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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ CS(COMM) 177/2021 & I.A. 5485/2021, I.A. 13748/2021, I.A.
7058/2022

NOVAMAX INDUSTRIES LLP Plaintiff
Through: Mr. Neeraj Malhotra, Sr. Adv.
with Mr. Umesh Mishra, Mr. Vishal Patel
and Mr. Nimish, Advs.

versus

PREM APPLIANCES & ANR. Defendants
Through: Mr. Arnav Goyal, Adv. for Mr.
G.D. Bansal, Adv. for D-1
Mr. B.S. Rajesh Agrajit, Ms. Priya Nagar,
Mr. Siddharth Goswami, Advs. for SHO
Jaipur

CORAM:
HON'BLE MR. JUSTICE C. HARI SHANKAR

JUDGEMENT (ORAL)

% **16.01.2023**

I.A. 5485/2021 (u/O. XXXIX Rules 1 and 2) & I.A. 7058/2022
(u/O. XXXIX Rule 4) in CS(COMM) 177/2021

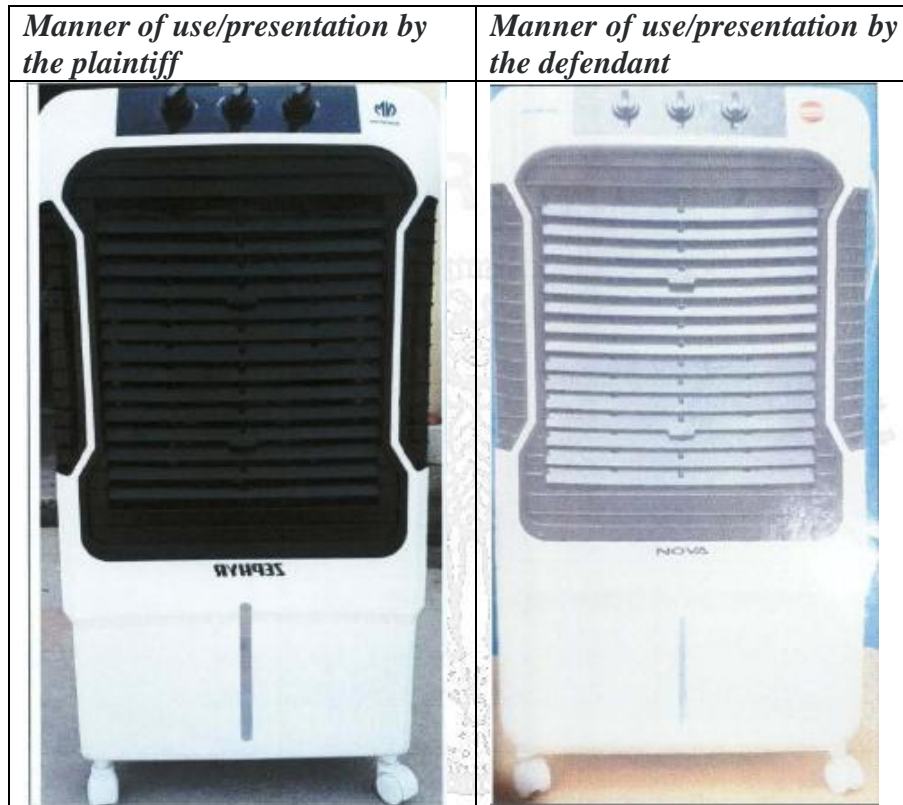
1. The plaintiff is the registered proprietor of Design Nos. 322384-001, 322384-002, 323421-001, 330044-004, 330044-002 and 331964-001, under which design it manufactures and sells air coolers.

2. The present suit is concerned with Design No. 322384-002 (hereinafter referred to as “the suit design”), granted to the plaintiff on 9th October 2019.

3. The plaintiff’s case is that the “NOVA” range of coolers

manufactured and sold by Defendant 1 infringes the suit design, in which the plaintiff has a valid and subsisting registration.

4. A comparative representation of the coolers of the plaintiff and Defendant 1 has been thus provided in para 21 of the plaint, in order to indicate that they are identical:



5. On 16th April 2021, while issuing notice on IA 5485/2021, this Court had granted an *ex parte ad interim* order in favour of the plaintiff and against the defendants.

