

MANU/DE/0813/2003

Equivalent Citation: 2003VIIIAD(Delhi)572, 107(2003)DLT91, 2003(27)PTC280(Del), 2004(1)RAJ69

IN THE HIGH COURT OF DELHI

IA No. 1766/93 in Suit No. 381 of 1993

Decided On: 09.09.2003

Appellants: **Super Cassette Industries Limited**
Vs.

Respondent: **Bathla Cassette Industries Pvt. Limited**

Hon'ble Judges/Coram:

Mukul Mudgal, J.

Counsels:

For Appellant/Petitioner/plaintiff: Praveen Anand and Geetanjali Duggal, Advs

For Respondents/Defendant: Ajay Sahni, Adv.

JUDGMENT

Mukul Mudgal J.

1. This is an application for interim injunction in a suit asserting rights under Section 52(1)(j) of the Copyright Act(hereinafter referred to as 'the Act). The plaintiff company is the manufacturer, producer and marketeer of pre-recorded audio cassettes and other records under the logo T Series. The plaintiff produced a sound recording under its banner T Series which was inter alias based on the song 'Chalo Dildar Chalo' from the film 'Pakeezah' by giving notice to the original producer Mahal Pictures under Section 52(1)(j) & Rule 21(2) (b) of the Copyright Act. Such a recording is known in the music business as a version recording and inter-alia involves the singing of a well-known song by a lesser known singer. The plaintiff gave prescribed royalty of Rs. 400 for producing 10, 000 copies to the original owner. When the defendant attempted to produce a version recording of the version recording of the plaintiff by treading the path carved out by the plaintiff, the plaintiff has come to this Court for an injunction restraining the defendant from what is averred to be a copyright violation of its version recording. The dispute in the present suit inter-alia pertains to a song "Chalo Dildar Chalo' from the film 'Pakeezah', for which the original owners of the musical works were M/s Mahal Pictures Pvt. Limited. This song forms part of two audio cassettes produced by the plaintiff called Yadein Vol. I and Yadein Vol. II. The plaintiff has further averred that it has produced this song under the provisions of Section 52(1)(j) of the Copyright Act, 1958 (hereinafter referred to as the 'Act') read with Rule 21 of the Copyright Rules, 1958. By the letter dated 10th June, 1986 the plaintiff claims to have paid a sum of Rs. 400/- to Mahal Pictures the original owner of the musical work 'Chalo Dildaar Chalo' for producing 10, 000 records of Chalo Dildar Chalo. The said letter dated 10th June, 1986 also stated in para (b) as under:

"(b) We do not propose to make any alteration in or omission from the work unless such alteration and omissions are necessary for the adaptation of the work to the record in question."

The audio cassettes are said to have been produced pursuant to the said letter sent under the provisions of Section 52(i)(j) of the Act and said to carry such an endorsement on the inlay card. The defendants had offered to purchase similar rights under Section 52(1)(j) of the Act in respect of the tapes Yadein Vol. I & II produced by the plaintiff which included the song 'Chalo Dildar Chalo' from the plaintiffs and had accordingly issued a cheque for Rs. 1, 000/- as 5 per cent royalty prescribed by the Copyright Board for manufacturing 400 audio cassettes to be sold at Rs. 25/- per cassette.

2. The defendants' case was that the plaintiffs itself produced a copy and at best was only protected by the statutory protection failing which the plaintiff would have been guilty of violation of the copyright of original work under Section 51 and the plaintiffs could not claim to be an owner of the original work but nevertheless to avoid any petty disputes the payment was being made.

3. On the other hand, the plaintiffs' case is that in re-recording the song in question the plaintiffs had to engage musicians, singers and music conductors and to create the original music track of the musical works. It was further submitted by the plaintiff that in re recording it has used sufficient independent skill and labour and has Therefore, got its own legitimate and legal rights of copyright in the Record and the musical work so produced. The record produced was a substantially new arrangement and/or necessary adaptation of the existing records. The plaintiff's case was that its sound recording (version recording) would be entitled to a separate sound recording copyright and the reproduction of the same would require the license and consent of the owner of the copyright in the version sound recording, i.e., the plaintiff. It is Mr. Anand's plea that the defendant is not entitled to make a recording of a version recording produced by the plaintiff and the defendant is not entitled to avail of Section 52(1)(j) qua the plaintiff's recording.

4. After exchange of correspondence between the parties, the defendant had filed a suit under Section 60 of the Copyright Act before the District Judge, Delhi in which a prayer was made for restraining by an injunction the present plaintiffs (the defendants in that suit) from continuance of any threat by the plaintiff for the alleged infringement of the copyright in respect of the titles Yadein Vol., 1 and 2 which contained the song Chalo Dildar Chalo. Both the counsel, Shri Praveen Anand for the plaintiff, and Shri Ajay Sahni for the defendant agreed that the song 'Chalo Dildar Chalo', from the film 'Pakeezah' and its incorporation in the plaintiff's Yadein-I would be the basis on which this application is to be decided.

5. It is, inter alia, averred in the plaint that by its own labour the plaintiff has invested large amounts and encouraged new young singers. The plaint Therefore prayed for declaration that the plaintiff was the owner and copyright holder of Section 52(1)(j) version, i.e., Yadein I & II and it further sought a permanent injunction against the defendants from reproducing the records and musical works of the plaintiff contained in the works of the records titled Yadein Vol I & Yadein Vol II.

