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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
NOTICE OF MOTION NO. 2195 OF 2016
IN
SUIT NO. 742 OF 2016

MANDEV TUBES PVT LTD

A Private Limited Company having its
registered office at 1/13 Bhaskar Bhavan,
Sitaram Poddar marg, Fanas Wadi, 1st
Floor, Mumbai 40 002

...

Plaintiff

~ VERSUS ~

1. **KALPESH R. JAIN,**
carrying on business under the
name and style of Hariom Metal
and Tubes, A sole proprietorship
with its office at 287/6-12, B-2,
Hariom Compound, G.I.D.C.,
Umbergaon, District Valsad,
Gujarat 396 171
2. **RAVI RAUT**
carrying on business at 287/6-12,
B-2, Hariom Comppund, G.I.D.C.,
Umbergaon, District Valsad,
Gujarat 396 171
3. **KETAN PANCHAL,**
carrying on business at 287/6-12,
B-2, Hariom Comppund, G.I.D.C.,
Umbergaon, District Valsad,
Gujarat 396 171

...

Defendants

APPEARANCES

FOR THE PLAINTIFF	Mr. Rohan Kadam , <i>with Mr. Shenoy Prasad, Ms. Sneha Panchmukh & Ms. Rajashri Karande, i/b Mr. Joseph Varikasery, for the Plaintiffs.</i>
FOR THE DEFENDANTS	Ms. P.M. Bhansali , <i>with Ms. Rajlaxmi Punjabi, for Defendants Nos. 1 to 3.</i>

CORAM: G.S. PATEL, J
DATED: 6th December 2016

ORAL JUDGEMENT

1. The Plaintiff seeks to protect its registered designs,¹ alleging infringement and passing off. These are designs in respect of copper tubes. The Plaintiff's case is that the three Defendants have infringed the Plaintiff's design. It must be noted straightaway that the three Defendants are not strangers to the Plaintiff. The 1st Defendant is admittedly a former transporter for the Plaintiff's goods, and runs his own proprietorship firm. There are invoices from the 1st Defendant in respect of his transport services.² Defendants Nos. 2 and 3 are the Plaintiff's erstwhile employees.³

2. The Plaintiff was established in 1964 and is a manufacturer, supplier and distributor of copper tubes, a business it has been doing for over 45 years. It claims to have gained considerable goodwill and

1 Plaint, Exhibit "B", pp. 39-41 and Exhibit "C", pp. 42-46.
2 Plaint, Exhibit "M", pp. 106-110.
3 Plaint, Exhibit "N", pp. 111-116.

reputation in that time, and says that it now has an annual turnover of Rs. 11 crores.

3. The Plaintiff's copper tubes have diverse applications, including household air-conditioning, medical gas pipelines and indoor plumbing. Several leading air-conditioner manufacturers are among the Plaintiff's clients and customers. There are endorsements from various entities including the Bhabha Atomic Research Centre and several prominent manufacturers of high-end consumer goods and appliances.

4. The Plaintiff claims that in September 2009 it conceived of a unique, novel and original shape and configuration for its tubes. The originality and novelty claimed in this design for its copper tubes is that one end of each of these tubes has an expanded bell shape. The design is purely aesthetic, according to the Plaintiff. On 17th September 2009, the Plaintiff sought registration of this design under the Designs Act, 2000. On 4th March 2010, the Registrar granted the application and issued a registration certificate No. 224751. A copy of the registration certificate is annexed.⁴ The corresponding Legal Proceedings Certificate is also annexed.⁵

5. The definition of "design" under Section 2(d) of the Designs Act, 2000 makes it clear that the design is a reference only to the features of shape, configuration, pattern, ornament or composition of lines and colours applied to any article, whether in two or three dimensions or both by any industrial process or means whether

4 Plaint, Exhibit "B", *pp.* 39-41.

5 Plaint, Exhibit "C", *pp.* 42-46.

manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye. This design excludes any mode or principle of construction or anything which is in substance a mere mechanical device. It also does not include a trade mark, property mark or any artistic work (the latter being covered by the Copyright Act, 1957).

