

HIGH COURT OF MADHYA PRADESH, BENCH AT INDORE

Case No.	M.A. No.2488/2020
Parties Name	<i>Praveen Muraka S/o Shri Gokuldas Murarka</i> vs. <i>Bhama Enterprises India Pvt. Ltd. & Anr.</i>
Date of Order	16/02/2021
Bench Constituted	<u>Division Bench:</u> Justice Sujoy Paul Justice Shailendra Shukla
Judgment delivered by	Justice Sujoy Paul
Whether approved for reporting	Yes
Name of counsels for parties	Shri Abhinav Malhotra, learned counsel for the appellant. Shri Ajay Bagadia, learned counsel with Shri Vikas Rathi, learned counsel for the respondents.
Law laid down	<p>*The Designs Act, 2000 – It seeks to provide and ensure effective protection to registered designs. It is also required to promote design activity in order to promote the “design element” in an article of production.</p> <p>*Section 4 of Designs Act- A plaintiff can institute a suit impugning the other product if the said product is neither new nor significantly distinguishable.</p> <p>*Section 4 of Designs Act – The test to examine whether the impugned product is 'new or original', both the products be kept side by side to see if those appear to be similar or different. The main consideration is to examine whether the broad features of shape, configuration, pattern etc. of both the products are same or <i>nearly the same</i>. If they are substantially the same, it will certainly be a case of imitation of design of one product by the other.</p>

	<p>*The test of “exact similitude” - applied by Commercial Court, runs contrary to the scheme and object of Designs Act and the litmus test laid down by various Court.</p> <p>* Section 3 & 5 of Designs Act – The design of a product is registered on the basis of claim of a proprietor that his product is 'new or original'. It is not established that the controller or examiner is obliged to examine the designs whose registration is applied for in juxtaposition to all previously registered designs.</p> <p>*The different trademark of two products – While examining the products in the teeth of the Designs Act, the Commercial Court has committed an error in rejecting the injunction application by applying the aspect of “trademark”.</p> <p>*Test of “uniqueness” and “exclusivity” - The test is “look alike” and to examine whether both the products are same or nearly the same. Commercial Court rejected the application on impermissible grounds and applied a test which runs contrary to object and scheme of the Designs Act.</p>
Significant paragraph numbers	13, 18, 22, 26 and 28

ORDER
16.02.2021

As per: Sujoy Paul, J.

The subject matter of challenge in this miscellaneous appeal filed under Order XLIII Rule 1 (r) of the Code of Civil Procedure, 1908 (CPC) is the order of learned Commercial Court, Indore dated 05/09/2020, whereby application filed by appellant/plaintiff under Order XXXIX Rule 1 & 2 of CPC is

disallowed. The appellant and respondents are manufacturer/proprietors of water bottles branded as “Kool Kommandar” and “Cool Cutie” respectively. They have taken diametrically opposite stand relating to newness and originality of the design of their bottles. Since attempt of appellant to obtain injunction against “Cool Cutie” failed, this appeal is filed assailing the order of Commercial Court and praying that the respondent be restrained from infringing or passing off the appellant's registered design in the interest of justice.

2) Certain facts are not in dispute in the instant case and pertinently, Court below in para-6 onwards of the impugned order mentioned those facts. It is apt to mention those relevant admitted facts:-

- i) The appellant/plaintiff manufactures bottle branded as “Kool Kommandar” and defendant No.1 manufactures the bottle branded as “Cool Cutie”.
- ii) Appellant/Plaintiff is a prior user of design of bottle “Kool Kommandar”, whereas defendant's bottle “Cool Cutie” came into being later on.
- iii) The design of “Kool Kommandar” was registered under the Designs Act, 2000 (Act of 2000) on 30/11/2015, whereas design of “Cool Cutie” was registered on 08/01/2019.
- iv) Before institution of instant suit, the appellant sold 3, 81, 571 bottles of “Kool Kommandar”.
- v) One of the defendants was employee of appellant/plaintiff.

3) The learned counsel for the parties appearing before us also fairly submitted that the aforesaid facts are not in dispute.

