

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NOS. 1440-1441 OF 2020
(Arising out of SLP (C)Nos. 28062-28063 of 2019)

MAYA APPLIANCES PVT. LTD. Appellant(s)

VERSUS

PREETHI KITCHEN APPLIANCES PVT. LTD. & ANR. Respondent(s)

O R D E R

Leave granted.

On 01.10.2015, respondent No. 1 herein was granted Design Copyright Registration No. 276216 for the base unit of a mixer grinder under the name Preethi Zodiac. On 17.04.2017, the appellant herein was granted Design Copyright Registration No. 292910 for Vidiem V Star Series for the base unit of a Mixer Grinder. On 09.01.2018, a cancellation petition was filed by the respondent against the design copyright registration of the appellant before the Controller. This was followed by a Suit filed by the respondent in the High Court of Madras for an injunction against the appellant for alleged passing off and infringement of their design copyright registration. On 12.02.2018, a written statement was filed in the said Suit taking up various pleas including pleas that are available under Section 19(1) of the Designs Act, 2000. On 01.03.2018, the *ex-parte* injunction was confirmed, having

been granted on 12.01.2018 in favour of the plaintiff, which was set aside in appeal on 28.04.2018 by the Division Bench and confirmed by dismissal of a special leave petition on 13.08.2018.

Meanwhile, on 25.04.2018, the appellant filed a cancellation petition against the design copyright registration of the respondent. In September, 2019, the respondent filed Applications Nos. 7153-7154 of 2019 before the High Court praying for the stay of the Suit until the disposal of the cancellation petitions filed before the Controller of Designs. By the impugned order dated 30.10.2019 read with order dated 11.11.2019, the High Court allowed the aforesaid applications stating that the learned Controller of Designs dispose of both the cancellation proceedings before it within a period of four weeks after hearing the parties in accordance with law, the Suit remaining stayed meanwhile.

We have heard Shri Vishwanathan, learned senior counsel appearing for the appellant and Shri C. U. Singh, learned senior counsel appearing for the respondents. Without adverting to the arguments made by both the learned senior counsel, a certain course of action on the facts of this case, has commended itself to us.

Section 19 of the Designs Act, 2000 reads as follows:

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 registerable 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."

Section 22 of the said Act reads as follows:

22. 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.

(4) Notwithstanding anything contained in the second proviso to sub-section (2), where any ground on which the registration of a design may be cancelled under section 19 has been availed of as a ground of defence and sub-section (3) in any suit or other proceeding for relief under sub-section (2), the suit or such other proceeding shall be transferred by the court, in which the suit or such other proceeding is pending, to the High Court for decision.

(5) When the court makes a decree in a suit under sub-section (2), it shall send a copy of the decree to the Controller, who shall cause an entry thereof to be made in the register of designs.

In the present case, since both the applications for cancellation of each other's design copyright registration is pending before the Controller of Designs, and the Suit by the respondent praying for injunction on the basis of infringement and passing off, and damages, is pending before the High Court, the Controller of Designs is directed, given Section 19(2) of the Designs Act, to refer both the cancellation applications to the Madras High Court within a

period of two weeks from the date of this order.

The High Court may then set down for hearing the two cancellation applications as well as the Suit and dispose of the same preferably, within a period of nine months from today.

The High court judgment stands substituted by this order.

The appeals stand disposed of in the aforesaid terms.

....., J.
[ROHINTON FALI NARIMAN]

....., J.
[S. RAVINDRA BHAT]

....., J.
[V. RAMASUBRAMANIAN]

New Delhi;
February 11, 2020.

ITEM NO.2 COURT NO.4 SECTION XII (REVISED)

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Civil Appeal Nos. 1440-1441/2020
(Arising out of SLP (C)Nos. 28062-28063/2019)

MAYA APPLIANCES PVT. LTD. Appellant(s)

VERSUS

PREETHI KITCHEN APPLIANCES PVT. LTD. & ANR. Respondent(s)

(With IA No. 182094/2019 - EXEMPTION FROM FILING C/C OF THE
IMPUGNED JUDGMENT and IA No. 21172/2020 - MODIFICATION)

Date : 11-02-2020 This matter was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE ROHINTON FALI NARIMAN
HON'BLE MR. JUSTICE S. RAVINDRA BHAT
HON'BLE MR. JUSTICE V. RAMASUBRAMANIAN

For Appellant(s) Mr. K. V. Vishwanathan, Sr. Adv.
Mr. Aditya Verma, AOR

For Respondent(s) Mr. C. U. Singh, Sr. Adv.
Mr. Praveen Anand, Adv.
Ms. Ruby Singh Ahuja, Adv.
Mr. M. S. Bharath, Adv.
Ms. Vaishali Mittal, Adv.
Ms. Kritika Sachdeva, Adv.
Mr. Siddhant Chamola, Adv.
M/s. Karanjawala & Co., AOR

UPON hearing the counsel the Court made the following
O R D E R

Leave granted.

The appeals stand disposed of in terms of the signed
order.

Pending applications stand disposed of.

(NIDHI AHUJA)
AR-cum-PS

(NISHA TRIPATHI)
BRANCH OFFICER

[Signed order is placed on the file.]

ITEM NO.2

COURT NO.4

SECTION XII

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

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[Signed order is placed on the file.]