6. In reply to the application for injunction, is 1766 of 1993 which contained prayers and averments similar to the plaint, the defendant has taken the plea which were also canvassed during arguments, that the plaintiff itself having admitted that their production was covered under the statutory defenses enlisted in Section 52 of the Copyright Act 1957, the same cannot be the subject matter of protection under the provisions of the Copyright Act as the plaintiff's sound recording is not an original work. It is further stated that the alleged re creation of the original music track amounts to an

infringement of the copyright of the original work and that if both the works sound similar then it is an infringement. The right said to be derived under section 52 of the Copyright Act pre-supposes the derived product to be an infringement under Section 51 of the Act and any creation under Section 52 of the Act cannot claim to be an original work and hence is not entitled to protection. Some skill and labour is always required to make a copy of the original on behalf of the plaintiff but as long as the musical work created by the plaintiff keeps the original work as a model or guide the work so created cannot be said to be an original work. The statutory defense conferred by Section 52 cannot be so construed so as to confer on the plaintiff's copy the status of an original work. The audio cassettes being manufactured by the plaintiff are an effort to mislead the public by printing the titles as Mukesh Ki Yaaden, Lata Ki Yaaden and Rafi Ki Yaaden with the photographs of these renowned singers by creating an impression that the songs are sung by such renowned singers. In fact the songs are sung by lesser known singers who are neither Mukesh, nor Lata Mangeshkar or Asha Bhosle. In the instant case the lyrics are identical and the tune similar. The plaintiff has not exercised any independent labour and skill in the said musical work but merely attempted to recreate the existing work in a manner, which makes it sound to the uninitiated, the songs sung by the original singer. Consequently, the plaintiffs are guilty of passing off their work as the original work. Assuming without admitting that the plaintiffs do have rights under Section 52(i)(j) of the Act, the defendants also have similar rights to reproduce such work under Section 52(i)(j) and the plaintiff who itself has secured such rights under Section 52(i)(j) cannot be heard to complain when others follow the plaintiff's method.

7. The defendants thus in order to counter the claim of the plaintiff for an injunction that the plaintiff is the owner and the copyright holder of rerecorded musical work and record made under Section 52(i)(j) of the Act, submitted that the product of the plaintiff of which protection is sought cannot be the subject matter of independent protection under the provisions of the Copyright Act, 1957.

8. The Defendant's case is that no license having been granted by the original Copyright owner and the only claim forwarded being under Section 52(i)(j), cannot ipso facto confer any right entitling the plaintiff for independent protection for its musical works. The defendant has relied upon Section 13(3)(b) which reads as follows:

"13(3) Copyright shall not subsist-

(a)

(b) in any [sound recording] made in respect of a literary, dramatic or musical work, if in making the [sound recording], copyright in such work has been infringed.

The above Section 13(3)(b) according to the defendant postulates that the copyright shall not subsist in any sound recording if in making such a sound recording, copyright has been infringed. Since 10th May, 1995, not only is the copyright of the literary and musical work violated but also that of the performer's right, statutorily recognized since the amendment of 1995.

It is, Therefore, submitted by the counsel for the defendant that the performer's rights and the integrity of the musical work are clearly violated by the substitution of the principal performer by a lesser known singer and performers' rights were duly recognized by the 1995 amendment to the Act.

9. In sum and substance, the defendant's plea is euphemistically characterized by the

learned counsel for the defendant as the defendant himself being a plagiarist though claiming the protection of Section 52(1)(j) cannot now prevent anyone else from plagiarizing its work under Section 52(1)(j) of the Act. In other words the plaintiff cannot use the Section 52(1)(j) means to derive benefit from a product of another person and yet ride a high moral horse when the same method is adopted in respect of its own product.

10. What needs to be resolved in view of the rival pleas is the nature and manner of rights which accrue to a musical work created under Section 52(1)(j), the effect of Section 13(3)(b) upon such rights and whether the plaintiff's work constitutes infringement of the original musical work and in such a situation whether such work can be said to be entitled to avail of the protection under Section 52(1)(j). This Court is further required to decide whether a Section 52(1)(j) product can be considered to be an original musical work.

11. The relevant provisions relied upon by the plaintiff are Section 52(1)(j) of the Act and Rule 21 of the Copyright Rules, 1958 which read as follows:

"Section 52(1)

The following acts shall not constitute an infringement of copyright, namely

.....

(j) The making of records in respect of any literary, dramatic or musical work, if _____

(i) records recording that work have previously been made by, or with the license or consent of, the owner of the copyright in the work;

(ii) The person making the records has given the prescribed notice of his intention to make the records, and has paid in the prescribed manner to the owner of the copyright in the work royalties in respect of all such records to be made by him, at the rate fixed by the Copyright Board in this behalf;

Provided that in making the records such person shall not make any alterations in, or omissions from, the work, unless records recording the work subject to similar alterations and omissions have been previously made by, or with the license or consent of, the owner of the copyright or unless such alterations and omissions are reasonably necessary for the adaptation of the work to the records in question;"

Rule 21 of the Copyright Rules, 1958 reads as under:

"(1) Any person intending to make records under clause (j) of sub-section (1) of Section 52 give notice to such intention to the owner of the copyright and to Copyright Board at least fifteen days in advance of the making of the records and shall pay to the owner of the copyright, along with the notice, the amount of royalties due in respect of all records to be made by the rate fixed by the Copyright Board in this behalf.

2. Such notice shall contain the following information, namely:-

- (a) The particulars of the work in respect of which records are to be made;
- (b) Alterations and omissions, if any, which are proposed to be made for the adaptation of the work to the records;
- (c) The name, address and nationality of the owner of the Copyright in the work;
- (d) Particulars of the records made previously recording the work;
- (e) the number of records intended to be made; and
- (f) The amount paid to the owner of the copyright in the work by way of royalties and the manner of payment."

In 1995 the Act and the Rules were amended and the amended Section 52(1)(j) and Rule 21 reads as follows:-

"Section 52(1)

The following acts shall not constitute an infringement of copyright, namely

.....

(j) The making of sound recordings in respect of any literary, dramatic or musical work, if _____

(iii) Sound recordings of that work have been made by or with license or consent of the owner, of the right in the work;

(iv) The person making the sound recordings has given a notice of his intention to make the sound recordings, has provided copies of all covers or labels with which the sound recordings are to be sold, and has paid in the prescribed manner to the owner of the rights in the work royalties in respect of all such recordings to be made by him, at the rate fixed by the Copyright Board in this behalf;

Provided that ____

(i) no alterations shall be made which have not been made previously by or with the consent of the owner of rights, or which are not reasonably necessary for the adaptation of the work for the purpose of making the sound recordings;

(ii) the sound recordings shall not be issued in any form of packaging or with any label which is likely to mislead or confuse the public as to their identity;

(iii) no such recording shall be made until the expiration of two calendar years after the end of the year in which the first recording of the work was made; and

(iv) the person making such sound recordings shall allow the owner of rights or his duly authorized agent or representative to inspect all

records and books of account relating to such sound recording;

Rule 21 of the Copyright Rules, 1958 amended in 1995 reads as under:

"(1) Any person intending to make records under clause (j) of sub-section (1) of Section 52 give notice to such intention to the owner of the copyright and to Copyright Board at least fifteen days in advance of the making of the records and shall pay to the owner of the copyright, along with the notice, the amount of royalties due in respect of all records to be made by the rate fixed by the Copyright Board in this behalf.