6. Defendant 1 has, thereafter, filed IA 7058/2022, for vacation of the said order.

7. I have heard Mr Neeraj Malhotra, learned Senior Counsel for the plaintiff and Mr Arnav Goyal, learned Counsel for the defendant

on these applications and proceed to dispose of them by this judgement.

8. Mr. Arnav Goyal, learned Counsel for Defendant 1, quite candidly, acknowledged that the design of the NOVA range of air coolers manufactured by Defendant 1 is, in fact, identical to the suit design. He, however, invokes Section 22(3)¹ of the Designs Act read with Section 19(1)(b) of the Designs Act to plead prior publication of the design as a ground to urge that, on account of prior publication, the suit design is vulnerable to cancellation, and that, therefore, the plaintiff cannot proceed against Defendant 1 alleging infringement.

9. There can be no manner of doubt that, if, indeed, the suit design is vulnerable to cancellation under Section 19(1)(b), Section 22(3) allows the said pleas to be urged as a ground of defence against the allegation of infringement levelled by the plaintiff against the defendants.

¹22. **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 articles in which the design is registered, the design or any fraudulent or obvious imitation thereof, except with the licence or written consent of the registered proprietor, or to do anything with a view to enable the design to be so applied; or
 - (b) to import for the purposes of sale, without the consent of the registered proprietor, any article belonging to the class in which the design has been registered, and having applied to it the design or any fraudulent or obvious imitation thereof; or
 - (c) knowing that the design or any fraudulent or obvious imitation thereof has been applied to any article in any class of articles in which the design is registered without the consent of the registered proprietor, to publish or expose or cause to be published or exposed for sale that article.
- (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 twenty-five thousand 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 fifty thousand rupees:
Provided further that no suit or any other proceeding for relief under this sub-section shall be instituted in any court below the court of District Judge.
- (3) In any suit or any other proceeding for relief under sub-section (2), every ground on which the registration of a design may be cancelled under Section 19 shall be available as a ground of defence.

10. This Court is, therefore, required to assess, *prima facie*, whether a case of vulnerability to cancellation of the suit design is, or is not, made out in terms of Section 19(1)(b) of the Designs Act.

11. To substantiate his contention, Mr. Arnav Goyal has placed reliance on a document filed by the plaintiff itself with the suit and figuring at page 85 of the documents filed with the plaint. I may note, here, that the documents from pages 85 to 90 of the documents filed with the plaint have been parenthesized, in the index of documents, as “online business status of plaintiff’s firm”. The said pages have been taken from the plaintiff’s website “<http://novamaxindustries.com>”. They, therefore, admitted pertain to the plaintiff and the sale of its products. The internet ID of the page on which Mr. Arnav Goyal places reliance is “novamaxindustries.com/product/zephyr/cooler/”.

12. A screen shot of page 85 of the plaintiff’s documents, on which Mr. Goyal places reliance, may be reproduced thus:



13. Mr. Goyal submits that the ZEPHYR cooler shown at page 85 of the plaintiff’s documents is the cooler having the suit design, for which purposes he has compared the said picture with the picture of the suit design in page 21 of the plaint, which already stands

reproduced in para 4 supra.

14. Mr. Goyal proceeds to show that, lower on the same page of the plaintiff's website, one finds the caption "admin-March 24, 2019", which appears thus:



15. As such, submits Mr. Goyal, the aforementioned advertisement of the plaintiff's ZEPHYR cooler was clearly prior to 24th March 2019. Ergo, he submits, the plaintiff's ZEPHYR cooler, having the suit design, was available online for purchase, as per the documents filed by the plaintiff itself, prior to 24th March 2019. This, he submits, constitutes prior publication of the design within the meaning of Section 19(1)(b) of the Designs Act.

16. Mr. Goyal has also invited my attention to invoices filed by the plaintiff at pages 103 to 111 of the plaintiff's document, which are also in respect of ZEPHYR cooler and which are prior in point of time to the date of application for registration of the suit design by the plaintiff, which is 9th October 2019. These invoices, submits Mr. Goyal, also serve to indicate that the ZEPHYR cooler of the plaintiff, bearing the suit design, was in fact even being sold in the market prior to 9th October 2019.

