

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **CS(OS) No.567/2009**

% **7th April, 2016**

SHRI K.M. VARGHESE (DECEASED) THROUGH LRS. Plaintiff

Through: None

versus

CBS PUBLISHERS & DISTRIBUTORS Defendant

Through: Mr. Syed Asif Iqbal, Advocate.

CORAM:

HON'BLE MR. JUSTICE VALMIKI J.MEHTA

To be referred to the Reporter or not? Yes

VALMIKI J. MEHTA, J (ORAL)

1. Today the case is fixed for framing of issues. The subject suit is a suit for declaration, injunction, rendition of accounts etc by the plaintiff Sh. K. M. Varghese claiming copyright in the book titled as "Theory and Practice of Industrial Pharmacy" by Leon Lachman, Herbert A. Lieberman and Joseph L. Kanig. Plaintiff does not claim to be the owner of the copyright but only a licensee from the owners of the copyright who as per the plaint are Lea & Febeiger, Philadelphia, U.S.A.

2. The licensee rights which the plaintiff claims are in terms of a Letter dated 10.10.1986 issued by Lea & Febiger to the plaintiff and which reads as under:-

“LEA & FEBIGER

Publishers since 1775

600s. Washington square
Philadelphia, U.S.A.

October 10, 1986

Mr. K.M. Varghese
Varghese Publishing House
Hind Rajasthan Building
Dadar, Bombay 400-014.

Dear Mr. Varghese

We have received your letter of October 3 1986. We regret to note that you have over the years accumulated a bad stock worth about us \$ 2,00,000.00 as you were our exclusive distributors in India for over 30 years. As you requested it is not possible for us to give you credit for the unsold books as we ourselves are in a bad shape. But as suggested by you, we can give reprint rights for the following books asked for, since no new editions are planned as they are not good sellers in USA. The three books suggested are:

The Theory & practice of industrial pharmacy, 3rd edition
By Lachman, Lieberman & Kanig,

Proposed Indian edition price Rs.395

Endodontic Practice, 11th Edition
By Grossman, Oliet & Del Rio

Proposed Indian Edition Price Rs.395

Inorganic Medicinal & Pharmaceutical Chemistry, 1974

Proposed Indian Edition price Rs.195

You may account 10% of the Indian Price, which approximately come to:
Rs.39.50 =US\$ 1.00 and Rs.19.50=\$0.50

You may account the Royalty at the end of March every year and send us a statement.

Yours sincerely,

Sd/-
S.O. Nelson
Trade Manager”
(underlining added)

3. Plaintiff claims that he has a right to reprint the third edition of the book ‘Theory and Practice of Industrial Pharmacy’ by virtue of this Letter dated 10.10.1986 which is reproduced above.

4. Section 19 of the Indian Copyright Act, 1957 (hereinafter referred to as ‘the Act’) provides that an assignment is only valid if it is in writing signed by the assignee or by his duly authorized agent. What is applicable to assignment under Section 19 of the Act, *mutatis mutandis* applies to grant of a licence and this is so specifically stated in Sections 30 and 30A of the Act. It is therefore the law that before a licensee claims rights in a copyright, the licence has to be by means of writing signed by the licensor. Sections 19, 30 & 30A of the Act read as under:-

“**Section 19. Mode of assignment.**— (1) No assignment of the copyright in any work shall be valid unless it is in writing signed by the assignor or by his duly authorised agent.

(2) The assignment of copyright in any work shall identify such work, and shall specify the rights assigned and the duration and territorial extent of such assignment.

(3) The assignment of copyright in any work shall also specify the amount of royalty payable, if any, to the author or his legal heirs during the currency

of the assignment and the assignment shall be subject to revision, extension or termination on terms mutually agreed upon by the parties.

(4) Where the assignee does not exercise the rights assigned to him under any of the other sub-sections of this section within a period of one year from the date of assignment, the assignment in respect of such rights shall be deemed to have lapsed after the expiry of the said period unless otherwise specified in the assignment.

(5) If the period of assignment is not stated, it shall be deemed to be five years from the date of assignment.

(6) If the territorial extent of assignment of the rights is not specified, it shall be presumed to extend within India.

(7) Nothing in sub-section (2) or sub-section (3) or sub-section (4) or sub-section (5) or sub-section (6) shall be applicable to assignments made before the coming into force of the Copyright (Amendment) Act, 1994.

(8) The assignment of copyright in any work contrary to the terms and conditions of the rights already assigned to a copyright society in which the author of the work is a member shall be void.

(9) No assignment of copyright in any work to make a cinematograph film shall affect the right of the author of the work to claim an equal share of royalties and consideration payable in case of utilization of the work in any form other than for the communication to the public of the work, along with the cinematograph film in a cinema hall.

(10) No assignment of the copyright in any work to make a sound recording which does not form part of any cinematograph film shall affect the right of the author of the work to claim an equal share of royalties and consideration payable for any utilization of such work in any form.

