁶ which was discussed elsewhere in this survey, the High Court of Delhi also looked into the aspect of confidentiality in the data and information compiled by the plaintiff. Confidentiality and secrecy was claimed in the same works in which copyright is claimed by the plaintiff, viz., data, information and trade secrets residing in the electronic devices without again specifying the particulars thereof or secrecy thereof. According to the court, mere mention of research process, financial/administrative and/or organizational matter or transaction or affairs of the company or invention or discovery or patent protection does not satisfy the requirements of pleadings. The court also emphasizes on the necessity to : “The plaintiff as per its own admission is engaged in the business of providing logistics and freight forwarding services and is not engaged in any research work, it was incumbent for the plaintiff to, in the plaint, plead how the data *etc.* in which confidentiality is claimed is different from data of any other entity engaged in such business and what is secret about the same and what steps besides the clause aforesaid in the letters of appointment of defendants no.1 to 8 have been taken by the plaintiff to maintain secrecy/confidentiality thereof. The plaint in this regard is vague and cannot be put to trial. The whole purpose of pleadings in a civil suit is to let the opponent know the case to be met and which crystallizes ultimately in issues on which the parties go to trial. If such rules of pleadings are not to be adhered to, it will result in a fishing and roving enquiry and enable a party to the suit to secure a victory by springing a surprise during the course of trial. Similarly, an injunction qua confidentiality as sought, even if granted would be vague and unenforceable as aforesaid. This Court cannot pass such unenforceable order, the meaning whereof is not clear. It cannot be known, neither to the Court nor to the defendant as to what the defendant is enjoined from doing.”

Names and contact addresses of such businesses are easily available in public domain. Names and contact addresses of such businesses are easily available in public domain. By referring to *Star India Pvt. Ltd. v. Laxmiraj Seetharam Nayak*⁵⁷ the court further noted that everyone in any employment for some period would know certain facts and would get to know some information without any special effort; all such persons cannot be said to know trade secrets or confidential information and that every opinion or general knowledge of facts cannot be labelled as trade secrets or confidential information...if such items are called as trade secrets, or secret, would lose its meaning and significance.

56 2018 (76) PTC 564 (Del).

57 2003 SCC OnLine Bom 27.

VI PATENTS

The plaintiff in *Vior (International) Ltd. v. Maxycon Health Care Private Ltd.*,⁵⁸ has filed the suit for restraining the defendants from infringement of patent, infringement of copyright in the literary work; dilution and tarnishment of brand image of the plaintiffs; malicious falsehood *etc.* Hence, it is a unique suit comprising patent, copyright and trademark issues in one case.

The defendant was manufacturing and selling the impugned API as is claimed is the plaintiffs' invention in the Indian patent. The suit patent relates to a 'product-by-process' invention which is a novel water soluble iron carbohydrate complex which is a complex of iron (ferric) and oxidation product of one or more maltodextrins and a process for making the same. No pregrant or post grant opposition has been filed against this patent. The defendant through its website has falsely misrepresented that the plaintiff has given an IP license to the defendant to manufacture and commercialize the impugned API as claimed in the patent. In addition, the defendant has blatantly copied the literary write-up and content of the plaintiff's website *www.emcure.co.in*, thereby amounting to infringement of the copyright that vests with the plaintiff with respect to the content as literary work. Such activities of the defendant thus also amounted to dilution and brand image of the plaintiff thereby resulting in unlawful enrichment.

While upholding the infringement of patent the court observed thus: While determining whether a patent has been infringed, it is necessary to construe the claims which are allied to be infringed. The acts of the defendants to deal with the impugned API clearly relates to the product Ferric Carboxymaltose as has been claimed by the plaintiff in its independent claim.

The court further stated thus: Where the defendants reclused themselves from the proceedings, they cannot be permitted to enjoy the benefits of evasion or covert priorities as has been selling the goods and has been infringing the plaintiff's mark certainly makes the defendants liable to pay the damages to the plaintiffs.

Patent working information

The writ petition, *Shamnad Basheer v. Union of India*⁵⁹ highlighted glaring non-compliance with the provisions of the Patents Act, 1970 on the part the Controller General of Patents in not disclosing details of the licenses and sublicenses. According to the High Court of Delhi, the details of the licenses and sublicenses cannot be treated as confidential. All licensees have to comply with the disclosure requirement. Patent working information is not confidential and has to be mandatorily submitted by all patentees.

Examination request

Every patent applicant is required to file a request for examination of the said application within a period of 48 months from the initial date of filing the Indian

58 2018 (74) PTC 87 (Del).

