

\$~19

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

%

Judgment delivered on: 16.11.2022

+ FAO(OS) (COMM) 302/2022

M/S GM MODULAR PRIVATE LIMITED Petitioner

versus

M/S SYSKA LED LIGHTS PRIVATE LIMITED

.....Respondents

Advocates who appeared in this case:

For the Appellant : Mr. Anirudh Bakhru and Mr.Pankaj Kumar,
Advocates.

For the Respondent : Mr. Shailen Bhatia, Mr. Sheril Bhatia,
Mr.Raghav Bhalla and Mr.Nakul Mehta
Advocates (Mob No.9818558690).

CORAM:

HON'BLE MR. JUSTICE SANJEEV SACHDEVA

HON'BLE MR. JUSTICE TUSHAR RAO GEDELA

JUDGMENT

SANJEEV SACHDEVA, J. (ORAL)

C.M. APP No. 46566/2022 (seeking exemption)

1. Allowed, subject to all just exceptions.
2. Application stands disposed of.

FAO (OS) (COMM) 302/2022 & C.M. APP No. 46565/2022
(seeking stay)

3. Issue notice.
4. Notice is accepted by learned counsel appearing for the Respondent.
5. With the consent of the parties, the appeal is taken up for final disposal today itself.
6. Appellant impugns order dated 22.08.2022 whereby the application filed by the appellant/plaintiff under Order XXXIX Rule 1 and 2 CPC has been dismissed and the application filed by the respondent/defendant under Order XXXIX Rule 4 CPC has been allowed.
7. The appellant/plaintiff had filed the subject suit under Section 22 of the Designs Act for permanent injunction restraining infringement of a registered design of the plaintiff in 'LED Surface Light'. By *ex parte* ad interim injunction dated 12.02.2021 an injunction was granted in favour of the appellants against the respondent, restraining them from manufacturing, marketing, selling and using etc. the impugned goods, for applying the subject design on the impugned goods deceptively similar to the registered design of the appellant.
8. Since an issue was with regard to infringement of a design, the matter stood transferred to the IPD Division of this Court.
9. Subject application under Order XXXIX Rule 4 CPC was filed by the respondent, *inter alia*, contending that the design was neither

novel nor unique and also that the design was a prior published design, prior to the filing of the application for registration of the design. Reliance was placed by the respondent on a trademark application filed by the appellant TM-A seeking registration of the trademark in the shape of the good wherein the appellant in the column of statement as to use of mark has stated as under: -

<i>Class:11</i>	<i>Description: Apparatus for lighting.</i>
<i>STATEMENT AS TO USE OF MARK</i>	<i>The mark is used by the applicant or its predecessor in title since 06/04/2016 in respect of the goods and services mentioned in the application</i>

10. It is contended that the appellant was not the originator of the design and was simply an importer from China, from a manufacturer who was supplying the same design.

11. Learned counsel for the respondent submits that once a design is used as a trademark, it cannot be registered as a design.

12. Learned Single Judge has rejected the contention of the respondent that merely because a design is used as a trademark, it cannot be registered as the design. The impugned order has held that the appellant/plaintiff has not placed on record any document or agreement to show that the product was being manufactured from a Chinese manufacturer on a job work basis and it was for the plaintiff to show that it is the author of the design or that it satisfied the conditions mentioned in Section 2-J of the Designs Act, 2000, which

has not been done.

13. With regard to the contention of learned counsel for the respondent that the design was prior published, it is disputed by learned counsel for the appellant who contends that though in the trademark application, it is mentioned that the mark was used since 06.04.2016, the same would not amount to disclosing the design to public as a mere generic plea of user would not amount to a public disclosure. He submits that there could be an instance of the mark being used on a product or design being used on a product but that the product not being made available to the public till a later date and in such circumstances, it would not tantamount to disclosure as required under Section 4 of the Designs Act. He submits that the onus is on the respondent to show that the product was made available to the public on 06.04.2016.

14. He further submits that the application for registration of the design which is dated 06.04.2016, was sent to the Registry on 06.04.2016 and merely because on the registration certificate, the date appearing is 22.04.2016, the same will not make a difference as the application was sent on 06.04.2016.

15. Reference may be given to Rule 3 of the Designs Act, 2000 which reads as under: -

“3. Leaving and serving documents. - (1) Any application, notice or other document authorised or required to be filed, left, made or given at the Office, or to the Controller or to any other person under the Act or these

rules, may be sent by hand or by a prepaid letter through the post or registered post or speed post or courier service, and, if sent by a prepaid letter or registered post or speed post or courier service, shall be deemed to have been filed, left, made or given at the time when the letter containing the same would be delivered in the ordinary course of mail, and in proving such sending, it shall be sufficient to prove that the letter was properly addressed and mailed. If the documents sent through tele-fax/e-mail, are clear and fully legible, they shall also be accepted provided that original documents corresponding to the one sent by tele-fax/e-mail is submitted to the office within fifteen days from the date of receipt of the documents so faxed/e-mailed”.

16. Rule 3 is a deeming provision which provides that if a document is sent by pre-paid letter or courier service, it shall be deemed to have been filed, left made or given at the time when the letter containing the same would have been delivered in the ordinary course of post.

17. Perusal of the application submitted by the petitioner for registration of the design shows that the same is stamped by the Office of the Comptroller of Design on 22.04.2016 which raises the presumption in terms of Rule 3 that the application was received in the Office of the Comptroller on 22.04.2016.

18. In contrast to the said application in form TM-A as noticed above, the claim of the appellant is that the mark i.e., shape of the product has been in use since 06.04.2016.

19. Section 2(2) of the Trademark Act, 1999 stipulates as under: -

“Section 2 (2) of Trademark Act 1999: -

2. Definitions and interpretation.

(2) In this Act, unless the context otherwise requires, any reference—

(a)...