6. Sections 10 and 11 of the Designs Act, 2000 read thus:

10. Register of designs.—(1) There shall be kept at the patent office a book called the register of designs, wherein shall be entered the names and addresses of proprietors of registered designs, notifications of assignments and of transmissions of registered designs, and such other matter as may be prescribed and such register may be maintained wholly or partly on computer floppies or diskettes, subject to such safeguards as may be prescribed.

(2) Where the register is maintained wholly or partly on computer floppies or diskettes under subsection (1), any reference in this Act to any entry in the register shall be construed as the reference to the entry so maintained on computer floppies or diskettes.

(3) The register of designs existing at the commencement of this Act shall be incorporated with and form part of the register of designs under this Act.

(4) The register of designs shall be prima facie evidence of any matter by this Act directed or authorized to be entered therein.

11. Copyright on registration.— (1) When a design is registered, the registered proprietor of the design shall, subject to the provisions of this Act, have copyright in the design during ten years from the date of registration.

(2) If, before the expiration of the said ten years, application for the extension of the period of copyright is made to the Controller in the prescribed manner, the Controller shall, on payment of the prescribed fee, extend the period of copyright for a second period of five years from the expiration of the original period of ten years.

7. Also important are the provisions of Sections 16 and 19, which make it clear that prior publication affords a good and even a complete defence to a design infringement and passing off action. The Defendants would, therefore, have to show, *prima facie*, that there is a lack of novelty; that the design has been in the market and has been widely used; or that it was previously published.

8. There seems to be no doubt that the design has been applied to the Plaintiff's copper tubes. This is shown in an image annexed to the plaint.⁶ The Plaintiff has also used the design in respect of its copper tubes extensively. Annexed to the plaint are copies of

⁶ Plaintiff, Exhibit "D", p. 47.

advertisements,⁷ randomly drawn invoices,⁸ and statements of sales and expenses.⁹ A quick look at the statement of sales and expenses should suffice. These show that for the period 2014–2015, the Plaintiff’s sales were in excess of Rs. 4.32 crores and that its expenses were over Rs. 2.5 lakhs for that period. I have taken this period because it is the Plaintiff’s case that it was in February 2015 that the Plaintiff learnt of the Defendants’ rival product being sold in the market. A representation of the Plaintiff’s design is annexed to the plaint.¹⁰ There is a side-by-side comparison of the two as well.¹¹

9. As to the question of similarity, I am unable to make out a difference. In the affidavits in the Notice of Motion, the Defendants claim, *inter alia*, that whereas the curvature of the bell-ending in the Plaintiff’s product is of 90 degrees, that of the Defendants’ product is half that, at 45 degrees. This is a distinction without difference. The law is well-settled in this regard; such minute differentiations are not to be reckoned as sufficient to defeat an otherwise good claim.

10. On 22nd August 2015, the Plaintiff sent a cease and desist notice to the 1st Defendant.¹² The 1st Defendant replied on 8th September 2015¹³ alleging that it had obtained registration in 2014,

7 Plaint, Exhibit “E”, *pp.* 48–59.

8 Plaint, Exhibit “F”, *pp.* 60–81.

9 Plaint, Exhibit “G”, *p.* 82.

10 Plaint, Exhibit “H1”, *p.* 83.

11 Plaint, Exhibit “H2”, *p.* 84.

12 Plaint, Exhibit “I”, *pp.* 85–90.

13 Plaint, Exhibit “J”, *pp.* 91–97.

and pointing out the difference in the angles to which I have referred above. They also said that there was also a difference in the inner and outer surfaces of the two products. The Plaintiff has since filed a rectification application before the Controller of Designs. This is pending. The Plaintiff then filed Suit No. 143 of 2016 in this Court. On 11th April 2016, I permitted the Plaintiff to withdraw that Suit with liberty to file a fresh Suit on the same cause of action. A copy of that order is also annexed.¹⁴

11. It is on further investigation that the Plaintiff found that the 1st Defendant was a proprietary concern of its own former transporter. This came to light on an investigation of certain websites and web pages. The Plaintiff has since obtained test certificates from an expert. Whatever be the value of that certification, something that will have to be tested at the final hearing of the Suit, *prima facie* at least it is sufficient for a view at this stage that there is no meaningful distinction between the two products.

