

\$~2

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

Date of Decision: 09th May, 2022

+ **CS (COMM) 8/2016 & CRLM 1918/2002**

SHOLAY MEDIA ENTERTAINMENT AND ANR. Plaintiffs

Through: Mr. Pravin Anand, Mr. Dhruv Anand,
Ms. Udit Patro, Ms. Sampurna
Sanyal, Mr. Shrawan Chopra, Mr.
Achyut Tiwari, Advocates
(M:8604633567)

versus

YOGESH PATEL AND ORS. Defendants

Through: None.

CORAM:

JUSTICE PRATHIBA M. SINGH

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.
2. If there is one film that transcends generations of Indians, it is 'SHOLAY'. The said film, its characters, dialogues, settings, box office collections are legendary. Undoubtedly, 'SHOLAY' is one of the biggest, record-breaking films that India has ever produced, in the history of Indian cinema.
3. The present suit has been filed by Sholay Media and Entertainment Pvt Ltd. and Sippy Films Pvt. Ltd. against Defendant Nos. 1 to 8 who are described hereinbelow. Defendant Nos. 1 to 3 are members of the Patel family: Mr. Yogesh Patel, Mr. Jayesh Patel and Ms. Bhavna Patel and Defendant No.4 is 'Sholay.com Pvt. Ltd'. The said Defendants have registered the domain name 'www.sholay.com', published a magazine using

the mark/name Sholay and have put on sale various merchandise, using scenes and names from the movie 'SHOLAY'. Defendant No.5 – Netangle.com Pvt. Ltd. is a company registered by Defendant Nos. 1 to 3 as well. Defendant Nos. 6, 7, and 8 are controlling entities of the domain name 'Sholay.com'.

4. The film 'SHOLAY' was produced by Mr. G. P. Sippy and the censor certificate for the film was issued on 8th August 1975, who was running M/s. Sippy Films. It was released on Independence Day i.e., 15th August 1975. Several well-known actors and actresses namely, Mr. Sanjeev Kumar, Mr. Amitabh Bachchan, Mr. Dharmendra, Ms. Hema Malini, Ms. Jaya Bhaduri, and Amjad Khan, featured in the said film. It would not be inapposite to state that 'SHOLAY' has acquired a cult status and the film's appeal has cut across geographical boundaries, language, ideology, class, etc. It has been rightly described as a film which is a part of India's heritage. Some of the dialogues used in this film such as '*Jo dar gaya, samjho mar gaya*', '*Ai chhammia*', '*Arre o Sambha*', '*Kitne aadmi the?*' are part of colloquial language in the Hindi heartland. It received unbeatable reviews which led to the movie being run 'Housefull' for more than five years. As per the Plaintiff, the movie is stated to have very unique features some of which are:

- i. 'SHOLAY' was the first Indian movie to market its background music/songs and dialogues.
- ii. The film made use of several cinematic innovations, such as the use of 70 mm format with 6 track stereophonic sound.
- iii. SHOLAY chalked up the record of maximum shows and the highest number of prints (1100) among Indian movies. In fact, it continues to have over 100 prints in circulation even today.

5. Enormous investment went into the making of the film. The mention of the word 'SHOLAY' immediately creates a connection with the movie 'SHOLAY'. There are industry estimates which claim that, although the words 'SHOLAY' may have a dictionary meaning in Hindi (specifically, 'burning coal'), upon the movie going public, the word 'SHOLAY' came to be associated only with the film.

6. The rights in the word 'SHOLAY', which is also a registered trademark, have been recognised by Courts in favour of the Plaintiff. In judgment dated 24th August, 2015, in *CS(OS) 1892/2006* titled *Sholay Media and Entertainment Pvt. Ltd. and Anr. v. Parag Sanghavi and Ors.* the history of the Plaintiff Companies and the devolution of rights was summarised and the Court had recognised the rights of the Plaintiffs herein - Sholay Media and Entertainment Pvt. Ltd. and Sippy Films Pvt. Ltd., in the mark 'SHOLAY'. It was also observed that the copyright in the film which was produced by Sippy Films Pvt. Ltd. vests in the producer, in terms of Section 17 in the Copyright Act, 1957. The findings of the Court are extracted hereinbelow.

7. The grievance of the Plaintiffs in the present case is that upon coming across a magazine released in December, 2000 titled "IT-Information Technology", the Plaintiffs learnt that the Defendants had registered the domain name 'www.sholay.com'. The magazine was accompanied by a free compact disk ("CD") containing the advertisement of the website. In the said article published in the magazine, the representation made was that the biggest Bollywood blockbuster has hit the internet. The article claimed 'SHOLAY.com' is a comprehensive site that offers you much more than its Bollywood alias did. In the said advertisement of the website, the

Defendants sought to create an entertainment portal having various services such as chat, e-greetings, countdowns, horoscopes kid zone, classifieds, matrimonial, and grocery store, as depicted below. The website covered various subjects including, politics to cricket, finance to shopping, news updates, and bulletins from Bollywood. The said advertisement is set out below:

IT-REPORT
AN ISO 9001 COMPANY
INFORMATION TECHNOLOGY
THE COMPLETE MAGAZINE ON INFORMATION TECHNOLOGY | DECEMBER 2008 VOL. 10 NO. 2 | CD ISSUE, US\$ 8, RETAIL MFG. TO, Rs. 70

Anti-virus Software
Ask some pertinent questions before you select an anti-virus software for your computer
BRINGI DEV
COO, ESQUITY.COM
PUNE@ESQUITY.COM

STATE-OF-THE-ART MOBILE TECHNOLOGIES
Windows: Optimise Your System with These Self-help Tips
XML: Is the Sun Setting on HTML and SOAP?
"Internet Applications Require Component Technology"
Small Business: Use Your Desktop to Make Money @Home

Sholay.com
The biggest Bollywood blockbuster has hit the Net too. Sholay.com is a comprehensive site that offers you much more than its Bollywood alias did.

