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

% Judgment reserved on: 25.02.2026
Judgment delivered on: 08.04.2026

CS(COMM) 334/2021

DASSAULT SYSTEMES SOLIDWORKS CORPORATION & ANR .....Plaintiffs

versus

ZONEONNE VENTURE PRIVATE LIMITED & ANR. ....Defendants

Advocates who appeared in this case:

For the Plaintiffs : Mr. Shantanu Sahay, Mr. Swastik Bisarya and Ms. Manvi Panwar, Advocates.

For the Defendants : None.

CORAM:
HON'BLE MR. JUSTICE TUSHAR RAO GEDELA

J U D G M E N T

TUSHAR RAO GEDELA, J.

1. The plaintiff has filed the present suit for a decree of permanent injunction restraining the defendants from infringement of its software programs including SOLIDWORKS, apart from other ancillary reliefs of damages, rendition of accounts, delivery up and costs.

2. The facts as stated in the plaint are that the plaintiff no.1 is a Corporation organized and existing under the laws of the United States of America with its corporate Headquarters at Masschusetts, in the United States of America. Plaintiff no.1 is a sister concern of Dassault Systemes, France and was established to manage all business and legal matters with respect to its SOLIDWORKS software. The SOLIDWORKS software is a computer aided design software aimed at modeling and simulating three-

dimensional solid products. It has been considered as a high quality software solution due to its intuitive design and capability to test in real world conditions. As one of the leading 3D simulation software solutions in the world, it caters to a variety of industries, including aerospace, defence, automotive, transportation, consumer products, education, electronics, medical and oil and gas etc. Plaintiff no.2 is a company registered under the Companies Act, 1956 having its registered office located at New Delhi. Plaintiff no.2 is the wholly owned subsidiary of Dassault Systemes, France and a sister concern of plaintiff no.1. Plaintiff no.2 was set up to carry out business activities and anti-piracy campaigns of Dassault Systemes, France and plaintiff no.1 in India.

3. Plaintiffs claim that various software programs are known for developing their revolutionary 3D simulation Computer-Aided Design (CAD), Computer-Aided Manufacturing (CAM) and Computer-Aided Engineering (CAE) software programs. Some of plaintiffs' world-renowned software programs are:

a. SOLIDWORKS - A compact CAD and CAE software used by companies all over the world to develop products in a 3D environment. SolidWorks has been highly prevalent in mid and small-scale companies due to its highly competitive price of procurement and is owned by plaintiff no.1.

4. Plaintiffs claim that the respective software programs and all user instruction manuals included with them are covered under the definition of a "literary work" and are entitled to copyright protection. These programmes have been developed for the plaintiffs by their employees, during the course of their employment with them. Plaintiff no.1's software programs are "works" that were first published in the United States of

America (hereinafter referred to as *"USA"*) which is a member country of the Berne Convention, Universal Copyright Conventions and the World Trade Organization Agreement. Since India and USA are both member countries of the aforesaid conventions, all such works first published in the USA are protected under Indian Copyright Law as though their works were first published in India and thus, plaintiffs' works are protected in India under Section 40 of the Copyright Act, 1957 read in conjunction with the International Copyright Order, 1999.

5. Plaintiffs also claim that due to the highly sought-after nature of plaintiffs' software programs, software piracy has always been a concern. Through market sources, the plaintiffs came to learn that its most sought-after software programs, such as the various versions of SolidWorks, are most susceptible to piracy.

6. Plaintiffs stated that in general the software industry sustains itself on a viable licensing system and not on the conventional 'sale' system. In that, the customer only acquires the right to use the software contained in compact disks/USBs or a portable or cloud storage medium, and does *per se*, not acquire any title in the software. Alternatively, the genuine software is also licensed by the plaintiffs through internet delivery on the condition that the customer would agree to the terms of an End-User License Agreement (EULA) and/or the Customer License and Online Services Agreement (CLOSA), prior to software installation for a particular number of computers. Once the terms of the EULA or CLOSA are agreed upon, the authorized representatives of the plaintiffs transmit the license to the customer *via* the registered e-mail address. Plaintiffs claim that any entity which uses the original licensed software must be in a position to produce evidence of payment or proof of having procured a requisite number of

genuine licenses matching the exact number of computers on which the exact software was downloaded. Plaintiffs claim to be having a complete data base of all the licensees who have acquired valid licenses from it. Thus, any use other than the licensed used in terms of the aforesaid agreement, would be illegal and violative of the intellectual property rights of the plaintiff.

7. Plaintiffs stated that after having been victims of significant financial losses on account of piracy, it invested large sums of money to develop and build security mechanisms into their software to detect violations or piracy. The said security system enables the plaintiff to check whether the software programs are being used in terms of the agreements.