2. Such notice shall contain the following information, namely:-

(a) The particulars of the work in respect of which records are to be made;

(b) Alterations and omissions, if any, which are proposed to be made for the adaptation of the work to the records;

(c) The name, address and nationality of the owner of the Copyright in the work;

(d) Particulars of the records made previously recording the work;

(e) the number of records intended to be made; and

(f) The amount paid to the owner of the copyright in the work by way of royalties and the manner of payment."

12. The dispute involved in the present suit thus necessarily involves the consideration of proviso to Section 52(1)(j) of the Act which reads as under:

"Provided that in making the records such person shall not make any alterations in, or omissions from, the work, unless recording the work subject to similar alterations and omissions have been previously made by, or with the license consent of the owner of the copyright on unless such alterations and omissions are reasonably necessary for the adaptation of the work to the records in question."

13. It is significant that the plaintiff has itself averred in the plaint that in re-recording sufficient independent skill and labour was utilized and the plaintiff's product was a substantially new arrangement and/or necessary adaptation of the existing record which inter alia involved engaging of musicians singers and music conductors and creation of the original track of the musical works. The relevant averments in the plaint read as under:

"6. That while making the said records under section 52(1)(j) of the Copyright Act, the plaintiff company engages musicians, singers and musical conductors, etc. And re-record-create the original music track of the musical works. The singers sing the songs and after proper mixing, etc. and the original plate is made."

.....

.....

"8. That the rights of the plaintiff company thus have a due recognition and acceptance of law and, in fact, flow from the operation of the statute. The plaintiff company in this way invests large amounts as it engages singers, musicians, music conductors and composers and consequently incurs producing and advertising expenses and before the cassettes are put for sale as the goods produced, on re recorded records by the plaintiff

9. The plaintiff has used the existing subject matter and in re recording the same has used the employed sufficient independent skill and labour to get his own legitimate and legal rights of the Copyright in Record and Musical Works recorded in all such records. The plaintiff is hereby filing receipts from the singers and music directors who have rendered their services for the creation of the titles 'YAADEN VLUME 1 AND YAADEN VOLUME 2' and the same are annexed hereto and marked as Annexure III(collectively) to this plaint.

That the record produced by the plaintiff is substantially new arrangement and/or necessary adaptation of the existing record - musical work. This, by itself, gives a right which cannot be infringed by others including the defendants by trying to reproduce the work of the plaintiff, which the plaintiff have produced in accordance with the provisions of the Copyright Act."

14. The above averments indicate that the plaintiff's record has been averred to be a substantially new arrangement. The question which Therefore requires determination is whether a substantially new arrangement and/or adaptation of an existing work can fall within the phrase 'alteration' and 'omissions' which are reasonably necessary for the adaptation of the record in question as per the requirement of the proviso to Section 52(1)(j).

15. Rule 21(2)(b) is relevant and indeed significant and requires a person acting under Section 52(1) to indicate clearly in the notice to the original owner by specifying the alterations and omissions, if any, which are proposed to be made for the adaptation.

16. The notice relied upon by the plaintiff dated 10th June 1986 which is avowedly a notice under Section 52(1)(j) of the Act read with Rule 21 of the Copyrights Rules states as under:

"Dear Sir,

In accordance with the provisions of Section 52(i)(j) of the Copyright Act, 1957 read with Rule 21 of the Copyright Rules 1959 please take notice that we intend to make for world wide sales and commercial, records featuring the following musical work (vocal/instrumental) of which you are to the best of our knowledge and as per information received from the Gramophone Co. of India Ltd. , Calcutta, owners of Copyright:

a) Particulars of the work in respect of which records are to be made:

Work Film Music

CHALO DIL DAR CHALO PAKEEJAH GULAM MOAMMED

The records recording above works have previously been made by you.

b) We do not propose to make any alterations in or omissions from the work unless such alterations and omissions are reasonably necessary

for the adaptations of the work to the record in question.

c) Name, address and nationality of the owner of the Copyright in the work.

M/s Mahal Pictures (P) Ltd. , Kamalistan, Andheri East, Bombay-69, Indian

d) Particulars of the records made previously recording the work.

Record No. Year of Publication

NOCE 4121 1972

e) We intend to make 10, 000 records of the above stated musical work. Please note that each work will form 1(s) of the records.

f) We are enclosing a cheque No. 757773 dated 10.6.86 for Rs. 400/- by way of registry for the making of the said records in accordance with the rates fixed by the Copyright Board.

A copy of this letter is being sent to the Copyright Board. Kindly acknowledge and send your stamped receipt for our records."

17. It is thus evident that there is no compliance of Rule 21(2)(b) as no alteration in, or omission to, the work is specified except for a bare averment that the alterations, if any, will only be made if they are reasonably necessary for the adaptation of the work to the record in question. Thus on the one hand the plaintiff avers in the plaint that a substantially new arrangement has come into being, yet on the other hand it fails to specify in the notice dated 10th June 1986 given under Section 52(1)(j) and Rule 21 (2) (b) such alterations to the original work leading to what is averred to be a substantially new arrangement even though it is statutorily mandated by Rule 21(2)(b). Since, admittedly no consent of the original owner has been taken to produce what is averred in the plaint itself to be substantially a new arrangement, the proviso to Section 52(i)(j) is not satisfied and even Rule 21(2)(b) has clearly not been complied with. Even if the plaintiff is assumed to be right in averring that the alterations in, and omissions from, the original recording led to a substantially new arrangement, a substantially new arrangement then can not be without the original owner's consent as the word 'substantial' can not fall within such alterations/omissions which are necessary for adaptation.

18. Thus even even according to the case set up by the plaintiff, two conclusions emerge:-

(i) The plaintiff's work as averred in the plaint is a substantially new arrangement and, Therefore, the alteration is not such as could be done by the plaintiff without the prior consent contemplated by Section 52(i)(j).

(ii) In any case since admittedly there is no consent of the original owner, nor specification of the alteration under Rule 21 (2) (b), then the alteration can only be such which is reasonably necessary for adaptation of such work. The plaintiff did not specify the change and identity of the singer under its notice given under Rule 21(2)(b). Since the plaintiff has failed to specify the alteration under Rule 21(2)(b), it in any event can not take any benefit of Section 52(i) (j).