AMIT GUPTA
Ball2ball... keeps in mind India's cricket-mania. Poojifinancial news-for the Bulls and the Bears, and last but not the least, *Chaloterna*-for those of us who are spellbound with the world of Bollywood.

This entertainment portal also offers a host of other services like:

- Chat
- E-greetings
- Countdowns
- Horoscopes
- Kid zone
- Classifieds
- Matrimonial
- Grocery store

This portal offers members a number of benefits like *Net 2 Mobile*-enabling them to send long messages to a friend's mobile phone without adding on to his bill. You can also participate in an online contest that offers a kilo of gold as a prize.

The *Immigration Information* service offers comprehensive and valuable information pertaining to immigration laws prevalent in different countries. Log on to sholay.com before trying at the local embassy office for your visa. It will help you ensure that you get it!

The author is a member of 15 panel of writers. He can be contacted at amit10@sholay.com

8. The logo used by the Defendant on the CD is also extracted below:



9. The Plaintiff also learnt that the Defendants had filed a trademark application dated 11th February 1999 bearing Serial No.75638935 for the mark 'SHOLAY' with the United States Patent and Trademark Office ("USPTO") in Class 42, as also in India. The said application with the USPTO was filed in the name of a Company called 'SHOLAY.COM., INC', which was based out of Bridgewater, New Jersey. In India, the trademark application, was filed by the Defendant No.5 Company - Netangle.com Pvt. Ltd. which was registered in Hyderabad with Mr. Jayesh Patel, Ms. Bhavna Patel and Mr. Yogesh Patel as its directors.

10. The Defendants also registered Defendant No.4-Company by the name of Sholay.com Pvt Ltd. The said name was objected to by the Plaintiffs under the provisions of Section 22 of the Companies Act, 2013. The Regional Director, Southern Region, Registrar of Companies, Chennai, in its order dated 20th December, 2000 directed the Defendant No. 2 to delete the word 'Sholay' from its existing name. The relevant observations of the Regional Director in its order dated 20th December, 2000 are extracted

below:

"to delete the word SHOLAY from its existing name and change to some other prefix appropriately, within three months from the date of this order".

XXX XXX XXX

"Undoubtedly it is true that the movie SHOLAY was one of the most successful films in the Indian film industry and thus it has acquired a unique reputation and goodwill. Also, the material placed before me shows that there has been a wide coverage by all leading newspapers regarding the achievements of Sholay and also the proposed new projects of the applicant company.

The respondent company's name is Sholay.com Pvt Ltd and no significance of any nature was shown for the word SHOLAY and thus it is undesirable in terms of Guideline No. 23 framed under Section 20 of the Companies Act, 1956. In view of the reputation the word SHOLAY earned, the public may bonafide believe that Sholay.com Pvt. Ltd is associated with or an associate of Sholay film or the company which is the owner of the said film."

11. A writ petition being **W.P. (C) No. 4823 of 2001** was filed by the Defendants challenging the above order before the High Court of Madras. Vide final order dated 22nd April, 2003 allowing the writ petition, the impugned order dated 20th December, 2000 passed by the Regional Director, Company Affairs, Southern Region, was set aside solely on the ground of violation of principles of natural justice. The operative portion of the said order reads as under:

" 10. It is not in dispute that the petitioner has registered its name as "Sholay.Com" as early as on 21.12.1999. A direction has been given in the impugned order to the writ petitioner to delete the name "Sholay" and change the said name to some

other prefix. Such a direction would certainly affect the right accrued on the petitioner, by virtue of the incorporation of the company and consequentially its trade.

11. Hence, in my considered view, in the absence of a reasonable opportunity to defend the application filed by the second respondent seeking for a direction under Section 22 of the Companies Act, the impugned order is liable to be set aside. Accordingly, the impugned order is set aside solely on the ground of violation of principles of natural justice. The first respondent is directed to hold the enquiry on 5.5.2003 commencing from 10.00 a.m. and if necessary on a further date fixed by him, duly intimate to either parties and pass orders on merits of the case after hearing both the petitioner and the second respondent. I make it clear that I have not expressed any opinion on the merits of the rival claims.

12. With the above observation, the impugned order is set aside and the writ petition is allowed. No costs.”

12. As per the Plaint, the manner in which the Defendants sought to misappropriate the rights of the Plaintiffs in the mark ‘SHOLAY’ has been elucidated below:

“i) registering the same as a series of domain names, including:

- a) sholay.com,*
- b) sholay.net,*
- c) e-sholay.com,*
- d) sholaychat.com*
- e) sholayindia.com,*
- f) sholaymall.com,*
- g) sholaynews.com,*
- h) sholayonline.com.*
- i) sholayradio.com,*
- j) sholaytv.com,*

- k) *Mysholay.com,*
- l) *Asksholay.com,*
- m) *sholay.fm*
- n) *n) sholay.co.in*

ii) Using SHOLAY as a trademark on their website, www.sholay.com in relation to various online services such as “Sholay Jobs”, “Sholay Calendar”, “Sholay Chat”, “Sholay matrimony”, “Sholay e-messages” etc.

iii) Incorporating companies with the name SHOLAY, including the following:

i) Sholay.com Pvt Ltd

ii) Sholay.com Inc

iii) Sholay DOT Co Inc

iv) Applying to register the name SHOLAY as a trademark in India and the United States of America.”