59 W.P.(C) 5590/2015, decided on Jan.10, 2018.

Patent Application. In *Sphaera Pharma, Pvt. Ltd. v. Union of India*,⁶⁰ the patent applicant could not upload the examination request because of some technical reasons. The High Court of Madras by reiterating the decision in *Nippon Steel Corporation v. Union of India*⁶¹ held that a plain reading of section 11B(1) of the Patents Act and rule 24B of the Rules clearly indicates that there is no scope for considering a request for examination beyond the prescribed period of 48 months from the date of application. Recourse to rule 138 of the Rules is not available to extend the time prescribed under rule 24B of the Rules. Delay in filing a patent examination request is thus shall not be condoned by the controller or by the court.

VII MISCELLANEOUS

Suppression of facts

In *Brihan Karan Sugar Syndicate Pvt. Ltd. v. Karmaveer Shankarrao Kale Shahakari Sakhar Karkhana Ltd.*,⁶² the High Court of Bombay observed that there is a difference between knowledge of infringement and knowledge as regards the very existence of the infringing label. However, the court noticed that a plaintiff who approaches the court, particularly in order to seek any equitable interim or ad-interim reliefs, which are essentially discretionary, must not suppress any material fact or particulars but, must make true and correct statements in the plaint or in the application seeking such interim relief. In the present appeal, the trial judge has not even adverted to the issue of suppression, misstatement and acquiescence. While setting aside the trial judges' order, the court stated that on the basis of the theory of deemed consideration or deemed rejection, it is not possible to sustain such impugned order which stands vitiated for non-consideration of relevant and vital issue, which squarely arose and was squarely raised before the trial judge.

The court also directed to carry out the directions in *Shree Vardhaman Rice and General Mills v. Amar Singh Chawalwala*,⁶³ on speedy disposal of IPR matters, by all courts and tribunals punctually and faithfully.

In *Shree Vardhaman Rice* the apex court made the following remarks denting the need to expedite the IPR trial and disposal of matters, "We are of the opinion that the matters relating to trade marks, copyrights and patents should be finally decided very expeditiously by the trial court instead of merely granting or refusing to grant injunction. Experience shows that in the matters of trade marks, copyrights and patents, litigation is mainly fought between the parties about the temporary injunction and that goes on for years and years and the result is that the suit is hardly decided finally". This is not proper.

Proviso (a) to order 17 rule 1(2) CPC states that when the hearing of the suit has commenced, it shall be continued from day-to-day until all the witnesses in attendance

60 W.P.(C) 1469/2018 decided on Feb.16, 2018.

61 2011 (46) PTC 122 (Del).

62 2018 (73) PTC 576 (Bom).

63 2009 (10) SCC 257).

have been examined, unless the court finds that, for exceptional reasons to be recorded by it the adjournment of the hearing beyond the following day is necessary.

In the opinion of the court, in matters relating to trade marks, copyright and patents the proviso to order 17 rule 1(2) CPC should be strictly complied with by all the courts and the hearing of the suit in such matters should proceed on day-today basis and the final judgment should be given normally within four months from the date of the filing of the suit.

Scope of copyright in subject books

In *Neetu Singh v. Rajiv Saumitra*,⁶⁴ the High Court of Delhi observed while explaining the scope of copyright in subject books prepared for competitive exams, that none can claim exclusivity to the subject and the nature of the book which is a compilation of probable questions in the subject of English in various competitive examinations; copyright with respect thereto can only be in formatting, chronological order and language of the questions. The court also granted permanent injunction restraining the defendant from the use of mark *Paramount*, its goodwill and from luring the teachers, students or several members of the plaintiff and directed them to remove *Paramount* from all hoardings, advertisements, brochures and other materials.

In the copyright infringement suit filed by Indian Performing Rights Society (IPRS), *The Indian Performing Right Society Ltd. v. Vodafone Idea Ltd.*⁶⁵ praying for a mandatory injunction directing Vodafone to remove from its value added services (VAS) platform and other platforms all cinematograph films, sound recordings *etc.*, where the underlying copyright in literary and musical works belong to IPRS; the High Court of Calcutta has directed the defendant -Vodafone Idea Ltd. to credit a sum of Rupees 2.5 crores with the registrar of within three weeks. The court held that a telecom company ideally would be required to obtain licenses now from IPRS as the plaintiff has rights over music and lyrics.

VIII CONCLUSION

The survey year disturbingly witnessed contradictory judgments from High Court of Madras on copyright issues.⁶⁶ *Brihan Karan Sugar Syndicate Pvt. Ltd.*, emphasized the need to expedite the IPR trial and disposal of matters.⁶⁷ Patent working information has been upheld as non confidential and mandatory in *Shamnad Basheer v. Union of India*.⁶⁸ *Carlsberg Breweries*,⁶⁹ set a good precedent that composite suit for design infringement and passing off is maintainable.

64 248 (2018) DLT 506.

65 GA No.2949 of 2018 decided on Oct. 12, 2018.

66 See, *supra* notes 1 and 3.

67 *Supra* note 60.

68 *Supra* note 57.

69 *Supra* note 47.

