
(1998) 02 DEL CK 0072

In the Delhi High Court

Case No : IA No's. 3830/97 and 4408/97 in Suit No. 869 of 1992

Prayag Chand Agarwal

APPELLANT

Vs

M/s Mayur Plastics Industries

RESPONDENT

Date of Decision : 11-02-1998

Acts Referred:

Citation : (1998) 72 DLT 1 : (1998) 44 DRJ 667

Hon'ble Judges : V.K. Jain, J

Bench : Single Bench

Advocate : Mr. S.K. Bansal, for the Appellant; Mr. Ajay Sahni, for the Respondent

Judgement

Vijender Jain, J.—This order will dispose of plaintiff's application (IA 3830/97) under Order 39 Rule 1 & 2 CPC for interim injunction as well as defendant's application (IA 4408/97) under Order 39 Rule 4 CPC for vacation of interim injunction granted in favor of the applicant/plaintiff. On 30.4.1997, an ex parte injunction was issued in favor of the plaintiff which order was modified to the extent that defendant was permitted to market and sell its shoes with its upper portion design even though it may be similar to the upper portion design of the plaintiff's shoes registered with No.168908 under Designs Act. However, the defendant was directed not to have the same design on the sole of its shoes as that of plaintiff's shoes.

2. Mr.S.K. Bansal, learned counsel for the plaintiff has contended that once the registration of design was in his favour, injunction has to follow as a natural corollary. He has further contended that no case has been made out by the defendant that there was a prior publication of the design which was Regis entered in favor of the plaintiff. Relying on Castrol India Ltd. Vs. Tide Water Oil Co.(II) Ltd. 1996(16) 202 PTC Mr.Bansal has contended that there is a presumption of originality when a design is registered u/s 53(2)(a) & (b) of the Designs Act. Mr.Bansal has contended that in order to decide the issue that he is entitled to injunction on the ground of infringement of impugned registration it was necessary to break the article down into integers for descriptive purposes

but in the ultimate result it is the article as a totality that must be compared and contrasted with the features of a shape and configuration shown in the totality observable from the representation of the design as registered. In support of his submission, learned counsel for the plaintiff has quoted the observation of the Court from Castrol India Ltd. (supra) as under :-

Under Section 47(1) of the Act the Registered Proprietor of the design has a copyright in the design which means that it has the exclusive right to apply the design to any article in the class only the design is registered. This is an action for infringement of that copyright in respect of class 3 grade by the petitioner. The test of deceptive similarity would be appropriate where the petitioner pleads passing off. But in cases of infringement of design the question is not whether the similarity has or is likely to cause confusion or deception of a purchaser but whether the similarity is an imitation of the registered design sufficient to destroy the exclusive right of user of the proprietor despite the fact that no confusion is or may be caused as to the source of the goods. Otherwise every registered design could be imitated with impunity merely by changing the colour of the two products thus obviating any confusion. In my view the respondents have so imitated the petitioner's design as to deprive the petitioner of the protection under the Statute.

3. The next argument of the learned counsel for the plaintiff is that in view of the registration in favor of the design of the plaintiff, the plaintiff has established a prima facie case and balance of convenience also lies that the defendant should be enjoined from using the sole pattern of the plaintiff's design till the disposal of the suit and in support of his submission, has cited M.R.F. Ltd. Vs. Metro Tyres Ltd. 1990 PTC 101. Mr.Bansal has further contended that apart from the remedy of infringement, he is also entitled to injunction basing on his prayer of passing off. In support of his contention he has cited R.J. Elliot & Co. Ltd. Vs. Hodgson 1902 RPC 518. He has contended that once the defendant are threatening and intending to sell their goods and claiming the right to do so, it itself constitutes a pretence that their goods are the goods of the plaintiff and this is an essence of passing of action and the plaintiff is entitled to the interlocutory injunction. Counsel for the plaintiff has cited F. Hoffman-La Roche & Company A.G. and Anr. Vs. D.D.S.A. Pharmaceuticals Ltd. 1972 RPC 1 to support his contention. Mr.Bansal has contended that the practical test is that what is worth copying is worth prima facie protecting and has cited Ladbroke (Football) Ltd. Vs. William Hill (Foot-ball) Ltd. 1964 EL R All 465. Learned counsel for the plaintiff has also contended that affidavit which has been placed on record by the defendant cannot be looked into as no opportunity to cross examine the deponent has been afforded to the plaintiff and even otherwise the same cannot be taken on record as per the Indian Evidence Act. There is a legal bar to take that affidavit into consideration at the time of deciding the interlocutory application. He has further contended that for the grant of interim injunction this Court has to see whether the broad feature of the shape, configuration, pattern are the same or substantially the same and in the instant case the variation of the two soles have

the same pattern, it cannot be said that they are two designs and the plaintiff is entitled to interim injunction. He has also contended that there is no requirement of law for Controller to verify from existing registered design about the novelty of a design before it is registered and in support of his submission has cited *Alert India Vs. Naveen Plastics & anr.* 1997 (1) ALR 114.