13. Apart from the above, the Defendants were also using a similar logo, colour scheme, and device and offering Ganpati silver coins, sweets and savouries from Indian Mithai shops, DVDs of the movie ‘SHOLAY’ on their website. The word ‘SHOLAY’ was also being used as a metatag by the Defendants on their web pages.

14. The use of the mark ‘SHOLAY’ on the internet caused actual confusion which has been narrated in the Plaint. A search of the word ‘SHOLAY’ returned the Defendants’ website in the list of results on various search engines, causing actual instances of confusion. The said instances have been summarised in paragraph 41 of the Plaint as under:

- i. On August 26, 2000, the CEO of Plaintiff No. 2, Mr. Sascha Sippy, received a letter from iAnswers.com, a New York based organisation, which stated as follows:

"The other day I notice that the company sholay.com has solicited us to become one of our affiliate partners.

If I am not mistaking you are in charge of this company and I was wondering if we could set up a meeting to discuss how iAnswers.com and sholay.com may become partners beyond a simple affiliate relationship.”

ii. In and around January 2001, during a meeting between Mr. Sascha Sippy and Ms. Judi Kilachand, director of Business Programs for the Asia Society at New York, in relation to the movie SHOLAY and the Plaintiffs website esholay.com, Ms. Kilachand remarked that she was under the impression that the plaintiffs owned the website www.sholay.com. Mr. Sippy then clarified to Ms. Kilachand that this was not their website, wherein Ms. Kilachand further remarked that this website was being heavily promoted amongst the Indian community in the US.

15. According to the Plaintiffs, such use constitutes infringement, passing off, dilution and tarnishment of the well-known mark ‘SHOLAY’. The Plaintiffs, thus, filed the present suit seeking permanent injunction restraining the infringement of their registered trademark ‘SHOLAY’ by the Defendants, passing off, damages, rendition of accounts, delivery up, etc. The reliefs sought by the Defendants are extracted below:

“(i) An order for permanent injunction restraining the Defendants, their directors, partners or proprietors as the case may be, their principal officers, servants and agents from operating any business, making, selling, offering for sale, advertising, or in any other manner dealing in any goods or services, under the name SHOLAY or any other name which is identical with or deceptively similar to the Plaintiffs trademark SHOLAY as an essential or dominant feature thereof, whether in the physical world or on the Internet and from doing any other thing as is likely to lead to

passing off of the websites, business or goods/services of the Defendants as and for those of Plaintiffs;

(A) An order for permanent injunction restraining the Defendants, their principal officers, partners or proprietors as the case may be, servants and agents from manufacturing, selling, offer for sale, advertising, directly or indirectly dealing in any goods/services infringing the Plaintiff's trademark SHOLAY under application no.No.928687 and 966278 or any other mark which is deceptively similar to the Plaintiffs registered trademark SHOLAY or doing any other thing amounting to infringement of the Plaintiff's registered trademark.

(B) An order for permanent injunction restraining the Defendants, their principal officers, partners or proprietors as the case may be, servants and agents from manufacturing, selling, offer for sale, advertising, directly or indirectly dealing in any goods/services infringing the Plaintiffs trademark SHOLAY under registration Nos. 967055, 928686, 967054, 966271, 966272, 966273, 966274, 966275, 966276, 966277 and 966279 or any other mark which is deceptively similar to the Plaintiffs registered trademark SHOLAY or doing any other thing amounting to infringement of the Plaintiffs registered trademark.

(ii) An order for permanent injunction restraining the Defendants, their directors, partners or proprietor as the case may be, their principal officers, servants and agents from registering domain names incorporating the name SHOLAY or any other deceptive variant thereof or using such names on the Internet, so as to lead to passing off of the website, business and goods/services of the Defendants as and for those of the Plaintiffs;

(iii) An order for permanent injunction restraining the Defendants, their directors, partners or proprietor as

the case may be, their principal officers, servants and agents from operating any business, and making, selling, offering for sale, advertising, promoting or in any other manner dealing in any goods or services, under the trading style name SHOLAY or any other name which is identical with or deceptively similar to the Plaintiff's trademark SHOLAY as an essential or dominant feature thereof, whether in the physical world or on the Internet and from doing any other thing as is likely to lead to passing off of the websites, business and goods/services of the Defendants as and for those of Plaintiffs;

(iv) An order for permanent injunction restraining the Defendants, it's partners or proprietor as the case may be, it's principal officers, servants and agents and all others acting for and on it's behalf from passing off the Defendant's website as and for that of the Plaintiffs, by including the Plaintiffs trademark SHOLAY or any other receptively similar trademark thereto as a metatag in the source code of the Defendant's website, and thereby passing off such website as and for that of the Plaintiff,

(v) An order for permanent injunction restraining the Defendants, their directors, partners or proprietor as the case may be, their principal officers, servants and agents from operating any business, making, selling, offering for sale, or in any manner dealing in any goods or services, under the name SHOLAY or any other name which is identical with or deceptively similar to the Plaintiff's trademark SHOLAY as an essential or dominant feature thereof, on the Internet or otherwise and from doing any other thing as is likely to dilute the Plaintiffs trademark SHOLAY or to lead of tarnishment of the asset, which is the movie title corporate name and trademark SHOLAY.

(vi) An order for transfer of all domain names incorporating the name SHOLAY or any deceptively

similar variation thereof including sholay.com, sholay.net, e-sholay.com, sholaychat.com, sholayindia.com, sholaymall.com, sholaynews.com, sholayonline.com. sholayradio.com, sholaytv.com, Mysholay.com, Asksholay.com, sholay.fm and sholay.co.in to the Plaintiff and for delivery-up of all impugned materials, including but not limited to brochures, stationery and other printed matter, for purposes of destruction and/or erasure;

(vii) An order for rendition of accounts of profit illegally earned by the Defendants on account of the infringing activities and a decree for the amount ascertained be passed in favour of the Plaintiff;

(viii) An order of damages of 10 lakhs which the Plaintiff has suffered by way of the Defendants' infringing activities, such activities having seriously eroded, diluted and reduced the value of the Plaintiff's trademark SHOLAY and caused the Plaintiff loss of business, reputation and untold hardship.