19. In my view if the plaintiff's plea that a version recording is an independent sound recording entitled to an independent copyright is accepted, then a curious situation would emerge. The defendant in the present case has not indicated that it is producing any product different from the product of the plaintiff, i.e., by engaging new musicians and orchestra.

20. However, if the defendant has not made any alteration/modification as required to be indicated under Rule 21 (2) (b), he is not required to take permission of the original owner, presumably the plaintiff, under the proviso to Section 52(1)(j). If even according to the plaintiff a person who does not make any modification/alteration to the original work is producing an infringing copy as averred by the plaintiff, by merely reproducing the plaintiff's work, can it be said that through the original owner whose work has led to the plaintiff's work, the plaintiff acquires a legal title, capable of an independent assertion? On the plaintiff's analogy, it notwithstanding Section 52(1)(j), a reproduction of the plaintiff's recording is an infringement by the defendant, then the plaintiff's similar sounding version is also an infringement of the original record not entitled to a protection which culminates in an enforceable right by relying on Section 52(1)(j) of the Act.

21. It is not in dispute that alterations have been made by the plaintiff in producing its sound recording. The plaintiff has sought to bring the alternations and omissions within the ambit of reasonable necessity for adaptation of the work in question without specifying them under Rule 21 (2) (b). The primary alteration in the present case comprises of a singer different from the original singer. A different orchestra is also involved. The aforesaid changes have been sought to be brought under the alterations reasonably necessary for adaptation of the work. In my view a change of a singer in particular is an alteration which cannot be said to be reasonably necessary for the adaptation of the original work to produce the sound recordings of the plaintiff. In my view while the sound recording of the plaintiff may sound similar to the original version and the difference may appear insignificant and indeed negligible to the lay public, nevertheless to the owner of the copyright such alternation is of vital significance and indeed affects the integrity of his product and what is contemplated by reasonable necessity for the adaptation of a work postulated by proviso to Section 52 may at best be technical reasons for adaptation and not a change as significant as a change of the singer itself. For example a recording originally made in 1950 in a mono format may be altered and adapted to a stereo recording or there may be digital re-mastering of tracks. A change of the singer in a vocal rendering is a change in the most vital constituent of a recorded song and cannot be done without the previous permission of the owner of the original recording as per the mandate of Section 52(1)(j) of the Act. The voice is the soul and essence of a vocal rendering in a sound recording. Invariably the vocal performance is remembered not only by the melody but also by the identity of the singer. In my view such alterations fall under the proviso to Section 52(1)(j). To construe the above proviso to be giving an avenue to version recordings which involves the change of singer and/or orchestra without consent of the original owner, would definitely amount to encouraging and putting a premium on in what my view is a blatant and an ill concealed attempt to plagiarize under the misconstrued interpretation of Section 52(1)(j).

22. Thus Section 52(i)(j) must, Therefore, be interpreted to mean as follows:

(a) If a sound recording under Section 52(i)(j) is to be made there should be prior consent of the owner when a change as significant as the change of the singer is being contemplated. This is clearly indicated by the fact that the

integrity of the original sound recording in question which is a vocal rendering is clearly affected by the substitution of the singer. Such a change may not be discernible to a lay listener as is indeed the finding after listening to and comparing the plaintiff's tape and the original work. However to the owner of the sound recording, the vital substitution of the singer is clearly a change which cannot fall within a change necessary for adaptation of the work as neither a change has been made by the original owner of the work nor has permission been granted for the plaintiff's adaptation by the original owner.

b) In case the prior consent of the owner is not forthcoming for such changes, a sound recording under Section 52(i)(j) can not be made in law and in any case even if made acquires no legally enforceable rights.

c) Even proceeding on the assumption that Section 52(1)(j) was complied with and available to the plaintiff, such a recording is at the highest only entitled to protection against an action by the original owner averring copyright infringement. Such a version recording produced under Section 52(1)(j) cannot in any event acquire independent rights capable of assertion against other alleged infringers.

23. It is instructive to note the physical appearance of the cover of the audio cassette produced by the plaintiff. The cover clearly shows that while Section 52 and the word : Swar - Vipin Sachdeva and Vandana Vajpayee is mentioned at the bottom of the inlay card, yet the fleeting glance to an intending purchaser may convey an impression as if the songs are old hit songs from the film mentioned above. 'Swar' is a Hindi word which means a musical note. It is occasionally, and in particular, in radio announcements used to describe the voice of a singer meaning that it is sung by a particular singer.

24. Two versions of audiotapes were handed over to the Court. One the original work (marked as C1) and the other what was averred to be a Section 52(1)(j) derivative produced by the plaintiff (marked as C2). On comparing the two songs the similarity in both form and content is striking. In fact there is no attempt even to disguise the fact that the version recording is almost a duplication of the original.

25. Upon hearing the two audio cassettes, one of the plaintiff, and the other the original soundtrack of Pakeezah, the following findings emerge:-

(a) The musical arrangement of notes is the same.

(b) The orchestral accompaniment and the cue pieces are also the same.

(c) To the uninitiated ear the songs are identical and may convey the impression that both the original and the plaintiff's version are from the original soundtrack.

(d) The differences in the two sound tracks are negligible.

(e) The plaintiff's musical work is indeed a fairly accurate copy of the original soundtrack of the film, 'Pakeezah'.

26. This case thus involves the legality and efficacy of what are termed popularly as version recordings. In essence, a famous and popular song by a known playback singer from a hit film is sung by another singer who may not be as well known. The name of the film, the words of the song and indeed the melody remains the same. Even the

orchestral arrangement in support of the vocal rendition does not vary appreciably.

27. In other words the plea of the plaintiff and oddly enough the defendant to some extent, in the present case is that a close imitation of an existing recording using alternate performers is not a copyright infringement. Sustenance for such action is sought to be derived from the Section 52(1)(j) of the Copyright Act.

28. On the other hand, the defendant has contended that the purported reliance on Section 52(1)(j) is a mere subterfuge and the said Section cannot be construed so as to permit flagrant violation of the Copyright of the original performer. The defendant has thus contended that the plaintiff who has sought to utilize Section 52(1)(j) cannot be heard to complain when some one else applies the same methodology to the plaintiff's works by averring that a substantially new arrangement has come into being, because if the arrangement is substantially new, as averred in the plaint, the proviso to Section 52(1)(j) and Rule 21 (2) (b) are clearly violated.