8. The security systems are essentially a software program known as "Phone Home" technology built into the software, which verifies whether the said software is being used in accordance with the agreements. Plaintiffs have explained the methodology by stating that the technology captures and records specific information about the usage of the software programme by the host and the computer on which it is installed and used. The said information is transmitted to the plaintiff's servers which automatically cross-check the details of the software and the computer system on which it is installed i.e. the license key, software version etc. and determine whether the software is being used with a fake or a pre-existing unique license key beyond the scope of the EULA and CLOSA. The transmission of the specific information referred to above logs the said information as an incident report of an infringement known as an "Infringement Hit". Each infringement hit refers to the number of times the pirated/unauthorized software is used by an individual. The said infringement hits are then cross checked against a consolidated data base

which records all the infringement hits it received, along with the corresponding data relating to the computer and the online network of which the said computer system is a part, to identify the infringing user of the software. Once such identification takes place, the plaintiff usually contacts the infringer in order to curb the unauthorized use.

9. The manner in which the security mechanism collates its information is as under:

> *"i. Details of the software:*
> *a. Software brand and version.*
> *b. License key.*
> *ii. Details of the computer system:*
> *a. Media Access Control (MAC) address.*
> *b. Internet Protocol (IP) address.*
> *c. Name of the company domain on a network*
> *d. Hostname of the computer system on a network.*
> *e. Email domain of the network.*
> *f. Name of the internet service provider (ISP).*
> *iii. Details of the infringement:*
> *a. Date of the infringement hit.*
> *b. Number of unique MAC addresses on the network using pirated/unauthorised versions of the software. This may include MAC addresses of the various devices (desktops, laptops, I-Pads, Mobile Phones, etc.) connected to the infringing computer system."*

10. It is stated that the terms of the EULA and CLOSA are electronically shared with the customer, which clearly disclose and inform the prospective user of the software regarding the inbuilt security mechanisms, their purposes and the scope of data it collects from the users' computer. Thus, the plaintiffs claim that any licensed purchaser of the plaintiffs' software, is fully aware and cognizant of the security mechanisms built into the plaintiff's software, even prior to its usage, by way of the EULA and CLOSA agreements.

11. The infringement data base portal of the plaintiffs is named 'Exalead' which allows the authorized representatives of the plaintiffs to

access the infringement data base and analyze infringement hits from users of infringing versions of the plaintiffs' software, including SolidWorks.

12. Plaintiffs claim to have received information through market sources regarding certain infringements sometime in the month of September 2019 which led them to initiate verification process from the Exalead portal. The said verification revealed that the defendants were using pirated/unauthorized versions of the plaintiff's SolidWorks software, on at least seven computer systems. In follow-up, the plaintiffs established contact with the defendants *vide* e-mail dated 27.09.2020 and informed them of their intellectual property rights in the SolidWorks software. The plaintiff also cautioned the defendant to refrain from using pirated/unauthorized versions of the SolidWorks software. Defendants are alleged to have not responded to the said e-mail.

13. Subsequently, the legal counsel of the plaintiff sent an e-mail dated 07.12.2020 informing the defendants of the evidence available with it regarding the infringement of the SolidWorks software by the defendants on account of the information made available through the inbuilt security mechanism. The defendant did not respond to the said e-mail. The plaintiff sent another legal notice dated 09.12.2020, which also was not responded to by the defendants. It is stated that certain settlement procedures were commenced, however, they did not fructify. A similar situation arose again in the month of July 2021 when the inbuilt security mechanism received infringement hits on at least seven computer systems of the defendant.

14. Plaintiffs state that the inbuilt security mechanism is limited in its application to the extent that it captures the infringement hits only when the computer system on which such infringement is continuing, is connected to the internet. Plaintiffs apprehend that the defendants may have committed

multiple instances of infringement which may not have been captured by the security mechanism built into the SolidWorks software on account of the computer not being connected to the internet. However, the plaintiffs claim that in the present case around 474 number of infringement hits had been recorded and collated in the Exalead database which is available with the plaintiff.

15. Plaintiffs claim that the defendants knowingly used the pirated/unauthorized versions of the plaintiff's SolidWorks software programs rather than procuring genuine licenses from the plaintiffs, and thereby infringed the plaintiffs' copyrights subsisting in the software. Plaintiffs fairly disclose that the defendants have not obtained any license of the plaintiff's solid work software till date as per the internal license database maintained by the plaintiff.

16. The plaintiffs have, in the past also, protected the SolidWorks software programme from infringement/piracy and have instituted a number of lawsuits in this Court in which favorable orders were passed in their favour.

17. In view of the above, the plaintiffs were constrained to file the present suit seeking permanent injunction, damages, rendition of accounts, delivery up and costs.

18. Heard Mr. Shantanu Sahay, learned counsel for the plaintiff and examined the pleadings and evidence on record.

History of the Court proceedings

19. Summons were issued in this matter *vide* order dated 23.07.2021 and an *ex-parte ad-interim* injunction was granted in favour of the plaintiffs restraining the defendants from using or reproducing or distributing any pirated/unlicensed/unauthorized software programs of the plaintiffs.