(ix) An order for costs in these proceedings; and”

16. Vide order dated 21st August, 2001 in the present suit, an *ex parte ad interim* injunction was granted in the following terms:

“IA _____/2001

It is an application for exemption. Allowed, subject to all just exceptions.

Suit No. 1714 /2001 & IA 7665/2001(Be numbered).

Plaint be registered as suit.

Summons in the suit and notice of the application be issued to the defendants by ordinary process as well as by Regd. AD cover, returnable on 21.1.2001.

It has been contended by Mr. V.P. Singh, learned counsel for the plaintiff that the plaintiff has been using the word Sholay in relation to

cinematography films, vinyl records, audio tapes and DVDs etc and has also made application for registration of trade mark 'Sholay' in relation to various goods, details of which have been given at page 9 of the application. The Plaintiff has also in order to expand its presence and operation on the internet registered itself in the names of 'ESHOLAY.COM, ESHOLAY.NET, SHOLAYENT.COM and SHOLAYTWO.COM'

It has been contended by Mr. V.P. Singh, learned counsel for the plaintiff that defendants 1 and 2 are directors of defendant no.4. Defendant no.5 is a sister concern of defendant no.4. Defendant no.3 who is wife of defendant no.2 and she is one of the directors of defendant no.5. Defendant no.6-Sholay.com Inc and defendant no.7 -Sybanet communications Inc. and defendant no.8- Sholay DOT Co. Incorporation are using the word 'Sholay' to enchain the reputation and good will of the plaintiff's trade name 'Sholay' which has acquired tremendous clout, good will and reputation and word SHOLAY has assumed secondary meaning. It was also contended by Mr. V. P. Singh, learned counsel for the plaintiff that from the perusal of the documents placed on record at page 240, 241 and 318, it will be borne out that the defendants are using the internationally known film Sholay's name produced by plaintiff no.2 which has now been gifted to plaintiff no.1 in advertising 'Sholay.com'. At page 242 of the documents, the Defendants have been used on the letter head of their website Sholay.com to the following effect:-

"The biggest Bollywood blockbuster has hit the Net too. Sholay.com is a comprehensive site that offers you much more than its Bollywood alias did."

From the perusal of the documents, pleadings and after hearing arguments of learned counsel for the plaintiff/ applicant, a prima facie case is made out by the applicant for grant of an ex parte injunction

limited to the extent that defendants are restrained from using film Sholay its characters, songs, sequences, clippings in the manner whatsoever so as to promote its website Sholay.com till the next the next date of hearing. They are further restrained from using the word Sholay in relation to any film which they want to their website Sholay.com.

Plaintiff to comply with the provisions of Rule 3 of Order 39 C.P.C. within one week.”

17. Thereafter, the Defendants entered appearance and filed an application challenging the territorial jurisdiction of this Court. During pendency of the present suit, some of the trademark applications of the Plaintiffs in relation to the mark ‘SHOLAY’, which were also pleaded in the Plaint, were granted registration. The Plaintiff sought amendment of the Plaint to add the said registrations which was allowed on 28th August, 2006.

18. Vide judgment dated 27th January, 2010, the application under Order 7 Rule 11 CPC was allowed and the Plaint was returned. The Plaintiffs filed an appeal against the said order - ***FAO (OS) No.222 of 2010*** titled ***Sholay Media and Entertainment Pvt. Ltd. & Anr. v. Mr. Yogesh Patel & Ors.*** By order dated 13th March, 2014, the judgment dated 27th January, 2010 was set aside and ***CS (OS) No. 1714/2001*** was restored along with the interim injunction. The operative portion of the said order is set out below:

“3. The impugned order is patently erroneous and overlooks that the respondents have distributed CDs along with the December issue of IT Magazine which was extensively circulated in Delhi in which respondent's website SHOLAY.COM was advertised. The learned Single Judge has overlooked that when the CD was loaded it displayed the website www.sholav.com with prominence such that any user would click the same on the link to be transported to

respondent's website and in turn could then avail of various services such as e-greetings/e-chat and goods such as DVDs sold by the respondent. The learned Single Judge has overlooked that the respondent's website is a virtual store with the 'essential interactive features' that permits a visitor to order goods or services and communicate with the respondents via e-mail. Cumulatively read there are sufficient pleadings to show the respondents promoting their business actively in Delhi.

XXX XXX XXX

6. The appeal is allowed. Impugned order dated April 27, 2010 is set aside. CS (OS) No.1714/2001 is restored. Pending applications which were dismissed as a result of the plaint being returned are revived and so are the interim injunctions which were operating."

19. In the written statement, the Defendants took the stand that they are in the business of computer products. It is urged that the intention of the Plaintiffs is to extract money from the Defendants who have created a popular website called www.sholay.com, registered by the Defendants in the USA. The case of the Defendant was that the suit did not disclose a cause of action. The Defendants urged that a movie title is not entitled to any rights and, hence, there can be no passing off. The Plaintiffs, however, rely on ***Krishika Lulla v. Shyam Vithalrao Devkatta and Ors. [(2016) 2 SCC 521]***, to rebut that contention.