12. There is some controversy about the filing of the present Suit. It was filed on 3rd August 2016. On behalf of the Defendants, it is contended by Ms. Bhansali that the Defendants do not sell any of their products in Mumbai. She claims that the entire basis of the plaint is false and fraudulent. She says that the Plaintiff has fabricated an invoice from one Pravin Tubes India and its proprietor Mr. Pravin Joshi. She points to Exhibit “R” to the plaint.¹⁵ This is an email from Mr. Pravin Joshi of 2nd April 2016 addressed to one Mr.

14 Plaint Exhibit “L”, *pp.* 104–105.

15 *p.* 127.

Tejash Sanghavi with the email address tejash.hvac@gmail.com. This email is dated 2nd April 2016 and Mr. Pravin Joshi of Pravin Tubes has in that document as also in the invoice of 2nd April 2016¹⁶ offered to sell to the Plaintiff in Mumbai the Defendants' infringing products. A photograph of that infringing product is also annexed.¹⁷ Mr. Kadam for the Plaintiff points out that this is not the only invoice. There is another invoice of 16th April 2016, *i.e., after* the withdrawal of the previous Suit¹⁸ also from Pravin Tubes and also in respect of the Defendants' products, but sold to another party, M/s Universal Strips. There are also delivery challans.

13. It is at this stage that I must consider the Defendants' contention that all these invoices are fraudulent and that the Defendants do not sell their products in Mumbai at all. I note immediately that there is no preliminary objection taken under Section 9A of the Code of Civil Procedure, 1908, nor has Ms. Bhansali on any occasion, including at any time during the extensive hearing today, said that the Defendants are or have taken such a plea. No such plea or averment is pointed out. The only relevant averment in this behalf is to be found in paragraph 6 of the Affidavit in Reply.¹⁹ This is so curiously worded that it needed to be reproduced in full.

“6. I say that only with a view to cut short the controversy, I had approached the proprietor of the said Pravin Tubes India (whose invoices are

16 Plaint, Exhibit “R”, *p.* 127.

17 Plaint, Exhibit “S”, *pp.* 129–132.

18 Plaint, Exhibit “T”, *pp.* 133–135.

19 Notice of Motion paper-book, *pp.* 11–12.

annexed at Exhibit “T” to the Plaint) and after personally meeting and convincing him, I have managed to get an Affidavit duly notarised before a NOTARY PUBLIC stating therein that the said Pravin Tubes had not purchased single expanded tube from these Defendants. It was also to show that the said invoices at Exhibit “R”, “S” and “T” are nothing but a mere creation being forged and fabricated documents created only to bring the matter within the jurisdiction of this Hon’ble Court.”

14. Now this Affidavit came to be affirmed only on 7th October 2016. I must without the slightest hesitation reject the submission that it was filed in a hurry and the omission to rely on Mr. Joshi’s Affidavit referred to in paragraph 6 is an inadvertent oversight on the part of the Defendants’ Advocates. A few dates are necessary in this regard. On 18th August 2016, the 3rd Defendant appeared before me and sought time to engage an Advocate. I adjourned the matter for ad-interim reliefs to 2nd September 2016. On that date, the Defendants were represented by Ms. Bhansali. I allowed the Leave Petition under Clause XIV of the Letters Patent. On that day also I noted the presence of the 3rd Defendant, also the Business Development Head of the 1st Defendant’s Proprietary firm. There was some controversy about when he was served. However, the 3rd Defendant instructed his Advocate to make a statement that the Defendants were agreeable to an ad-interim order in terms of prayer clauses (a) and (b). That statement was accepted as an undertaking to the Court. I granted time to file a Reply till 23rd September 2016. At no point did the 3rd Defendant say, or instruct his Advocate to say, that the invoices from Pravin Tubes were fabricated or that the

Defendants did not sell their products in Mumbai. On 23rd September 2016, at the request of the Defendants I extended time to file the Affidavit in Reply until 7th October 2016. On 14th October 2016, I found that the Affidavit has still not been filed. The Defendants sought even more time, and though I was not bound to, I granted them further time till 21st October 2016.