29. Consequently the questions which arise in order to determine the plea of the defendant that the plaintiff's sound recording is not entitled to protection are :-

(i) Whether the plaintiff's version which specifically states that it is recorded under Section 52(1)(j) runs foul of the mandate of Section 13(3)(b).

(ii) Whether in such an event such a version recording by the plaintiff is legal.

(iii) Even if the plaintiff's work is legal under Section 52(1)(j) can the plaintiff set up any claim under Section 52(1)(j) of the Act in respect of its sound recording recording by another party such as the defendant.

30. Reliance has been placed by the learned counsel for the plaintiff on the judgment of Karnataka High Court in MFA 5491 of 1998 dated 31st August, 1999 which went up in appeal to the Supreme Court (CA 6122 of 2001). Since the Hon'ble Supreme Court has set aside the Order made by the Karnataka High Court by its judgment dated 3rd September, 2001 and remanded back the matter, it is not necessary to consider the impact of the above decision.

31. The learned counsel for the plaintiff has also sought to rely on the methodology of the distribution of royalties. In my view the distribution of royalties does not have any bearing on the issue involved in the present case. Reliance has also been sought to be placed on the statutory license as cited in World Intellectual Property Organization, Geneva (WIPO) Glossary of terms of the Law of Copyright and Neighbouring Rights. The relevant passage reads as under:-

" Sometimes referred to as a "legal license, " the statutory license is an authorization given by law to use a work protected by copyright in a specific manner and under certain conditions, against payment of an author's fee. The Berne Convention allows national legislations to introduce statutory licenses for broadcasting the work in a way that does not affect the moral rights of the author, and against equitable remuneration (Art. 11 bids (2) and (3)); the possibility of introducing statutory licenses is also covered by the Berne Convention in respect of reproduction in certain special cases (Art. 9 (2)) and recording of musical works (Art. 13 (1)), subject to specified conditions."

The above passage indicates clearly that the Berne Convention did allow National Legislations to introduce statutory licenses such as Section 52(1)(j) of the Indian

Copyright Act. However, the interpretation sought to be put on the said Section 52(1)(j) permitting statutory licensing by the plaintiff will definitely affect the moral rights of the author i.e., the owner of the original work. Thus the above passage does not come to the aid of the plaintiff. Further reliance is placed by the learned counsel for the plaintiff on the following passage in the Modern Law of Copyright and Designs (2nd Edn.) published by Butterworths:-

"Whether piratical work may be copyright

2.147. A question concerning which there is a reported divergence of judicial opinion is whether and to what extent a work, made in breach of copyright, may itself enjoy copyright protection. Of course, a literary, dramatic, musical or artistic work to the extent that it is a mere piracy enjoys no copyright protection, for it lacks the essential requirement of originality. Assume, however, that as well as copying from some antecedent work the author has bestowed further labour or skill in creating his version. An obvious example would be an unauthorised translation into a foreign language. It is submitted that since according to the Act the work is copyright and the worst that can happen is that the copyright is unenforceable the right answer is that our author does enjoy a copyright, but he must make terms with the owner of the antecedent work, or wait until the copyright therein expires, before he may exploit it. Although it may be that his copyright is unenforceable while this state of affairs lasts, it is submitted that the better view is that he is entitled to prevent others from pirating it, subject to his obligation to account to the original author for a due portion of any damages, profits or royalties gained thereby. This is because, while it undoubtedly is the policy of the act to protect the original author, and to secure to him the benefit of any enrichment unjustly made by the piracy of his work, once that object has been attained it is not necessary to go further and penalise the derivative author by letting third party pirates (or, for that matter, the original author) enjoy the fruits of his labours.

Illustration (1) A translator hopes to persuade a foreign author to let him translate his latest novel into English with a view to publication. He translates a chapter and submits it as an unsolicited sample of his workmanship. The foreign author refuses the offer but subsequently relents and the translated work is duly published. It is submitted that it would be absurd to say that the translator is not entitled to enjoy any copyright in the chapter in question on the ground that its translation was an act of infringement at the time when it was made. (As it probably was, since at that stage he had no license to make it).

(2) An author licenses a playwright to dramatize his novel and to perform it on the stage for ten years. After the ten years have expired a third party pirates the play. It is submitted that our playwright is well entitled to apply for an injunction to stop this, even though, he is no longer authorised to exploit his own work himself.

(3) If the facts are the same as in the previous illustration but the plaintiff is too late to get an injunction, but only receives an award of damages, it is submitted that the right result should be as follows. Since the plaintiff had no right to exploit his work himself he cannot claim damages on the basis of lost business, and so must claim on the basis of a notional royalty. But the amount of the royalty would reflect the fact that the pirate needed another license -

from the original author. It would Therefore be less than in the case of an undominated work. If, for any reason, the court awarded him more, he would be obliged to account for the balance.

Further, if it is possible to sever his work into two parts, the one piratical, the other all his own, there would seem to be no reason why an author should not be able to protect the latter at once, provided it has sufficient originality to qualify. "

The above passage and the illustration therein would not apply to the present case because it is not possible to sever the song in question into the piratical and the original particularly when the originality claimed is only cosmetic and in any event the conditions of Section 52(1)(j) have not been satisfied. Furthermore the above passage relied upon by the plaintiff clearly states that a mere pirated work which lacks originality does not enjoy copyright protection. Thus it is clear that since a finding that the plaintiff's product lacks originality has been arrived at, the above passage does not help the plaintiff's cause but in fact supports the defendant's plea.

32. Learned counsel for the plaintiff has also referred to the following passage in the Butterworths 4th Edn., of User's Guide to Copyright for sustaining his plea that a copyright exists in sound recordings distinguished from copyright in underlying material:-

"PART II : THE RECORD BUSINESS

21.18 Copyright in recordings distinguished from copyright in underlying material As already stated in the first part of this chapter, in order to comprehend how copyright applies to music, it is essential to appreciate that there is quite separate copyright in a sound recording from the material which is recorded, whether or not such material is music, drama, poetry, etc. The record producer must Therefore acquire a license to record that material (except material in the public domain like folk songs). A new copyright will arise in the recording itself. When, for example, a composer who is also a performer, records a new song which he has not previously written down or recorded, then simultaneously two new copyrights come into existence - the copyright in the song and the copyright in the sound recording. Note that the copyright vests in the sound recording and not in the record itself.