4. Mr. Ajay Sahni, learned counsel appearing for the defendant has contended that the petitioner is not the originator of the said design of footwear and he himself is a pirate of the defendant and other reputed Indian and foreign concerns manufacturing similar types of shoes. At the outset he has contended that the plaintiff is selling the GUM BOOTS using the trade mark "WELCOME", which is an exact replica of the logo of Welcome Group of Hotels.

5. Learned counsel for the defendant has further contended that the design of the plaintiff was neither new nor original at the time of filing of the application for registration. The said design was prior published and was used by sister concern M/s Nitin Plastics Industries, which was also having the said address as that of the plaintiff. He has contended that the impugned design was published by the sister concern of the plaintiff-M/s Nitin Plastics Industries in various trade journals prior to the date of registration of the impugned design on 9.3.1995. He has drawn attention of this Court to various issues of Delhi Footwear Market News magazine wherein the advertisements in respect of the impugned shoe design of the plaintiff appears. He has contended that to the knowledge of the plaintiff the said sister concern have been manufacturing and marketing only one type of GUM BOOTS which was fraudulently got registered by the plaintiff on 9.3.1995. He has further contended that the defendant has also issued advertisements in the said trade journal in respect of his own shoe much prior to the date of impugned registration in favor of the plaintiff. He has also contended that no goodwill has been generated by the product of the plaintiff. Another contention of learned counsel for the defendant was that the suit is not maintainable as the defendant has been manufacturing and marketing GUM BOOTS having design similar to the impugned registered design of the plaintiff much prior to the alleged date of adoption of the impugned design by the plaintiff.

6. The Designs Act, 1911 was originally framed as the Patents and Designs Act, 1911. The Act and substantial portions of the body of the statute were amended after the enactment of the Patents Act, 1970. The word "Design" has been defined in Section 2(5) of the Act. Section 53(1)(a) deals with the penalty for infringement on copy right in any design. Section 53(1)(a) is as under :.

53. Piracy of registered design - (1) During the existence of copyright in any design it shall not be lawful for any person -

(a) for the purpose of sale to apply or cause to be applied to any article in any class of goods in which the design is registered the design or any fraudulent or obvious imitation thereof, except with the license or written consent of the registered proprietor, or to anything with a view to enable the design to be so

applied;

7. The liability for contravention is given in sub-Section (2)(a) and (b) of Section 53 which is as under :

53.(2) If any person acts in contravention of this Section, he shall be liable for every contravention -

(a) to pay to the registered proprietor of the design a sum not exceeding five hundred rupees recoverable as a contract debt, or.

(b) if the proprietor elects to bring a suit for the recovery of damages for any such contravention; and for an injunction against the repetition thereof to pay such damages as may be awarded and to be restrained by injunction accordingly:

Provided that the total sum recoverable in respect of any one design under clause (a) shall not exceed one thousand rupees.

8. On the basis of the aforesaid provision in the Designs Act, learned counsel for the defendant has also argued that when he has filed an applications for cancellation of the registration in favor of the plaintiff's registration of the design, it would be odd that on account of holding of registration of design, the plaintiff has an absolute right to restrain any one from carrying on his business and in support of his submission has cited M/s Niky Tasha India Pvt. Ltd. Vs. M/s Faridabad Gas Gadgets Pvt. Ltd. AIR 1985 Del 136 :-

I take it to be well settled, both in India and in England, that an interlocutory injunction will not normally be granted where damages will provide an adequate remedy should the claim succeed. Furthermore, I have always understood the rule to be that the Court will not grant an interlocutory injunction unless satisfied that there is a real probability of the plaintiff succeeding on the trial of the suit. Where the design is of a recent date, as in this case, no injunction should be granted. More so, when there is a serious question as to the validity of the design to be tried in the suit and an application for cancellation has been made. Where a person is entered as a proprietor of a registered design, that is under the Act no conclusive proof that the plain- tiff is the proprietor of the design, but only a prima facie evidence that he is the proprietor. The plaintiff has this advantage that if no evidence at all is given then the certificate is sufficient evidence that he is a proprietor. Mohammad Abdul Karim Vs. Mahammad Yasin, .

.....

Design is a conception, suggestion or idea of a shape and not an article. If it has been already anticipated it is not "new or original". If it has been pre-published it cannot claim protection. Publication before registration defeats the proprietor's right to protection under the Act.

9. Mr.Sahni has contended that documents have been brought on record to show that the impugned design was used prior to its registration on 9.3.1995. More so, he has contended that in view that the damages could be awarded to the

plaintiff, in terms of Section 53 of the Designs Act, no injunction ought to have been granted in favor of the plaintiff. Even as per Section 43 of the Designs Act, the registration of a design by the Controller can be done on the basis of a person claiming to be the proprietor of any new or original design not previously published in India and in view of the fact that in 1988, 1991 and 1992, the sister concern of the plaintiff-M/s Nitin Plastics Industries has published in the trade journal, would show that the impugned design which was got registered by the plaintiff was published prior to its registration. The defendant has also advertised the design in October, 1994 in the Delhi Footwear Market News. More so, taking into consideration that the cancellation of registration is also pending in this Court and evidence has to be led by the parties, it is not a fit case where injunction be granted.

