



# Initiation of proceedings under the Insolvency and Bankruptcy Code not found to be a sufficient cause for not answering interrogatories

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*Corel Corporation vs. Mahabali Innovative Technologies Private Limited, CS (COMM) 711/2016* A suit was instituted for permanent injunction, against the Defendant to restrain the Defendant from infringing the copyright of the Plaintiff in various software programmes of the Plaintiff including the Corel DVD MovieFactory 7 software and for ancillary reliefs. The Plaintiff claimed copyright in its computer software, namely "Corel DVD MovieFactory 7". The case of the Plaintiff was that the said software had been licensed to the Defendant at a point of time when the Defendant was known as Monarch Innovative Technologies Pvt. Ltd and also that the Defendant was granted licenses from 28.11.2011 onwards on three occasions. The further case of the Plaintiff was that the Defendant had developed its own computer software by the name of "Twister SceneCut HD Pro". Both the software of the Plaintiff and that of the Defendant were used for editing videographs. The case of the Plaintiff was that the defendant is embedding the Plaintiff's software, namely "Corel DVD MovieFactory 7" in the Defendant's own "Twister Scene Cut HD Pro" and selling the same to its customers. **Timeline:** 14 May 2018: Vide order dated 14 May 2018, a decree for permanent injunction as sought was passed, in favour of the Plaintiff and against the Defendant. 11 March 2019: The Plaintiff then went on to file an application for discovery by interrogatories against the Defendant and the same was allowed. 1 July 2019: It was found that the Defendant had not complied with the aforementioned order and the Court was informed that proceedings under the Insolvency and Bankruptcy Code, 2016 had been initiated against the Defendant. 24 July 2019: A case, therefore, of striking off of the defence of the Defendant to the claim of the Plaintiff for damages was made out and the defence of the Defendant to the claim of the plaintiff for damages was struck off. In addition to the decree dated 14 May 2018, a decree was passed in favour of the Plaintiff and against the Defendant, of recovery of a sum of Rs. 6 lakhs towards costs of the suit. Team: Pravin Anand, Shantanu Sahay, Imon Roy and Aasish Somasi.