4) Shri Abhinav Malhotra, learned counsel for the appellant reiterated the stand taken by appellant before the Court below and urged that Section 4 of the Act of 2000 is mandatory in nature and protects a new or original design. The relevant factors for attracting Section 4 of the Act of 2000, aforesaid are in favour of the appellant yet Court below rejected the application preferred under Order XXXIX Rule 1 & 2 of CPC. Attention of this Court is drawn on a comparative chart (Page 45 & 46), to bolster the submission that the bottle “Cool Cutie” does not have any element of “new or original”. The said chart is reproduced herein under:-

	PLAINTIFF'S 'KOOL KOMMANDAR' BOTTLE	DEFENDANTS' 'COOL CUTIE' BOTTLE
1	The Plaintiff's Kool Kommandar Bottle has a unique shape, configuration and surface pattern.	Identical shape, configuration and surface pattern has been adopted by the Defendants in their Cool Cutie Bottle .
2	The Configuration of the Kool Kommandar Bottle is such that it appears as if it is a unibody.	The Configuration of the Cool Cutie Bottle is such that it appears as if it is a unibody.
3	The surface pattern of the Kool Kommandar Bottle has a unique cylindrical cap which looks aesthetically attractive.	The surface pattern of the Cool Cutie Bottle has a unique cylindrical cap which looks aesthetically attractive.
4	Clean and bold cartoon graphic elements attractive to kids make Kool Kommandar Bottle stand out in cluttered market place / against the competition.	Clean and bold cartoon graphic elements attractive to kids make Cool Cutie Bottle stand out in cluttered market place / against the competition.
5	The surface of the bottle has a shining effect which gives elegant effect to the Kool Kommandar Bottle .	The surface of the bottle has a shining effect which gives elegant effect to the Cool Cutie Bottle .
6	The main body of the Kool Kommandar Bottle as also its cap contains a unique unibody	The main body of the Cool Cutie Bottle as also its cap contains a unique unibody

	design element.	design element.
7	The Cap of the Kommandar Bottle has a unique thread attached to it which makes it visually attractive.	The Cap of the Cool Cutie Bottle has a unique thread attached to it which makes it visually attractive.

5) The contention of appellant is that in view of prior registration of “Kool Kommandar”, identical design of both the bottles i.e. visual, look, feature etc, it is clear that “Cool Cutie” has no novelty and cannot be treated as a new design. The Court below has erred in rejecting the application on impermissible grounds. The Court below opined that in absence of “exact similitude” between said 2 bottles, no case for injunction is made out, whereas the legal test is somewhat different. The test is to keep two bottles side by side to see if those appear to be similar or different. By visual imaging, the Court may even find if impugned product is substantially similar or different. Shri Malhotra criticized the impugned order by contending that Court below has erred in holding that despite similar features of bottles/particular commodity, it is only 'uniqueness' and 'exclusivity' that needs to be recognized. In support of aforesaid contentions, Shri Malhotra placed reliance on certain judgments.

The judgments of Delhi High Court reported in *2018 (75) PTC 495 (Del) (Dart Industries Inc. & Ors. vs. Polyset Plastics Pvt. Ltd. & Ors., 2019 (79) PTC 42 Pentel Kabushiki Kaisa vs. Arora Stationers, 2018 SCC Online Del 9381 (Vega Auto Accessories (P) Ltd. vs. S.K. Bros. Heimt (I) Pvt. Ltd.* and judgments of Bombay High Court reported in *2013(53) PTC 495 (Asian Rubber Industries & Ors. vs. Jasco Rubbers & Ors.)*,

2018 (73) PTC 591 Kalpesh R. Jain & Ors. vs. Mandev Tubes Pvt. Ltd. were relied upon.

For the same purpose, judgment of Madras High Court reported in **2017 (70) PTC 31 (Maya Appliances Pvt. Ltd. & Ors. vs. Butterfly Gandhimathi Appliances Ltd.)** and judgment of Gujarat High Court reported in **2015 SCC Online Guj. 6280 (Win Class Ltd. vs. Symphony Ltd.)** were relied upon.