10. In support of his contention learned counsel for the defendant has also cited M/s Brighto Auto Industries Vs. Shri Raj Chawla ILR (1978) Del 120 Shri Ravinder Kumar Gupta Vs. Shri Ravi Raj Gupta & Ors. 1986 PTC 50 M/s Dev Darshan Dhoop Industries Vs. Jetha Nand & Ors. 1986 PTC 61 and B. Chawla & Sons Vs. Bright Auto Industries 1981 RL R 373

11. I have heard the arguments advanced by learned counsel for both the parties. From the documents filed on record, prima facie, the applicant/plaintiff has failed to establish a case that the impugned design of the plaintiff which was registered was not prior published, Therefore, the claim of the plaintiff that he was the originator of the impugned design is also without any force. Mr.Bansal could not produce any material to substantiate his argument that prior to registration of the design on 9.3.1995 any other Gum Boot was manufactured by the plaintiff as was con-tended before this court by the learned counsel for the plaintiff whereas the defendant has placed on record the advertisement of his gum boot which was similar to the registered design of the plaintiff's Gum Boots. The said advertisement was published in October, 1994. Although the defendant has filed on record a list of documents dated 13.5.1997, inter alia, placing on record invoices No.105 dated 7.9.1994 and No.128 dated 18.11.1994 alleging to be that of plaintiff. According to the defendant the shoes were sold by the plaintiff to its own agents on the said dates. He has also filed an affidavit of the alleged agent of the plaintiff. I do not take these documents into consideration at this stage as it is difficult to test the correctness or authenticity of these documents. But in view of the facts that the broad pattern of the two soles seems to be the same and the entire sole of both the shoes have same patterns, cuts, rigid roofs and lines pattern and in view of the fact that law is well settled that when serious disputed question on various grounds such as prior publication, lack of originality, trade variation is raised in a particular case, no injunction should be granted. Taking into consideration that the impugned design is registered in favor of the plaintiff in the year 1995 and the same having been shown to be in use from 1988 onwards i.e. prior to the registration of plaintiff's design and plaintiff has prima facie failed to establish that he was the originator of the design, it is difficult to injunct the defendant.

I may quote from the Division Bench of this Court in M/s Nicky Tasha (supra) that a certificate of registration does not establish the conclusive right and it has to be tried and decided in the laboratory of Courts. The Court held that :-

"We must not forget that the registered design of the plaintiff is of a very recent date. In case of a recent monopoly, which is seriously disputed on various grounds, such as prior publication, lack of originality, trade variation, etc., it will not be proper to grant injunction. There is a serious question to be argued as to whether the design is valid or not and on the facts I am not satisfied that the balance of convenience requires an interim injunction.....".

In this case the application for cancellation of registration of plaintiff's registration is also pending. Balance of convenience is also in favor of not restraining the defendant. Let me deal with the submission of learned counsel for the defendant on the basis of an authority of this Court - M/s Tobu Enterprises Pvt. Ltd. Vs. Megha Enterprises and another 1983 PTC 359 that although right against passing off is a common law right but in view of the fact that it is subject to the provision of Section 53 of the Designs Act, which deals with the remedy of injunction and claims of damages no injunction could be granted as recovery of damages is confined to a maximum of Rs.1000/- in view of the special provision enacted in the Designs Act. In view of the specific provision under the Designs Act, the provision of statute must prevail over the general or common law. In the said case, the learned single Judge of this Court held that the doctrine of passing off had no application under the Designs Act. However, this view of the learned single Judge was not agreed to by another learned single Judge of this court when the matter was finally decided on merit, in Tobu Enterprises (P) Ltd. Vs. Joginder Metal Works and Another, . In any event of the matter as I am of the opinion that defendant has shown from the documents that prior to registration of design by the plaintiff, advertisement was published by the defendant regarding distinctive shape, design, configuration and pattern like that of plaintiff in 1994, there is no need to go to this controversy regarding passing off at this stage.

I hold that the plaintiff has failed to establish a prima facie case. I do not deem it fit that plaintiff is entitled to an injunction. The application of the plaintiff is dismissed. The order dated 30.4.1997 and modified order date 15.5.1997 stand vacated. Nothing said earlier would be an expression of opinion on the merit of the case. However, the defendant is directed to keep an account of the sale of the impugned product. The defendant shall submit the same after every six months in Court. The defendant shall also give an undertaking within six weeks that it will pay the damages to the plaintiff if ultimately plaintiff succeeds in the suit.

With these observations, is 3820/97 is dismissed and is 4408/97 is allowed..

Suit No.869/1992.

List this matter in Court for framing of issues on 10.8.1998.