15. I note all this because today it is sought to be contended that the omission or error in annexing the affidavit said to have been obtained from Pravin Tubes is a lapse on the part of the Defendants' Advocates for which the Defendants ought not to suffer. I do not think that it is either reasonable or wise for the Defendants' Advocates to take upon themselves this burden, or to expect that irrespective of the facts, a court will always fall back on the well-established principle that a party should not suffer for the lapse of his lawyer. That is certainly true, but it holds good only in a situation where a party is found to be otherwise blameless, and the lapse is attributable to his Advocate. It has no application to a situation where a defendant is caught out in a dishonest defence. As we shall see, this defence about the invoices from Pravin Tubes being forged is, *prima facie*, not in the least credible.

16. Even if there is any such affidavit, it is worthless. This is why. Paragraphs 6 to 11 of the Rejoinder²⁰ make for the most curious and telling reading. Here the Plaintiff sets out that Pravin Tubes carries on business at Shop No. 20, Ground Floor, 59/61, Farida House, 2nd Panjarapole Lane, C.P. Tank Road, Mumbai 400 004. This is a

20 Notice of Motion paper-book, *pp.* 21 –23.

proprietorship firm of one Pravin Joshi. His telephone number is given and it is stated that he solicits enquiry through an email address at pravintubeindia@gmail.com. There is also a proprietary website and Pravin Tubes is listed at other trade online sites as well. When, in April 2016, the Plaintiff learnt that Pravin Tubes was dealing in the Defendants' infringing products, to investigate this most thoroughly, the Plaintiff created a dummy email address tejash.hvac@gmail.com for Tejash HVAC Services Limited. The Plaintiff caused an email to be sent to the email address of Pravin Tubes with an enquiry for soft and hard copper tubes made by the Defendants. The first email was returned due to a misspelling in the email address of Pravin Tubes. The second email was successfully delivered and this was followed by a purchase order placed on Pravin Tubes by email. Pravin Joshi, the proprietor of Pravin Tubes, responded with a quotation. Copies of these emails are annexed to the Affidavit in Rejoinder.²¹ The Plaintiff's director, one Mr. Munot, sent his peon Praful Songhare to make an actual purchase of the goods and to take delivery. Songhare was issued a receipt and a challan. Photographs of the goods obtained are annexed to the plaint. The Plaintiff then requested the proprietor of one M/s. Universal Strips to place another order on Pravin Tubes for the infringing products. This order was placed on the telephone. An employee of M/s. Universal Strips was sent to pay for and pick up the ordered goods. He too was issued a delivery challan and an invoice. Copies of these are annexed to the plaint.²²