6) On the strength of these pronouncements, it is urged that plaintiff satisfied the legal test for grant of injunction in his favour and Court below has erred in rejecting it on impermissible grounds.

7) During the course of argument, Shri Malhotra produced both the bottles namely “Kool Kommandar” and “Cool Cutie” for the perusal of this Court in support of his submissions.

8) Sounding a *contra* note, Shri Ajay Bagadia supported the impugned order. However, he did not dispute that both the bottles shown by appellant's counsel are “Kool Kommandar” and “Cool Cutie” respectively. The contention of Shri Bagadia is that his bottle “Cool Cutie” does not have any deceptive similarity with “Kool Kommandar”. Merely because shapes are almost similar, it cannot be said that “Kool Kommandar” has anything 'new or original'. In the market, number of mineral water bottles are available. Most of them are cylindrical in nature. Their caps are interchangeable. The product in question is marketed to aim the children and, therefore, its lid is wide and it provides a cord to make it handy. Merely because cap of the said bottles are interchangeable and cap is having a cord to carry the bottle conveniently, it does not attract Section 4 of the Act of 2000. The

subsequent registration of defendant's product by the Competent Authority under the Act of 2000 itself shows that it has a new and original design. If design of defendant got a statutory registration that itself establishes that Competent Authority/Controller was satisfied about the 'newness and originality' of "Cool Cutie". For this reason alone, the appellant's appeal deserves rejection. Shri Bagadia submits that although he has filed number of judgments along with an index in MA No.2731/20, he is placing reliance only on two judgments namely **1996 (16) PTC 202 (Cal.) (Castrol India Ltd. vs. Tide Water Oil Co. (I) Ltd.)**, wherein the Court opined that the object of the Designs Act is to protect shape, but not a functional shape. Hence, the aspect that lid of both the bottles are interchangeable is of no importance. **(2013)2 MPLJ 55 (Skol Breweries Ltd., Mumbai vs. Som Distilleries and Breweries Ltd.)** is relied upon to contend that in absence of misrepresentation to public, no passing off can be alleged.

9) In rejoinder submissions, Shri Malhotra placed reliance on the definition of "design" contained in Section 2(d) of Act of 2000 and urged that in the case in hand, this Court is not concerned with "trademark", indeed it is the 'design' and similarity of design which is of significance.

10) The parties confined their arguments to the extent indicated above.

11) We have heard the parties at length and perused the record.

12) Before dealing with rival contentions, we deem it apposite to refer relevant provisions of the Act of 2000.

2. (d) "design" means only the features of shape, configuration, pattern, ornament or composition of lines

or colours applied to any article whether in two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye; but does not include any mode or principle of construction or anything which is in substance a mere mechanical device, and does not include any trade mark as defined in clause (v) of sub-section (1) of section 2 of the Trade and Merchandise Marks Act, 1958 (43 of 1958) or property mark as defined in section 479 of the Indian Penal Code (45 of 1860) or any artistic work as defined in clause (c) of section 2 of the Copyright Act, 1957 (14 of 1957);

4 Prohibition of registration of certain designs. —A design which—

- (a) is not new or original; or
- (b) has been disclosed to the public anywhere in India or in any other country by publication in tangible form or by use or in any other way prior to the filing date, or where applicable, the priority date of the application for registration; or
- (c) is not significantly distinguishable from known designs or combination of known designs; or
- (d) comprises or contains scandalous or obscene matter, shall not be registered.

5. Application for registration of designs. —

(1) The Controller may, on the application of any person claiming to be the proprietor of any new or original design not previously published in any country and which is not contrary to public order or morality, register the design under this Act:

Provided that the Controller shall before such registration refer the application for examination, by an examiner appointed under sub-section (2) of section 3, as to whether such design is capable of being registered under this Act and the rules made thereunder and consider the report of the examiner on such reference.

(Emphasis supplied)

13) The relevant portion of statement of *objects and reasons* which necessitated the lawmakers to introduce the Designs Act, 2000 reads as under:-

“The legal system of the protection of industrial designs required to be made more efficient in order to ensure effective protection to register designs. It is also required to promote design activity in order to promote the design element in an article of production.”