See paragraph 21.02 for the definition of a sound recording.

When a record producer makes a recording of a song which has already been recorded, written or otherwise reduced to material form, so that there is already copyright in it, a new copyright is created in the recording itself.

However, the performance itself is protected as a performer's right which, although similar, is not identical to copyright. The performer must seek protection for his performance under the provisions of the Act relating to performers - see chapter 12 - and not under the law of copyright. "

"21.22 The Statutory license Section 8 of the Copyright Act 1956 provided that after the owner of the copyright in a musical work had permitted records of it to be made in, or to be imported into, the United Kingdom for retail sale, then subject to compliance with certain conditions, anyone else could make recordings of that work for retail sale. Certain conditions had to be complied

with including the payment by the manufacturer of a royalty of 6.25% of the ordinary sales price of a record.

21.23. Mechanical royalties With the repeal of the 1956 Act and with no provision for a statutory license in the 1988 Act, the position of the record companies vis-a-vis the music publishers is like that of all other copyright users - they must negotiate licenses for the use of the right to record the music and issue copies of the recordings. However, the Copyright Tribunal has jurisdiction in cases where the parties are unable to agree upon a licensing scheme. The MCPS licenses are subject to the Copyright Tribunal not only in respect of mechanical recording licensing, but also in respect of all other licenses such as broadcasting mechanicals."

Thus it would be seen from the above passage that even in U.K., the current trend indicated by the 1988 Act indicates that statutory licensing is no longer available. In the present case it is not a new song which the plaintiff has recorded and furthermore there is no copyright in it due to non-compliance of Section 52(1)(j) and Rule 21 (2) (b). Thus the above passage also does not assist the case set up by the plaintiff.

33. The counsel for the plaintiff, Shri Praveen Anand has also relied on the following passage from the Political Economy of Innovation by Martinis Nijhoff Publishers which reads as follows:-

"Innovation and market power

To invent is to find a new thing; to innovate is to get the new thing done. In all but the exact form of words, the definition is Joseph Schumpeter's, and it was he who also first called attention to the way in which the difference between the two functions is even reflected in the sociological and psychological types: Some people are good at producing ideas but less good at turning them into concrete realities, whereas others are noted for their ability to carry into practical effect, ideas which they have not originated themselves. Both activities, as discussed in Innovation, are most intelligible as related aspects of human creative activity, but this leads to a further important distinction : Creativity on its own can give us Invention and Art almost irrespective of material circumstances. One has only to think of the poverty out of which Clarence Goodyear produced vulcanized rubber, or that of Schubert in Vienna, making music worth more than all the gold of all the Hapsburgs, to realize this.

But economic innovation (getting new things done when the innovator needs to mobilize resources other than his own) involves dependence upon the environment. If that environment is altogether hostile, there can be no innovation at all. What kind of innovation, and how much of it there will be, depends upon how supportive of innovators, and in what ways, the environment is. Since the economic environment is shaped by political activity, we can properly speak of the political economy of the particular kind of creativity that goes into economic innovation. Politics and political institutions cannot fail to affect any kind of 'getting new things done', or turning ideas into concrete realities, which has an economic dimension. Like all political economy, of course, the special political economy of innovation relates only to countries where there is a substantial degree of economic freedom, where economic activity is responsive to demand, and where the economy is not centrally directed. These are the countries (and it is no coincidence) which in any event

have accounted for the vast bulk of economic innovation. "

Whatever be the contour of economic innovation it cannot be so construed so as to permit the piracy of the original work. The plaintiff's work has not been creative but is a deceptive adaptation without compliance with the provisions of Section 52(1)(j). Thus the above passage relating to Innovation and Market Power also does not assist the plaintiff.

34. The learned counsel for the plaintiff has further placed reliance on the judgment referred to in CBS Records Australia Ltd. & Others v. Telmark Tele products (AUST) Pty Ltd. In my view this judgment proceeds on the construction of Section 10(3)(c) of the Copyright Act in Australia and in the absence of the full text of Section 10(3)(c) it is not possible to consider the applicability of the above judgment.

35. Reliance has also been placed by Shri Anand on the following passage from the Chapter 3.15 of the Collective Administration of Copyrights and Neighbouring Rights, International Practices, Procedures, and Organizations, published by Little, Brown and Company to contend that the statutory and compulsory license is known internationally:-

"3.15 STATUTORY AND COMPULSORY LICENSING

Potentially the greatest threat to the integrity of the modern system of copyright is the current proliferation of no voluntary licencing schemes. In the delicate balance between users interested in easy and inexpensive access of copyrighted works and authors interested in controlling the use of their works and receiving the full economic value for authorizing their use, non-voluntary licencing schemes frequently represent political victories by useRs. There are two forms of no voluntary licencing schemes currently in use : compulsory licensing and statutory licensing.

Compulsory licensing is a statutory scheme "requiring the copyright owner to grant the necessary authorization [for a user to use his or her work] without depriving him [or her] of his [or her] right to negotiate the terms of the authorization, with the proviso that the administrative or judicial authorities (civil courts or special jurisdictions) would fix the amount of remuneration if no amicable agreement can be reached between the parties." This scheme is the least intrusive form of no voluntary licensing and is, in fact, compatible with the concept of the collective administration of copyright.

Statutory licensing is, in essence, the statutory imposition of "a license under which the protected works can be freely used on condition that the user pa[y] a fee, fixed by the [statute or by other] competent authority, to the body designated by that [statute or] authority and distributed in accordance with the rules established by the latter." While many authorities acknowledge the possibility that no voluntary licensing schemes may be necessary in some situations, they are not favored. One major problem is that in the absence of any form of private negotiation it is virtually impossible to determine a "fair market" value for those copyrighted works.

On an international level, the Berne Convention recognizes four areas in which no voluntary licensing schemes are appropriate : broadcasting rights in preexisting works; mechanical reproduction (recording) and distribution rights in previously recorded musical works; the droit de suite in works of art and

manuscript; and the translation, reproduction, and distribution rights or works in developing countries. In all of these situations Berne requires that (1) the author's moral rights be protected, (2) the author receive equitable remuneration for any use, and (3) the license be limited to the territory of the country implementing said scheme. Although it appears in reading these articles that both statutory and compulsory licensing schemes may be implemented under these provisions, it can be argued that the Convention only contemplates some form of compulsory licensing.