(b) to the use of a mark shall be construed as a reference to the use of printed or other visual representation of the mark;

(c) to the use of a mark,— (i) in relation to goods, shall be construed as a reference to the use of the mark upon, or in any physical or in any other relation whatsoever, to such goods; (ii) in relation to services, shall be construed as a reference to the use of the mark as or as part of any statement about the availability, provision or performance of such services;”

20. Section 2(2)(b) stipulates that unless the context otherwise requires any reference, to use of a mark shall be construed as a reference to the use of printed or other visual representation of the mark and Section 2(2)(c) stipulates that to use a mark in relation to goods shall be construed as a reference to the use of mark upon, or in any physical or in any other relation whatsoever, to such goods.

21. Since the trademark claim in the present case is shape of the goods, this implies that on 06.04.2016, appellant had in fact created the shape and used the shape of the subject product in its physical form.

22. The contention of learned counsel for the appellant that mere expression ‘use’ as used in the trademark application does not necessarily imply that the design was made public and was used in a generic sense and onus was on the respondent to show that it was actually disclosed to public is not sustainable for the reason that the factum as to when the product was actually launched would be in the

special knowledge of the appellant /plaintiff and respondent would not be aware as to when the product was actually launched.

23. Reference may also be had to the written statement filed by the respondent where in para (VII) in the preliminary objection, it is averred as under: -

“That the design Application has to be filed before the Design is made public. In. the present case, the plaintiff filed an Application or registration of a trade mark on 15.01.2019 but the user claimed was 06.04.2016. The design merits cancellation on this ground alone. The Hon'ble Delhi High Court in case titled as National Trading Co. vs. Monica Chawla: reported as 1994 PTC 233 was pleased to observe as hereunder:

(5) Thus, it becomes clear that there is also pre-publication if the design is disclosed to any individual member of the public, who is not under an obligation to keep it secret. Disclosure to such person is sufficient to constitute publication of design.

The Plaintiff having used the alleged trademark/design prior to date of Application of the design, the design has to be cancelled”.

24. In response to the stand taken by the respondent in its written statement, the appellant in their replication have stated as under: -

“VII. That the contents of Para No. VII are wrong and denied. What has been mentioned herein above may be referred to. This fact is not disputed that the design Application has to be filed before the Design is made public. This fact is also not disputed that the Plaintiff filed an Application or registration of a trade mark on 15.01 .2019 with user claimed as 06.04.2016. Reliance by the Defendant on Judgment titled as National Trading Co. vs. Monica Chawla: reported as 1994 PTC 233 is misplaced as the subject matter registered design of the Plaintiff is not a pre published design. It is submitted that the subject matter design application is dated 06.04.2016. The same was dispatched to the office of Controller of Design, which was received on 22.04.2016. Hence the subject matter registered design

registration was granted as dated 22.04.2016. In view of the above it is submitted that subject matter design application itself is dated 06.04.2016, hence it was not pre published when it was applied for. The defendant is misconceiving and misrepresenting the case of the Plaintiff”.

25. In view of the specific averment of the respondent that the appellant having used the alleged trademark/design prior to the date of the application of the design, there was a requirement on part of the plaintiff to have specifically disclosed as to when the subject design was made available to public if not on 06.04.2016 as claimed in the trademark application.

26. The onus clearly was on the appellant/ plaintiff to show the same as the said fact was within the special knowledge of the appellant. Since appellant has not stated or disclosed as to when the product was actually made available to public, if not on 06.04.2016, we are of the view that there is no infirmity in the *prima facie* finding returned by the learned Single Judge in the impugned order and that there is merit in the contention of the respondent that the design was neither new nor original as having been prior published.

27. Section 19 of the Designs Act reads as under: -

“19. Cancellation of registration. — (1) Any person interested may present a petition for the cancellation of the registration of a design at any time after the registration of the design, to the Controller on any of the following grounds, namely: —

(a) that the design has been previously registered in India; or

(b) that it has been published in India or in any other country prior to the date of registration; or

(c) that the design is not a new or original design; or

(d) that the design is not registrable under this Act; or

(e) that it is not a design as defined under clause (d) of section 2.

(2) An appeal shall lie from any order of the Controller under this section to the High Court, and the Controller may at any time refer any such petition to the High Court, and the High Court shall decide any petition so referred.”

28. We find that the requirement of Section 19 of the Designs Act would be satisfied where the defendant/ respondent (as in the present case) is able to show from the admission of the plaintiff/appellant himself that the product was made available on a prior date.

29. In view of the above, we find no infirmity in the impugned order or any merit in the appeal, the appeal is accordingly dismissed.

30. It is clarified that the observations contained herein are only *prima facie* and would have no bearing on final adjudication of the suit on merits after trial.

31. Learned counsel for the appellant submits that the learned Single Judge has erroneously observed that because the plaintiff had made a simultaneous claim in the shape of its product as the design and also a trademark and the same is not permissible in view of the exclusion contained in Section 2 (d) of the Designs Act, and has erroneously relied on the decision of the full bench of this Court in ***Carlsberg Breweries vs. Som Distilleries and Breweries Ltd., (2019)***

256 DLT 1. He submits that the learned Single Judge has erred in not noticing the decision of this court in ***Crocs Inc. USA vs. Bata India and Ors.***, (2019) 79 PTC page 75 Delhi DB where though by an interim order, the said decision of the full bench has been explained.

32. In view of the *prima facie* finding returned by us on the issue of prior disclosure, we are not examining this question and this question is left open.

SANJEEV SACHDEVA, J

TUSHAR RAO GEDELA, J

NOVEMBER 16, 2022/neelam