21 Notice of Motion paper-book, Exhibit "B", *pp.* 37-43.

22 Plaint, Exhibit "T", *pp.* 133-135.

17. Thus, the stand that the Defendants have now an Affidavit from Pravin Tubes saying that the invoices issued to the Plaintiff are forged is without substance. It is obvious why that Affidavit has not seen the light of the day. It has nothing whatever to do with any so-called lapse on the part of the Defendants' Advocates, and I am not prepared to allow the Advocates at my Bar to undeservedly take responsibility, whatever be their instructions. That would be unfair to the Advocates, and I see no reason to let them be made scapegoats. For, if this argument or submission is to be accepted, the so-called lapse is not transient or inconsequential: Pravin Tubes' Affidavit is not annexed to the Reply; it is not as if the annexure was missed out. There is no plea craving leave to refer to a copy of it either. No attempt was made at any time to send a copy of that affidavit to the Plaintiff's attorneys saying it had been missed out, despite time being repeatedly taken to file the Reply. No application was ever made to me before today to have that affidavit of Pravin Tubes taken on file, or for leave to file a supplementary affidavit. All of this is said to constitute a single 'lapse'. That cannot be; and if I am to accept Ms. Bhansali's submission that these multiple and incessant errors are lapses on her part and on the part of her instructing attorney, then the consequences would be very grave indeed to both. I have, importantly, nothing at all to show that the affidavit was given to Ms. Bhansali's attorney. The Defendants claim, I notice, to be capable of original design work. Their Constituted Attorney affirmed this Affidavit in Reply. Surely, after all these adjournments, that Constituted Attorney or one of the three Defendants would have noticed that the all-important affidavit from Pravin Tubes was not placed on record. In any case, as I have said, this is nothing but a smokescreen. Saying that the invoices are

forged is a mere allegation made in the baldest terms without any detailing of how and why such forgery could possibly have been made, or why, of all the dealers in the universe, the Plaintiff should have fastened on Pravin Tubes of CP Tank Road as its chosen victim of forgery. The Plaintiff has been careful to obtain not just an invoice but delivery challans and then taken images of the products sold.

18. The fact that the Defendants' conduct is itself unreliable is also established from the second limb of the defence that is taken in paragraph 9(a). Here, the Defendants have the plea of prior publication and this is what they say:

“9(a). The Plaintiffs' registered design is prior known and commonly used in the plastic industry. The Plaintiff's registered design bearing registration number 224751 in class 23-01 is prior known design and is not new or original. The said design is disclosed to the public by the Plaintiff himself by way of advertisement in magazine and to other manufacturers prior to the date of his Application i.e. 17/09/2009 for registration of his said Design. It is a very common design in the field of plastic industry and is known in the said industry since very long. In fact there are n numbers of video uploaded and available on the internet which shows that the similar products are in existence since long. A comparison chart of the said design prior to the date of application by the Plaintiff shall be referred to and relied. It is therefore submitted that

the Suit of the Plaintiff is not maintainable and is liable to be dismissed ex facie as per the provisions of the Design Act and other relevant provisions.”

(Emphasis added)

19. This again cannot be believed and once again I will not permit the Defendants’ Advocates to take the responsibility for not annexing the material, especially since the Defendants have had more than enough time to put all this material together. There is no date of any such alleged advertisement. There is no name of the magazine. There are no particulars whatsoever. A generalized statement is made. It is the deponent of this Affidavit, the Chartered Accountant of Defendants Nos. 1 to 3 and the Defendants themselves who must take responsibility for this. They cannot be allowed to shift the blame on their Advocates over and over again like this.

20. The fact that this assertion in the Affidavit in Reply is not credible is *inter alia* borne out by what is said in paragraph 8(b) of the Affidavit in Reply, which reads thus:

“8(b) In order to secure the common law rights and intellectual and industrial property rights acquired by us by virtue of our creation of honestly inventing the said design, we have taken special care to make the design eye catching. We have invented a new design on our own and the novelty, configuration and ornamentation in its appearance and other interior linings and intellectual acts and the entire design is the brain

child of our hard, creative work and efforts in bringing the impugned design into existence. At the stake of repetition, I say that to safe guard the impugned design, we had filed an application under the provisions of the Design Act, 2000 and obtained the registration certificate for the said design and are now in a position of registered proprietor of the said design. I crave leave to refer to and rely upon a copy of said applications certificate and specific pictures.”

(Emphasis added)

21. Given the fact that all the Defendants had a connection with the Plaintiff and that Defendants Nos. 2 and 3 worked for the Plaintiff till after the registration of the Plaintiff’s design in the Suit, this paragraph, bereft as it is of all supporting materials, strains credulity. Defendant No. 2 was the production manager for the Plaintiff. Defendant No. 3 was in charge of marketing. It is impossible to believe at this stage that the infringing product is the “brain child” of their “hard creative work” or any efforts to bring that design into existence.