17. Addressing these submissions of Mr. Goyal, Mr. Neeraj Malhotra, learned Senior Counsel for the plaintiff, has invited my attention to order dated 8th July 2022 passed by this Court in the present proceedings. The said order records the contention of the plaintiff that the ZEPHYR brand, of the plaintiff, was not limited to coolers bearing the suit design. This Court had, in view of the said contention, directed the plaintiff to place, on record, the details regarding the other designs of the plaintiff which were sold under the mark “ZEPHYR”.

18. In purported compliance therewith, the plaintiff has placed on record certain documents with an additional affidavit, under an index dated 13th December 2022. Given the fact that this is a suit under the Code of Civil Procedure, 1908, as amended by the Commercial Courts Act, 2015, additional documents of the plaintiff would have to be filed under Order XI Rule 1(5) and by the defendants under Order XI Rule 1(10). Nonetheless, for the purposes of satisfying myself about the issue in controversy, I have allowed Mr. Malhotra to take me through the said documents.

19. Mr. Malhotra has invited my attention to the following three pages, from the additional documents filed by the plaintiff:

Pages 17 and 18:





Page 19:



20. Mr. Malhotra points out, from the images contained in the afore-extracted pages from the plaintiff's brochure, that the brand name ZEPHYR was not being used by the plaintiff solely for coolers bearing the suit design. The ZEPHYR cooler shown in the page 18 as extracted, he points out, does not bear the suit design. Thus, the ZEPHYR brand was also being used for coolers with designs other than the suit design. On the other hand, he points out that the cooler bearing the suit design, in the above images, is shown under the brand name MIST.

21. Having seen the aforesaid pages and examined the contentions of Mr. Malhotra, I fail to understand how they can help the case of the

plaintiff in any way, insofar as Mr. Goyal's contention, based on the document filed by the plaintiff at page 85, is concerned. Page 85 is, in my opinion, *prima facie* fatal to the plaintiff's case.

22. The question is not whether the plaintiff is, or is not, selling coolers of different designs under the brand name ZEPHYR. That issue is entirely tangential to the controversy at hand. The fact of the matter remains that the internet advertisement filed by the plaintiff itself at page 85 and reproduced in para 13 *supra*, indicates that the cooler of the plaintiff, *bearing the suit design*, was available online for sale, on the plaintiff's own website, prior to 24th March 2019.

23. I may note, here, that Mr. Malhotra, very fairly, did not seek to dispute the fact that the design of the cooler advertised for sale at the afore-extracted page 85 from the documents filed by the plaintiff was in fact the suit design.

24. The brand name of the cooler is, in fact, really irrelevant. What has to be seen is whether the coolers bearing the suit design were available online prior to the date of application, by the plaintiff, for registration of the design. Whether the design was being sold under the brand "ZEPHYR" or the brand "MIST", or, for that matter, any other brand, makes no difference to the controversy. Page 85 of the documents filed by the plaintiff clearly indicates that, on the plaintiff's own website, coolers bearing the suit design were actually put up for sale prior to 24th March 2019. That itself amounts to prior publication within the meaning of Section 19(1)(b) of the Designs Act.

25. In that view of the matter, it is not necessary for me to enter into

other aspects of the controversy. At the very least, Defendant 1 has been able to make out a credible challenge to the vulnerability of the suit design to cancellation within the meaning of Section 19(1)(b) of the Designs Act. The said ground is, therefore, validly available as a ground of defence to Defendant 1 by way of Section 22(3) of the Designs Act and, *prima facie*, has merit.

26. The plaintiff cannot, therefore, be said, on the face of the material on record, to have a *prima facie* case in its favour, as would justify continuance of the *ad interim* order dated 16th April 2021 any further.

27. Accordingly, the order dated 16th April 2021 stands vacated.

28. IA 5485/2021 stands dismissed.

29. IA 7058/2022, filed by Defendant 1, stands allowed.

I.A. 13748/2021 in CS(COMM) 177/2021

30. List on 14th February 2023.

C. HARI SHANKAR, J.

JANUARY 16, 2023

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