Section 30. Licences by owners of copyright.— The owner of the copyright in any existing work or the prospective owner of the copyright in any future work may grant any interest in the right by licence in writing signed by him or by his duly authorised agent:

Provided that in the case of a licence relating to copyright in any future work, the licence shall take effect only when the work comes into existence.

Explanation.— Where a person to whom a licence relating to copyright in any future work is granted under this section dies before the work comes into existence, his legal representatives shall, in the absence of any

provision to the contrary in the licence, be entitled to the benefit of the licence.

Section 30A. Application of section 19.— The provisions of sections 19 shall, with any necessary adaptations and modifications, apply in relation to a licence under section 30 as they apply in relation to assignment of copyright in a work.”

5. The Letter dated 10.10.1986 of Lea & Febeiger shows that the plaintiff could only publish the third edition of the book ‘Theory and Practice of Industrial Pharmacy’ and not any other edition or any other reprint or any other modification or adoption or revision of the subject book. Plaintiff along with the suit has filed documents and which show that the plaintiff is in fact not reprinting the third edition of the subject book but has printed a book Special Indian Edition, 2009. It is not stated in the photocopy of this book which is filed that it is the third edition of the subject book. Admittedly, there is no right which is even pleaded in favour of the plaintiff with respect to Special Indian Edition, 2009 of the subject book, and even if the plaintiff had a right, such right had to be in writing and signed by the owners of the copyright. Plaintiff is curiously and deliberately silent as to how plaintiff would have rights in any other publication of the subject book which is not the reprint of a third edition granted in terms of the Letter dated 10.10.1986.

6. Section 61 of the Act provides that in a suit by a licensee, the original owner of the copyright has to be made a party unless the court directs otherwise. The object of impleading the original owner of the copyright is not only to ensure that the licence which is pleaded by the plaintiff to exist in his favour is a valid licence but the object is also to protect any copyright of a copyright owner because the decision in a suit/case filed by a licensee would have a direct bearing, impact and finality even with respect to ownership of the copyright material of the owner of the copyright. Section 61 of the Act reads as under:-

“Section 61. Owners of copyright to be party to the proceeding. - (1) In every civil suit or other proceeding regarding infringement of copyright instituted by an exclusive licensee, the owner of the copyright shall, unless the court otherwise directs, be made a defendant and where such owner is made a defendant, he shall have the right to dispute the claim of the exclusive licensee.

(2) Where any civil suit or other proceeding regarding infringement of copyright instituted by an exclusive licensee is successful, no fresh suit or other proceeding in respect of the same cause of action shall lie at the instance of the owner of the copyright.”

7. The defendant had taken an objection in the written statement as per Section 61 of the Act and accordingly plaintiff filed I.A. No.8856/2010 under Section 61 of the Act to implead the copyright owner M/s Lea & Febeiger. This application was allowed and disposed of in terms of the Order dated 16.10.2012 passed by a learned Single Judge of this Court. The

record of the suit shows that the plaintiff thereafter for over two years did not serve the owner of the copyright and did not file process fee on many occasions for service of M/s Lea & Febeiger and did not serve M/s Lea & Febeiger even in spite of imposition of costs by the Order dated 5.5.2014. Ultimately by the Order dated 8.7.2015, counsel for the plaintiff recorded his statement that he wants to seek deletion of the defendant no.2 M/s Lea & Febeiger and who were added as defendant no.2 by the Order of the Court dated 16.10.2012. On 16.9.2015, accordingly a statement was made that plaintiff does not press for any relief against the defendant no.2. The fact of the matter however is that the defendant no.2 is not deleted and there is no permission of the Court for not adding the owner of the copyright as a party to the present proceedings and which is mandatory requirement in terms of Section 61 of the Act unless the court specifically grants a permission not to do so.

8. This case was called today and after waiting for over half an hour, during which period the file was perused, it is noted that counsel for the plaintiff does not appear. I have gone through the case record on my own as there is no effective assistance rendered on behalf of the original defendant.

9. From the reading of the aforesaid narration it is shown that not only plaintiff deliberately has not impleaded the owner of the copyright which is mandatory under Section 61 of the Act, the plaintiff is claiming rights and publishing not the third edition of the subject book but a totally new edition called as Special Indian Edition, 2009 with respect to which plaintiff has no right in terms of the Letter dated 10.10.1986 of M/s Lea & Febeiger. As already stated above, an entitlement of copyright can only be by an agreement in writing signed by the parties and there is no agreement in writing signed by the owner of the copyright giving licence to the plaintiff for publication of Special Indian Edition, 2009 of the subject book.

10. In view of the above, the suit is liable to be dismissed for non-compliance of Section 61 of the Act as also non-compliance of Sections 19 and 30A of the Act, inasmuch as, no agreement in writing signed by the owner of the copyright is shown in favour of the plaintiff with respect to the publication of the subject book as Special Indian Edition, 2009.

11. Suit is accordingly dismissed, leaving the parties to bear their own costs.

VALMIKI J. MEHTA, J

APRIL 07, 2016

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