14) Section 4 of the Act of 2000 is couched in negative language and makes it very clear that the design which is not 'new or original' then such design cannot be registered.

15) The Apex Court in *Bharat Glass Tube Limited (supra)* has made it clear that “the expression”, “new” or “original” appearing in Section 4 means that the design which has been registered has not been published anywhere or it has been made known to the public. The expression, “new” or “original” means that it had been invented for the first time or it has not been reproduced by anyone.

16) The Bombay High Court in *2016 SCC OnLine Bom. 6945, [M/s Selvel Industries & Another v/s M/s Om Plast (India)]* held that the word *new* obviously means not in existence before. *Originality* speaks to an element of creativity. Novelty is a term that embraces both – something i.e., *new* or *original* is novel.

17) The Court below while rejecting injunction application assigned following reasons:-

- (i) The design of defendant's bottle might look to be identical but the same cannot be of “exact similitude” to the product of plaintiff;
- (ii) The two products bear different trademarks which differently designed and except for general features, no significant imitation appears;
- (iii) The features of utility cannot be protected under the garb of intellectual property;
- (iv) There might be several products having similar features in the market in respect of particular commodity but it is only the “uniqueness” and “exclusivity” that needs to be recognized;
- (v) There is no striking similarity between both the bottles.

18) The legislative intent behind the expression “new” or

“original' was that the product had been invented for the first time or it has not been reproduced by anyone. It is profitable to mention that a Full Bench of Delhi High Court in **2013 (55) PTC 61 (Del.) (FB), Mohanlal, Proprietor of Maurya Industries v/s Sona Paint & Hardwares** ruled that a plaintiff can institute a suit if registration of other side relating to a class of article qua which registration has been obtained which product is neither new nor significantly distinguishable. It is noteworthy that in order to distinguish product namely “Cool Cutie”, Shri Bagadia urged that the product “Kool Kommandar” on its body reflects its name in bold letters, whereas “Cool Cutie” contains certain visual pics / cartoon to attract the children. Thus, his product is significantly distinguishable.

19) This point is no more *res integra*. In **1997 PTC (17) Delhi (Alert India v/s Naveen Plastics)** the Court opined as under:-

“36. Thus for determining whether two designs are identical or not, it is not necessary that the two designs should be exactly the same. The main consideration to be applied is whether the broad features of shape, configuration, pattern etc. are same or nearly the same and if they are substantially the same then it will be a case of imitation of the design of one by the other.”

(Emphasis supplied)

20) Similarly, in **2017 (72) PTC 253 (Delhi), (Apollo Tyre Limited v/s Pioneer Trade Corporation)**, the High Court held that “no party can claim proprietary over the shape of a tyre, since all tyres are round in the shape of a wheel, which is functional requirement. No party can claim proprietary over the technique/practice of providing treads in a tyre, since treads are functional, i.e. they afford that necessary grip between the tyre

and the ground during movement of the vehicle to keep it substantially stable. No party can claim proprietary over the technique/practice of having a plurality of ribs, separated by grooves, which create the tread on the tyre. However, that does not mean that the unique pattern of the tread adopted by a particular manufacturer, which constitutes its unique design and shape, would not be entitled to protection as a design-if it is registered, and also as a trademark-if the tread pattern has been exploited as a trademark i.e. a source identifier. What is functional in a tyre are the “treads” and not the “tread pattern.”

21) After considering the aforesaid judgments, in ***Dart Industries Case (supra)***, the test laid down was “to keep two bottles side by side to see if those appear to be similar or different”. It was poignantly held that the plaintiff only needs to produce the two products before the Court and by visual imaging, the Court may find if impugned products are substantially similar or different. The litmus test laid down is the “look alike” factor despite minor variation [*see: Maya Appliances Private Limited (supra)*].

22) In view of the aforesaid litmus test laid down by various Courts, it is clear that the plaintiff was not required to establish that the impugned product is of “exact similitude” when compared with the other product. After having given a finding that both the products might look to be identical, the Court below was not justified in putting a different test of “exact similitude”. This test applied by Court below runs contrary to scheme and object of the Act of 2000.