22. *Prima facie* it appears that the Defendants have done nothing but pirate the Plaintiff’s design. As to the question of passing off, as I have noted, by the time the Defendants claim to have entered the market, the sales of the Plaintiff were already in excess of Rs. 4.31 crores. That is not all: the extent of copying is almost complete – it extends even to the special yellow caps specially designed to fit the ends of these tubes.

23. Mr. Kadam for the Plaintiff is, in my view, completely justified in relying on the observations of this Court in *Whirlpool of India Limited v Videocon Industries Limited*,²³ and in particular the observations that in comparing rival designs a Court looks to substantial similarity or, more accurately, to see whether there are substantial differences. Minor variants are not considered significant for the purposes of such a test. The law in this regard is, as Kathawalla J held in *Whirlpool*, extremely well-settled. This is hardly the kind of case where it requires further elaboration. When Mr. Kadam placed samples of the two products before me, my first questions to him were “What is the difference? And which product is whose?” Given that the ultimate test must be that of the court looking at the rival product, I imagine that for the purposes of a design, infringement and passing off action, this is sufficient.

24. As to the defence that there is a functionality to the design, this must be rejected outright. The Plaintiff has claimed no exclusivity in any functional element. The only exclusivity claimed is in the capriciousness or whimsicality of the design. This is what makes the design both novel and original. As we have seen, there is no material to show prior publication or lack of novelty. This being the case, an injunction would have to follow. I need only refer to the observations of this Court in *Gorbatschow Wodka KG v. John Distilleries Limited*,²⁴ in paragraphs 18 to 22 of which there is a discussion on the adoption of a particular shape for a liquor bottle. This Court said that what is to be considered are the broad and salient features. A microscopic examination of minute juxtaposed

23 (2015) 1 Bom CR 137.

24 2011 (4) Mh L J 842 (per Dr DY Chandrachud J, as he then was).

differences is impermissible. If novelty and uniqueness can be found in a capricious element, *i.e.*, one purely aesthetic, then that will have to be accepted as both novel and original. In paragraph 22, the Court held that if the Defendant has no plausible explanation for arriving at almost exactly the same design then that is certainly a circumstance to be weighed in the balance.

25. Putting this altogether, what I am left with is this: there is an undeniable novelty and originality to the Plaintiff's design. There is no functionality demonstrated by either side, nor does the Plaintiff claim any rights to any functionality. The Defendants' past association with the Plaintiff is undeniable. It is a circumstance that weighs heavily against them when they enter the market with so very nearly identical a product. The Defendants are unable to show any use by them or anybody else prior to the Plaintiff. Though they refer to a prior publication, they choose not to place any material before me. When the Plaintiff points out that the Defendants' goods are available in Mumbai, the Defendants claim that all these invoices and challans are fabricated and forged. They do so on the basis of an undisclosed Affidavit made – or, to use their words, one they “managed to get” – from the same vendor. There is surely no explanation at all for the subsequent invoices and I hardly think that what the Plaintiff has stated in the Rejoinder regarding its dealings with Pravin Tubes is something that can be wished away so easily. After all, it is not only the Plaintiff who obtained the infringing product from the Pravin Tubes; so did another entity, M/s. Universal Strips. Both entities obtained not only invoices but actual products with delivery challans. The products delivered have been photographed.

26. In my view, a more than sufficient *prima facie* case has been made out. The balance of convenience favours the Plaintiff to whom undoubtedly irretrievable prejudice will be caused if an injunction is refused. The Notice of Motion is made absolute in terms of prayer clauses (a), (b) and (c). The Court Receiver will, at this stage, make an inventory of the offending goods in the Defendants' premises and seal them. Liberty to the Plaintiff to apply thereafter.

27. The Notice of Motion is disposed of in these terms. I must thank both Mr. Kadam and Ms. Bhansali for their assistance. Mr. Kadam placed his case with admirable restraint and accuracy, and Ms. Bhansali did her best in extremely trying circumstances. Only on account of Ms. Bhansali's efforts, I will make no order of costs.

(G. S. PATEL, J.)