The UCC (1971) requires member countries to "accord a reasonable degree of effective protection to each of the author's rights." While it then goes on to specifically identify permissible no voluntary licensing schemes with respect to translation and distribution in developed countries and translation, distribution, and reproduction rights in developing countries, the vagueness of this general requirement has been interpreted to allow many types of no voluntary licensing schemes.

Virtually every country in the world recognizes some form of no voluntary licensing. Among the more prominent types of licenses are those relating to mechanical reproduction and distribution of musical work, public noncommercial broadcasting, cable retransmission, home taping, reprographic reproduction, droit de suite, and public lending. It should be noted that collective rights organizations are active in all of these areas."

The aforesaid passage would be inapplicable as in Chapter 3.16 of the same publication, the following observations have been made:-

"3.16 INFRINGEMENT

None of the major copyright conventions specifically addresses issues of infringement or enforcement. Instead resort must be made to principles of private international copyright law and the law of the country in which enforcement of the right is sought. While particular issues of proof and the compliance with formalities vary from country to country, the international consensus on the subject matter of copyright does provide some guidance as to what constitutes infringement.

First, copyright protects expression, not ideas. Thus infringement involves the "copying" or use of an identified work, not just evidence that they are similar or, even, that the second work has used the same idea as its basis. While it is clear that a secondary user should not escape liability for infringement based on that user's making "immaterial variations" in the work, drawing the line between a permitted use of the ideas and impermissible use of expression is largely a question of fact.

Obviously an infringement must involve the misappropriation of a protected work (i.e., one not in the public domain) and use of that work in contravention of the exclusive right of copyright conferred by that jurisdiction. Finally the use must be shown as occurring without statutory permission or the owner's consent."

It is very clear that in the present case the Chapter 3.16 clearly indicates that law of the country of the enforcement i.e., India in the present case, has to be complied with. In my view the above passage clearly states that the secondary user such as the plaintiff

cannot escape liability for infringement based on making immaterial variations in the original work which finding has already been arrived at. I have also found that not only is there misappropriation of the protected work but there is also a contravention of the exclusive right of the original owner of the original sound recording and is not with the owner's consent and the statutory permission required under Section 52(1)(j). Even otherwise the above passage in chapter 3.15 itself frowns upon the involuntary licensing by stating that potentially it poses the greatest threat to the modern system of copyright. The above passage also notes the Berne Convention recognition of the protection of the author's moral rights. I have already found that the plaintiff's version recording violated the legal rights and the integrity of the original version which would clearly affect the moral rights of the original owner. Even UCC (1971) has been noticed to require the member countries to "accord a reasonable degree of protection to the author's rights". In my view, the interpretation given in this judgment to provisions of Section 52(1)(j) gives effective protection to the author's rights as per the above passage relied upon by the learned counsel for the plaintiff.

36. The Hon'ble Supreme Court in *Kedar Nath v. Prahlad Rai* reported as MANU/SC/0159/1959 : [1960]1SCR861 quoted with the approval the salutary principle of public policy laid down in 98 ER 1120 as follows:-

"The principle of public policy is this; *ex dolo molo non oritur actio*. No Court will lend its aid to a man who founds his cause of action upon an immoral or an illegal act. If, from the plaintiff's own stating or otherwise, the cause of action appears to arise *ex turpi cassu*, or the transgression of positive law of this country, there the Court says he has no rights to be assisted. It is upon that ground the Court goes; not for the sake the sake of the defendant, but because they will not lead their aid to such a plaintiff....."

Benjamin N. Cardozo in 'The Nature of the Judicial Process' observed:

"The final cause of law is the method of sociology. The rule that misses its aim cannot permanently justify its existence. "Ethical considerations can no more be excluded from the administrations of justice which is the end and purpose of all civil laws than one can exclude the vital air from his room and live." Logic and history and custom have their place. We will shape the law to conform to them when we may; but only within bounds. The end which the law serves will dominate them all. There is an old legend that on one occasion God prayed, and his prayer was "Be it my will that my justice be ruled by my mercy." That is a prayer which we all need to utter at times when the demon of formalism tempts the intellect with the lure of scientific order."

37. Thus what is to be determined first in light of the above illuminating principle of ethics by the Hon'ble Supreme Court and Benjamin Cardozo is whether the plaintiff's version recording is ethical. Considering all the findings enumerated in respect of the version recording of the defendant, I have no manner of doubt that the defendant's plea that the product of the plaintiff's under the garb of the claimed protection of Section 52(1) is a misleading copy and indeed the plagiarization of the original soundtrack. Thus such plagiarization cannot be considered ethical.

38. Having found the plaintiff's conduct to be unethical in producing this version recording, it still has to be seen whether such conduct is legal i.e. whether such conduct enjoys the protection afforded by Section 52(1)(j) and is not hit by the mandate of Section 13(3)(b). This aspect is being dealt with independent of the finding about non-

compliance of Rule 21 (2) (b) and Section 52(1)(j) and the consequent non-availability of Section 52(1)(j) protection to the plaintiff's product.

39. In this respect the position of law arising from the impact of Section 13, 14 and 51 relating to copyright and its infringement expounded by the Hon'ble Supreme Court in R.G. Anand v. M/s Delux Films MANU/SC/0256/1978 : [1979]1SCR218 is relevant and reads as under:

"2. Where the same idea is being developed in a different manner, it is manifest that the source being common, similarities are bound to occur. In such a case the courts should determine whether or not the similarities are on fundamental or substantial aspects of the mode of expression adopted in the copyrighted work. If the defendant's work is nothing but a literal imitation of the copyrighted work with some variations here and there it would amount to violation of the copyright. In other words, in order to be actionable the copy must be a substantial and material one which at once leads to the conclusion that the defendant is guilty of an act of piracy.

3. One of the surest and the safest test to determine whether or not there has been a violation of copyright is to see if the reader, spectator or the viewer after having read or seen both the works is clearly of the opinion and gets an unmistakable impression that the subsequent work appears to be a copy of the original.