20. It was further urged that the order dated 20th December, 2000 passed by the Registrar of Companies and extracted hereinabove, was stayed by the Madras High Court, vide order dated 13th March, 2001. In fact, the Plaintiff's plea that there was no stay of the said order was false. The Defendants also claimed that the website did not have any resemblance to the movie

‘SHOLAY’ and the word ‘SHOLAY’ has a common dictionary meaning. In addition, third-party use of the mark ‘SHOLAY’ was also cited. The Defendants also challenged the reputation of the Plaintiffs.

21. In the year 2016, the present suit was amended again due to further registrations granted in favour of the Plaintiffs in relation to the mark ‘SHOLAY’. The various trademark registrations presently valid and subsisting are set out below:

“

<i>S. No.</i>	<i>Trademark</i>	<i>Registration No.</i>	<i>Class</i>	<i>Goods</i>
1.	SHOLAY	967055	3	Perfumes, nonmedicated cosmetics such as shampoos soaps etc.
2.	SHOLAY	928619	9	Video films, tapes, cassettes etc.
3.	SHOLAY	966272	14	Clocks, wristwatches, costume, Jewellery etc.
4.	SHOLAY	928687	16	Albums, Articles of paper etc.
5.	SHOLAY	966273	18	All kinds of leather and imitations of leather etc.
6.	SHOLAY	967054	21	Cleaning material like mops and wringer buckets etc.,
7.	SHOLAY	966274	25	T-shirts, jeans, caps etc.
8.	SHOLAY	966275	28	Stuffed toy figures and toy animals etc.
9.	SHOLAY	966276	29	Meat, fish, poultry and game etc.
10.	SHOLAY	966277	30	Coffee, tea, cocoa, sugar rice etc.

12.	SHOLAY	966279	34	Gutka, zarda, quiwam, all types of chewing tobacco
13.	SHOLAY	966271	9	Video films, tapes, cassettes, etc.
14.	SHOLAY	928686	9	Video films, tapes, cassettes, etc.

”

22. Mediation was explored to resolve the disputes. However, the same had failed. There has been no appearance on behalf of the Defendants 20th March, 2019 onwards. The interim order already granted on 21st August, 2001 was confirmed on 14th March 2022 by this Court. Even today, none appears for the Defendants.

23. Mr. Anand, Id. Counsel appearing for the Plaintiffs submits that he has filed his written submissions and has urged that the Defendants were misusing the mark ‘SHOLAY’. He further argued that the Defendants’ adoption of the mark was not *bona fide* or innocent. The Defendants did not adopt the mark ‘SHOLAY’ only as a part of the domain name being www.sholay.com, but also in the following manner:

- i. by registering a series of domain names;
- ii. by using the word ‘SHOLAY’ as part of the corporate name;
- iii. by applying for the registrations of the mark ‘SHOLAY’ in India as also in the USA;
- iv. by using an identical logo of ‘SHOLAY’;
- v. by offering the DVD of the Plaintiff’s film ‘SHOLAY’ on their website;
- vi. by using the name ‘SHOLAY’ as a meta tag.

24. The Plaintiffs revealed the intention of the Defendants to foreclose the

natural expansion of the Plaintiffs in the virtual space. The various defences raised by the Defendants in the written statement have also been addressed by the Plaintiffs in their written submissions.

25. The Defendants have already been proceeded *ex parte* in this matter. The rights in the mark 'SHOLAY' vesting in the Plaintiff's has already been judicially recognised in the decision dated 24th August, 2015 in **CS(OS) 1892/2006** titled ***Sholay Media and Entertainment Pvt. Ltd. and Anr. v. Parag Sanghavi and Ors.***

26. Thus, the question that arises is whether any *ex parte* evidence would be required in this case. On behalf of the Plaintiffs, the following two aspects have been urged:

- i. That the rights in the mark 'SHOLAY' vest in the Plaintiffs, and
- ii. That the Defendants conduct constitutes infringement and violation of statutory and common law rights in the mark 'SHOLAY'.

27. Insofar as the first aspect of the rights of the Plaintiffs, is concerned, the same has already been recognised in the earlier judicial decision dated 24th August, 2015 in **CS(OS) 1892/2006** titled ***Sholay Media and Entertainment Pvt. Ltd. and Anr. v. Parag Sanghavi and Ors.*** The findings in the said decision are set out below:

"3. The plaintiffs are the copyright owners and administer all intellectual property in respect of 32 cinematograph films, including the iconic and eternal hit film "SHOLAY". The other hits in the Sippy repertoire of films include films such as 'Johar Mehmood in Goa', 'Bhramachari', 'Bandhan', 'Andaz', 'Seeta Aur Geeta', 'Shaan', 'Saagar, Patthar Ke

Phool', Sheshensha Hameshaa' etc.

4. *The history of the plaintiffs companies and devolution of rights in the film is summarized herein below;*

a) 26th November, 1954: *Plaintiff No.2 was incorporated under the leadership of the late Mr. G.P. Sippy to produce and handle distribution of cinematograph films. Certificate of Incorporation and Memorandum and Articles of Association of plaintiff No.2 has been exhibited as Ex PW 1/3 and Ex PW 1/4.*

b) 3rd August, 1965: *M/s Sippy Films, a partnership firm, was formed. Films belonging to the Sippy repertoire were produced through this firm. Table summarizing the dates of appointment and retirement of various members of the Sippy family who became partners in the firm and Directors of plaintiff No.2 has been marked as Mark A.*