23) The defendant claimed his design to be *new* or *original*

and submits that on the basis of this claim, his product was registered. In our view if design of his product is identical to that of prior registrant, it is no more open to the defendant to contend that there is no newness or novelty in the design of plaintiff [*see: Dart Industries & Another (supra)*].

24) In the case of *Dart Industries (supra)*, the Court relied upon a previous judgment of Delhi High Court in the case of *Vega Auto Accessories (P) Limited (supra)* and opined that in a case of this nature, the defendant is “estopped” from taking the plea of invalidity of registration in favour of plaintiff.

25) We will be failing in our duty if we won't consider the argument of Shri Bagadia that registration of his product's design under the Act of 2000 itself shows that it is *new* or *original*. During the course of arguments, he urged that the statutory authority / controller under the Act of 2000 is custodian of entire record including the designs which were previously registered and despite that if he has registered the design of defendant namely “Cool Cutie”, it clearly establishes that his design is *new* or *original*.

26) We do not see any merit in this contention. Section 5 of the Act of 2000 is an enabling provision for submission of an application for registration of designs. The competent authority / controller, on an application of any person *claiming to be* the proprietor of any new or original design is required to consider the application. In turn, the controller is obliged to refer the application of such person for examination, by an examiner appointed under sub-section (2) of Section 3. The scope of examination as spelled out in proviso to sub-section (5) is “as to

whether such design is capable of being registered under the Act and Rules made thereunder”. No provision of act or rule was brought to our notice which shows that either controller or the examiner is under an obligation to examine the design for which registration is applied with all previous designs of same product which have already been registered. Hence this argument deserves rejection.

27) The Court below rejected the application by holding that two products bearing different 'trademark'. In our view, there was no occasion for the Court below to rely on different 'trademark' when matter was essentially related to “design”. The definition of “design” reproduced hereinabove leaves no room for any doubt that it relates only to the features of shape, configuration, pattern, ornament or composition of lines or colour applied to any article. For the purpose of deciding/determining a “design”, the different trademark is of no significance. For the same reason, name of product “Kool Kommandar” mentioned in bold letter will not make any difference.

28) Lastly, the Court below applied the test of “uniqueness” and “exclusivity”. At the cost of repetition, the simple test for the purpose of determining the design is to keep both the products side by side to see if those appear to be similar or different. The Commercial Court was not correct in examining the product by applying the parameter of “exact similitude” or “exclusivity”. The real test is based on 'look alike' factor when both the products are placed, before the Court Test of 'exact similitude' or thread splitting of that nature will defeat the purpose of the Act of 2000.

29) Both the products namely “Kool Kommandar” and “Cool

Cutie” were produced before us during hearing. In our view, the shape, configuration and pattern of both the bottles are similar. When 'design element' of both the bottles were examined based on 'look alike' test, we find similarity in their design. Thus in our considered view, the Court below has rejected the application by applying impermissible parameters.

30) So far as judgment of Calcutta High Court in *Castrol India Limited (supra)* is concerned, the said judgment does not help the respondents at all. It was clearly held that object of the Designs Act is to protect shape but not a functional shape. In view of foregoing analysis, it is clear that this Court has considered the rival submissions regarding the shape and not the functional shape. Similarly judgment of *Skol Breweries Limited (supra)* is of no assistance in the factual backdrop of this case to the respondents because if subsequently registered product is having similarity, it has potential to mislead / misrepresent the public qua the previous product.

31) As analyzed above, the Court below has clearly erred in rejecting the application filed under Order XXXIX Rule 1 and 2 of the C.P.C.

32) Resultantly, the impugned order of Commercial Court dated 05.09.2020 (Annexure-P/8) is set aside. The application filed under Order XXXIX Rule 1 and 2 of the C.P.C. is allowed.

Miscellaneous Appeal is allowed.

No cost.

(SUJOY PAUL)
JUDGE

(SHAIENDRA SHUKLA)
JUDGE