4. Where the theme is the same but is presented and treated differently so that the subsequent work becomes a completely new work, no question of violation of copyright arises.

5. Where however apart from the similarities appearing in the two works there are also material and broad dissimilarities which negative the intention to copy the original and the coincidences appearing in the two works are clearly incidental no infringement of the copyright comes into existence.

.....

.....

In another, and perhaps a clearer case, it may be necessary for this court to interfere and remove the impression which may have gained ground that the copyright belonging to an author can be readily infringed by making immaterial changes, introducing insubstantial differences and enlarging the scope of the original theme so that a veil of apparent dissimilarity is thrown around the work now produced. The court will look strictly at not only blatant examples of copying but also at reprehensible attempts at colourable imitation."

40. The above position of the law laid down by the Hon'ble Supreme Court applies clearly in the present case because

(a) The plaintiff's work is nothing but a colourable imitation of the original musical soundtrack of Pakeezah with some minor and insignificant variations.

(b) A lay listener though not an expert listener, on hearing both the works will unmistakably get the impression that the plaintiff's work is not different from the original.

(c) There are no material or broad dissimilarities which negative the plaintiff's intention to copy the original except the small annotation on the cover of Section 52 and the two names given in the said annotation

(d) This court should look strictly at such examples of copying.

41. Even proceeding on the assumption that the plaintiff was entitled to make a Section 52(1)(j) version, I am of the view that Section 52(1)(j) cannot be independent of the prohibition imposed in Section 13(3)(b) of the Act and the plaintiff is thus not entitled to any protection under Section 52(1)(j) as its version recording violates the mandate of Section 13(3)(b) of the Act.

The seeming contradiction in the defendant's case where on the one hand substantial alteration contrary to the mandate of Section 52(1)(j) and Rule 21 (b) has been urged in contrast to the assertion that a similar sounding version recording of the plaintiff derived from the original record is itself an infringing copy is not so, on closer scrutiny. In so far as Section 52(1)(j), which provides for an involuntary and statutory license is concerned, it must in law be construed very strictly. The plaintiff's own assertion in the plaint that substantially a new arrangement led to its version recording, deny it the benefit of Section 52(1)(j) as the proviso is not satisfied. In contrast the averred violation by the plaintiff's version of Section 13(3)(b) of the Act qua the original work has to be construed from the view point of an average lay listener. Thus there is no contradiction in the defendant's case.

42. Version recordings would really be such sound recordings where while being inspired by the original melody a distinct interpretation, different both in presentation, rhythm and orchestral arrangement emerges. For example the famous hits of the pop-group Beatles have been rendered by the Royal Philharmonic Orchestra under the title 'Symphonic Beatles'. The title of the 'Symphonic Beatles' sound recording clearly states as under:-

"Symphonic Beatles'

Classic Instrumental Interpretation from The Royal Philharmonic Orchestra conducted by Louis Clark."

This sound recording is an orchestral interpretation of 15 famous hits of the Beatles. It is this sound recording which can be considered to be a version recording. While there is no doubt in any listener's mind that he is hearing a version of say, the well-known Beatles song 'Eleanor Rigby', originally sung by the Beatles, yet it cannot be said for a moment that a listener would be led to believe that the Beatles are singing it. What is adapted in a version recording is the original melody, but the beat, the orchestral arrangement and indeed the end product is what can be called a substantially new arrangement. In such a version recording while the original melodic arrangement inspires the new creation yet it is a version unmistakably different and distinct from the original. Such a version recording, if made in India may enjoy the benefit of Section 52(1)(j) subject to satisfaction of the requirements of the said provision and Rule 21 (2) (b) but not a total copy though with different singers, as in the plaintiff's case, which may have the effect of persuading lay listeners as if it was the original sound recording. Thus the Royal Philharmonic Orchestra cannot complain of violation of copyright in case the Beatles' song 'Eleanor Rigby' is sung by some other musician or performed by some other orchestra, as at best its rights are akin to rights derived from Section 52(1)(j) of the Act.

43. For example the bhajan 'Raghupati Raghav Raja Ram' which is a part of the Indian history of independence was originally composed and sung by Pt. Vishnudigambar Paluskar at Mahatma Gandhi's meetings. The melody of 'Raghupathi Raghav' did figure in the soundtrack of the film 'Purab Aur Paschim'. That does not give any right to the producer of 'Purab and Paschim' soundtrack to claim copyright against others who may record or sing 'Raghupati Raghav Raja Ram'. Similarly a well-known traditional Khyal composition in Indian classical music in Raag Kalyan 'Main Vaari Vaari Jaon' has been sung in the film 'Dil Se'. Whatever be the legality and efficacy of such a version, the adaptation of such a traditional composition by a contemporary composer/performer does not in law give him any rights capable of being asserted against other performers who may sing/record the said traditional composition. Similarly the well-known Meera Bhajan "Payojee Maine Ram Ratan Dhan Payo" was first recorded by the well-known classical musician, Shri D.V. Paluskar. It has subsequently been rendered and recorded by current performers. owners and/or right holders of such versions cannot lay any claim to exclusive rights over their version recording or indeed legitimately claim to be composer of such traditional melodies.

44. Thus by taking recourse to the traditional reservoir of Indian Classical Raags and traditional folk music, compositions based thereon may result in a sound recording. Such a derivative by a contemporary composer/performer may not refer to the original source in their sound recording. In such a situation, the current composer cannot claim exclusive rights to such a sound recording, which are assertable against any other performer/sound recording based on such traditional repertoire. Thus no enforceable rights can be acquired by any contemporary musician in rendering/recording traditional compositions. Consequently, the traditional repertoire of Indian music which may not now enjoy copyright protection due to passage of time and being in the public domain, cannot be appropriated by any individual by virtue of a later and current sound recording by excluding other performers and/or composers. The tradition of Indian classical and folk music is a valuable public heritage common to all adherents and cannot be purloined by a contemporary performer/composer by denying to others the benefit of the same.

45. In this view of the matter since the plaintiff himself did not have any rights in law, in what was averred to be his substantially new product, he cannot be heard to protest when such a modus operandi is sought to be applied to him by the defendant. Accordingly, prima facie there is no merit in this injunction application and the application is thus dismissed.

46. List the suit for directions before the appropriate Court, subject to the directions by the Hon'ble Judge In-charge, Original Side on 19th September, 2003.

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