- *Mr. Ajit Sippy (defendant No.7), through whom defendant Nos.3, 5 and 6 claimed to have acquired certain rights, was admitted as a partner of M/s Sippy Films on 1st January, 1976 and retired on 15th September, 1976. The retirement deed by virtue of which defendant No.7 relinquished all rights in the Sippy repertoire has been exhibited as Ex PW1/5.*

c) 10th September, 1997: *Plaintiff No.2 was admitted as a partner in the partnership firm. The deed of partnership has been marked as Mark N.*

d) 11th September, 1997: *M/s Sippy films, the erstwhile partnership firm has only two partners remaining i.e. Mr. Vijay Sippy and plaintiff No.2. The deed of partnership has been marked as Mark O.*

e) 17th April, 1998: *Dissolution of the partnership firm on the death of Mr. Vijay Sippy. Extract from the Register of Partnerships certifying the dissolution of*

M/s Sippy Films has been exhibited Ex PW1/9. After dissolution of the partnership firm, plaintiff No.2 through Mr. Sascha Sippy, the sole heir of Mr. Vijay Sippy and one of the Directors of plaintiff No.2, continued to exercise all rights in the Sippy repertoire and the name Sippy Films' came to denote a proprietary concern of plaintiff No.2. The last will of Mr. Vijay Sippy in favour of his son Mr. Sascha Sippy has been marked Mark C.

f) 11th September, 2000: Plaintiff No.1 was incorporated in order to capitalize on the brand value and merchandising potential inherent in the iconic hit film 'Sholay'. Copies of the certificate of Incorporation, Articles and Memorandum of Association of plaintiff No.1 has been exhibited as Ex PW 1/11 and Ex PW 1/12. The gift deed dated 14th September, 2000 whereby plaintiff No.2 transferred all the right, title and interest in the film Sholay to plaintiff No.1 has been exhibited as Ex PW1/13.

XXX XXX XXX

16. As a consequence of gift deed dated 14th September, 2000, the copyright in the cinematographic film SHOLAY stood transferred to plaintiff No.1. Thus, plaintiff No.1 is the owner of the copyright as well as all common law rights in the cinematographic film SHOLAY and the constituent parts of the cinematographic film SHOLAY. By virtue of being the owner of copyright in the cinematographic film SHOLAY as well as those of its constituent parts i.e. the screenplay, script, sound recordings (i.e., songs and recording of the back ground music), musical works, lyrics, artwork etc. the plaintiffs are thus according certain exclusive rights under Section 14 of the Copyright Act, 1957. These exclusive rights accord plaintiff No.1 the exclusive right to exploit the cinematographic film SHOLAY under Section 14(d) of the Copyright Act, 1957."

28. In view of the above conclusions, the aspect of rights vested in the Plaintiffs stands adjudicated and there appears to be no challenge to the same. Ld. Counsel for the Plaintiff has submitted that the said judgement is not under challenge.

29. Thus, only the second issue remains to be considered, as to whether the future use of the word/mark/name 'SHOLAY' is liable to be enjoined. The Defendants do not dispute the following facts:

- i. That the Defendants have registered various domain names with the mark 'SHOLAY'.
- ii. That the Defendants have applied for registrations of the marks in India and in the USA.
- iii. That the Defendants are using the word 'SHOLAY' as a prominent part of their corporate name.

30. The Defendants only seek to justify their use of the Plaintiffs' mark 'SHOLAY' by urging that:

- i. Film titles are not entitled to protection and that they have applied for registration earlier.
- ii. There is no probability of confusion on the internet and that 'SHOLAY' is a dictionary word.

31. In respect of the above contentions of the Defendants, following the rationale of the judgment of the Id. Single Judge of this Court in *Disney Enterprises Inc. & Anr. v. Balraj Muttneja & Ors.* [CS (OS) 3466/2012 decided on 20th February, 2014], this Court is of the opinion that no evidence needs to be adduced inasmuch as the facts are not seriously in dispute in this case. The same has been reiterated by the Court in *S. Oliver Bernd Freier GMBH & CO. KG v. Jaikara Apparels and Ors.* [210 (2014)]

DLT 381], as also, in *United Coffee House v. Raghav Kalra and Ors. [2013 (55) PTC 414 (Del)]*. The relevant observations from the judgment in *Disney Enterprises Inc. (supra)*, are as under:

“3. Though the defendants entered appearance through their counsel on 01.02.2013 but remained unrepresented thereafter and failed to file a written statement as well. The defendants were thus directed to be proceeded *ex-parte* vide order dated 04.10.2013 and the plaintiffs permitted to file affidavits by way of *ex-parte* evidence.

4. The plaintiffs, despite having been granted sufficient time and several opportunities, have failed to get their affidavits for leading *ex-parte* evidence on record. However, it is not deemed expedient to further await the same and allow this matter to languish, for the reason that I have in Indian Performing Rights Society Ltd. Vs. Gauhati Town Club MANU/DE/0582/2013 held that where the defendant is *ex parte* and the material before the Court is sufficient to allow the claim of the plaintiff, the time of the Court should not be wasted in directing *ex parte* evidence to be recorded and which mostly is nothing but a repetition of the contents of the plaint.”

32. Since the Defendants have not entered appearance and led evidence in support of the contentions raised, the defences raised by the Defendants in their pleadings are considered hereinbelow:

- i. Contention: That the Defendants applied for the mark ‘SHOLAY’ on 16th April, 1999 in India and 11th February, 1999 in the USA, prior to the Plaintiffs. The Defendants also incorporated the Defendant No.4-Company with the name ‘SHOLAY’ as early as on 21st December, 1999. Admittedly, the Plaintiffs applied for registrations in the USA in the year 2000 and in India, the earliest application dates back to

October, 2000.

Finding: The Defendants claim that their application is prior to the application and registration of the mark by the Plaintiffs. This claim is bereft of any force, inasmuch as the film ‘SHOLAY’ of the Plaintiffs was released in the year 1975, much before the application for registration and the incorporation of the Company by the Defendants. The manner of use of the word ‘SHOLAY’ by the Defendants, is not descriptive, but is a clear indication of an association with the Plaintiffs’ film. The offering of the CD and the DVD of the film ‘SHOLAY’ on the website of the Defendants shows that the Defendants’ adoption is, in fact, *mala fide* and dishonest. Moreover, the Defendants have registered a series of domain names identical and deceptively similar to the name of the film ‘SHOLAY’, which cannot be justified in any manner, especially when the Defendants own and could have used any of their other registered domain names, such as ‘zerozone.com’. Their use of identical domain names is nothing but an attempt to encash the goodwill enjoyed by the blockbuster movie ‘SHOLAY’ of the Plaintiffs. The Plaintiffs clearly have a cause of action under Section 27 of the Trademarks Act, 1999 to sue for passing off. The mark ‘Sholay’ enjoys continued goodwill in India. As and when more and more media have evolved for the communication of a film, the rights in ‘SHOLAY’ have been licensed/assigned by the Plaintiffs. The mark ‘SHOLAY’ has already been recognised as a well-known mark. Thus, the mere earlier trademark applications or use as part of a corporate name would not vest any prior rights in favour of the Defendants.

ii. **Contention:** The goods and services offered by the Plaintiffs and Defendants are different, unrelated and not overlapping.

Finding: The Plaintiffs have a large number of registrations as set out hereinabove. The activities of the Defendants would be covered by most of these registrations. The content in a movie is no longer merely restricted to theatrical screening, but also to online platforms and other electronic platforms. Thus, the internet has itself created an additional market for ‘SHOLAY’, which is a film nearly 50 years old. The adoption by the Defendants is with complete knowledge of the Plaintiffs’ film, especially considering that the Defendants’ companies are being run by Indians, who are more than likely to be aware of the film ‘SHOLAY’. The goods and services being offered can be considered as being off shoots emanating from the Plaintiffs.

iii. **Contention:** Titles of films cannot be Trademarks.

Finding: The word ‘SHOLAY’, is the title of an iconic film, and consequently, as a mark having been associated with the film, produced and now vesting in the Plaintiffs, cannot be held to be devoid of protection. Certain films cross the boundaries of just being ordinary words and the title of the film ‘SHOLAY’ is one of them. Titles and films are capable of being recognised under trademark law and in India ‘SHOLAY’ would be a classic example of such a case. On this issue, the Supreme Court in *Krishika Lulla & Ors. V. Shyam Vithalrao Devkatta & Anr. [(2016) 2 SCC 521]* has held as under:

“19. We are thus, of the view that no copyright subsists in the title of a literary work and a plaintiff or a complainant is not entitled to relief on such basis except in an action for passing off or in respect of a

registered trade mark comprising such titles. This does not mean that in no case can a title be a proper subject of protection against being copied as held in Dicks v. Yates where Jessel M.R. said “there might be copyright in a title as for instance a whole page of title or something of that kind requiring invention” or as observed by Copinger (supra).”

Similar is the view taken by the Id. Single Judge of this Court in ***Kanungo Media (P) Ltd. v. RGV Film Factory & Ors. [2007 SCC OnLine Del 314]***, wherein it was observed as under:

“18. Whether titles of single literary works can be registered as trade mark or not has itself become debatable in the US, though in the case of titles of series of literary work, judicial opinion is that they are registrable. However, it is not necessary to go into this debate inasmuch as the plaintiff's title ‘Nisshabd’ for its film is not registered as trademark. The case at hand is, therefore, while applying the legal protection given to such titles under the Trade Marks Act is to be considered on the principle applicable in the cases of passing off of such trademarks. In passing off, necessary ingredient to be established is the likelihood of confusion and for establishing this ingredient it becomes necessary to prove that the title has acquired secondary meaning. Thus, in case of unregistered title following ingredients are to be proved in order to triumph in an injunction suit:—

(i) Title has acquired the secondary meaning;
(ii) There is likelihood of confusion of source, affiliation, sponsorship or connection of potential buyers/audience/viewers.”

- iv. **Contention:** The Defendants contend that ‘Sholay.com’ is a website on the internet which is used by educated persons, which would consequently lead to lesser likelihood of confusion.

Finding: Insofar as internet usage is concerned, the said platform is now being accessed by billions of users across the world who may range from very educated to even illiterate people. In this day and age, the internet as a medium has become a platform for dissemination, communication and empowerment to the common man. Thus, in the opinion of this Court, the contention that the internet is only being used by educated persons is unacceptable. It would be easy for any person, not just educated individuals, to establish a connection between the Plaintiffs' film and the Defendants' website. The use of identical logos, marks and names originating from the movie 'SHOLAY' further confound the issue. Moreover, the chances of confusion which have been narrated in the Plaint and extracted hereinabove, leave no doubt in the mind of the Court that there is every likelihood of confusion.

- v. **Contention:** The subject matter of the present suit is substantially similar to that in the proceedings in the writ petition filed before Madras High Court.

Finding: The writ petition being *W.P. (C) No. 4823 of 2001*, filed before the Madras High Court which emanated under Section 22 of the Companies Act was of limited scope. The said writ petition now stands disposed of. The present suit is a broad suit seeking prayers *qua* infringement, passing off, dilution, etc. The use of the mark 'SHOLAY' as part of domain names and company names, etc. are completely illegal and unlawful in these facts. The acclaimed status of the film 'SHOLAY' in India has also been recognised by the Bombay High Court while dealing with a case relating to another movie titled

‘Veere Di Wedding’. In the said judgement in *Anil Kapoor Film Co. Pvt. Ltd. v. Make My Day Entertainment & Anr* [2017 SCC OnLine Bom 8119], Justice G.S. Patel has observed the following in relation to a movie title:

“20. Finally, there is the title itself. It is a common place phrase in one or more of our many vernacular tongues. It means “my best friend’s wedding”. There are, I imagine, titles of some books and movies (and songs or melodies) that by themselves are sufficiently unique: Gravity’s Rainbow, perhaps, or The Catcher in the Rye, To Kill A Mockingbird, and so on. In cinema, too, this may be so: Citizen Kane, Blade Runner, many of the Bond movies (Goldfinger, Thunderball, The Quantum of Solace), Aguirre the Wrath of God, Fitzcarraldo, etc. But the fact that the title is unique is not in itself sufficient to establish reputation, nor is the fact that there has been a previous book or a film with the same name. There is absolutely no shortage of films that have exactly the same title but are very different otherwise and share nothing else in common. These instances put us squarely within the frame of the ration in KM Multani: in that case, too, there were two competing films with the same name but nothing else. There exist many films with exactly the same title but different contents. It is not shown, or even urged, that for these films an action in passing off succeeded, was ever filed, or even could have been filed merely because the two titles were the same. George Tillman Jr’s 2009 Notorious is about as far as it is possible to be from Alfred Hitchcock’s 1946 work of the same name; and this is true too of several others. There is not a suggestion in the plaint that, apart from the title, there is any commonality between the Plaintiff’s forthcoming film and that of the 1st Defendant. When therefore the Plaintiff argues that an action in passing off lies in respect of a title of a film,

*though not in copyright infringement, this is inaccurate. A work may gain reputation on publication or release. In showing reputation, a plaintiff must show that his work with that name is associated in the public mind only with that film or book, one that exists. When the title is unusual or unique, it might make the task of a plaintiff somewhat easier, but I think it is difficult to conceive of a reputation attaching to a non-existent thing — a film not made or a book not written — no matter how unique the title. Where the title is more commonplace, the burden of establishing a reputation might lie heavier; but that burden is never discharged by saying only, as the present Plaintiff does, that it has plans to make a movie with a particular title and others have spoken of it. Films with names Gaslight, Birth of a Nation, Casablanca, Bicycle Thieves, or hundreds of others; and, closer home, of films with commonplace titles like Zanjeer, Deewar, Anand, Pyaasa or **Sholay** — the list is endless — are all instances of film that, with possibly ordinary titles, acquired a reputation in those titles upon their release. The ‘reputation’ of these films has, over time, been so established that the titles uniquely connote these films and no other. I do not think that is even remotely true of the Plaintiff’s yet-to-be-made film. Thus, when a plaintiff claims passing off in a title simpliciter, independently of any content similarity, he reaches well beyond the considerations of KM Multani (where, incidentally, there was, in relation to reputation, an overview of the content). It is, I think, prima facie exceedingly difficult to conceive of reputation attaching to a title alone, of a thing not in existence, divorced entirely from content. This burden is not, prima facie, sufficiently discharged to warrant an ad-interim injunction.”*

33. The highlighted portion of the paragraph above judicially acknowledges the reputation in the film title ‘SHOLAY’, which is now

uncontroverted.

34. Under the facts and circumstances of the present case, the following directions are issued:

- i. The present suit is decreed in terms of the reliefs sought in paragraph 60(i) to (vi) as also 60(viii) and (ix) of the Plaint. Accordingly, the Defendants, their directors, partners, proprietor and anyone acting for and on their behalf are restrained from using the name 'SHOLAY' in respect of any goods and services and also from using the domain name 'Sholay.com' and making any reference to the movie 'SHOLAY' or using any images or clippings from the said movie, as also from selling merchandise using the name SHOLAY or any images from the said cinematographic film. The Defendants shall also stand restrained from using any variation of the mark/name 'SHOLAY' on the internet or otherwise including use as a metatag in the source code.
- ii. In terms of the relief as sought in paragraph 60(vi), the concerned domain names registrars are directed to transfer the infringing domain names to the Plaintiffs, within one week of the receipt of the present order and the details of the Plaintiffs.
- iii. The statement of costs has been filed by the Plaintiffs. The same is taken on record. Though, the cost statement has been filed showing expenses to the tune of Rs.6,58,036.00/- on various accounts including court fee, miscellaneous expenses and legal fee. It is also submitted by Id. Counsel for Plaintiffs that a substantial quantum of services were rendered even on *pro bono* basis. Considering the observations of the Supreme Court on the issue of costs to be awarded

in commercial matters in *Uflex Ltd. v. Government of Tamil Nadu & Ors. [Civil Appeal Nos.4862-4863 of 2021, decided on 17th September, 2021]*, actual costs ought to be awarded, keeping in mind the bill of costs, including counsel fees. In the present case, the Defendants have contested this matter for over 20 years. The adoption of the mark 'SHOLAY' by the Defendants was clearly *mala fide* and dishonest, owing to the use of the infringing logo, designs, selling of the DVD of the film 'SHOLAY' on the Defendants' website, etc. For the reasons contained above, this Court is convinced that this is a fit case for award of costs to the Plaintiffs. Accordingly, the present suit is decreed for a sum of Rs.25,00,000/- as costs and damages, in terms of the relief as sought in paragraph 60(ix) of the Plaint.

35. The Defendant shall pay the said amount within three months, failing which, the Plaintiff is permitted to avail of its remedies in accordance with law for execution of the decree.

36. All pending applications are also disposed of. Decree sheet be drawn accordingly.

भारतमेव जयते

PRATHIBA M. SINGH
JUDGE

MAY 9, 2022/dj/ad/ss
(corrected & released on 23rd May, 2022)