Defendants were further directed not to format the computer systems or erase any data, log files or installations pertaining to plaintiff's copyrights in its software programs.

20. *Vide* order dated 01.02.2022, this Court directed that summons to be issued again to the defendants at the Delhi address and in addition, plaintiffs were permitted to file fresh addresses of the defendants and if so filed, summons would be issued at the said address as well. *Vide* order dated 08.03.2022, fresh notices were again issued to the defendants through all prescribed modes including electronic mode as well as through Whatsapp.

21. It is noted in the order dated 12.05.2022 that the defendant had entered appearance and sought time to file replies and written statements and this Court granted the same in terms of the times of the Commercial Courts, Act, 2015, and Delhi High Court (Original Side) Rules, 2018.

22. *Vide* order dated 29.07.2022, the Joint Registrar (Judicial) recorded that the defendants stand served and *vide* order dated 09.09.2022 of the Joint Registrar (Judicial), the right of the defendants to file written statement was closed. The defendants were proceeded *ex parte vide* order dated 15.09.2022, since none had appeared on behalf of the defendants.

23. *Vide* order dated 20.03.2024, this Court confirmed the *ad-interim* injunction granted *vide* order dated 01.02.2022 till the disposal of the suit. *Vide* order dated 05.02.2024, PW1 Nripendra Kashyap was examined between 12:30 pm and 12:45 pm and was discharged. *Vide* order dated 28.05.2024, PW2 Santosh Kumar was examined in respect of the damages claimed and discharged. *Vide* order dated 21.11.2025, though written submissions had been filed in July, 2024, the Court granted time to file an updated written submissions.

FINDINGS AND CONCLUSION :

24. In support of its averments in the suit plaint, the plaintiff has filed the evidence by way of an affidavit marked as Ex. PW1/A of one Mr. Nripendra Kashyap who has tendered the documents Ex. PW1/1 to PW1/16 out of which Ex. PW1/1, PW1/2, PW1/4, PW1/9, PW1/12 and PW1/13 are relabeled as Mark "C" to Mark "H" being photocopies.

25. PW-1 has generally deposed in favour of the plaintiff and has supported the averments made in the plaint and the prayers sought in the suit. In particular, PW-1 has deposed the details of the infringement of the SolidWorks software by the defendants highlighting the most recent uses at the time of filing the suit which were generated in the month of July 2021 which also captured the infringement by the defendant since the plaintiff identified for the first time the piracy which commenced in the month of October 2018. The deponent has reproduced the details of infringement with the identification of the number of computer systems on which the infringement hits were recorded in a tabulated form which is reproduced hereunder:

Machine Sl.No.	MAC Addresses	Email Domain	Number of Infringement	First instance of Infringement	Last instance of Infringement
1	00e02de53b30	Zoneone me.com	17	09.01.2020	18.03.2020
2	f0761c16ea35, 5c93a2df9361	Zoneone me.com	36	31.10.2018	12.07.2012
3	00ad2445b7d1	Zoneone me.com	69	30.10.2019	09.07.2020
4	8cec4bceae7b, 00ad2445b7cb, 00ad2445b7aa, 8cec4bce7b0d	Zoneone me.com	165	24.10.2019	29.05.2021
5	8cec4bceade7, 00ad2445b7ce	Zoneone me.com	177	10.08.2019	13.07.2021

6	8cec4bceb1f7	Zoneone me.com	2	23.07.2019	24.07.2019
7	00ad2445b7ca	Zoneone me.com	8	14.10.2019	02.12.2019

26. PW-1 has also deposed that the defendant has never sought nor has ever been given the license to use the SolidWorks software programme by the plaintiff.

27. PW-1 has also deposed the manner in which the inbuilt security mechanism developed and integrated into the SOLIDWORKS software program ascertains the infringement by the defendants and the number of computers/other systems of access on account of "phone Home" software. PW-1 has explained the methodology by stating that the technology captures and records specific information about the usage of the software programme by the host and the computer on which it is installed and used. The said information is transmitted to plaintiff's servers which automatically cross-check the details of the software and the computer system on which it is installed i.e. the license key, software version etc. and whether the software is being used with a fake or a pre-existing unique license key which would be beyond the scope of EULA and CLOSA. The transmission of the specific information referred to above logs the said information as an incident report of an infringement known as an "Infringement Hit". It is stated that each infringement hit would refer to the number of times the pirated/unauthorized software is used by an individual. The said infringement hits are then cross checked from a consolidated data base which records all the infringement hits it receives, along with the corresponding data relating to the computer and the online network the said computer system is a part of, to identify the infringing user of the software.

28. It is deposed that once such identification takes place, the infringer is contacted and informed about the infringement at his end in order to curb the unauthorized use. In case, the infringer agrees to buy the licensed software, the matter may not proceed further. In default whereof, notices are sent followed by filing of a lawsuit claiming permanent injunction and damages etc.

29. The methodology and mechanism explained by the plaintiff appears to be a plausible manner in which it is able to focus and capture infringement of its copyrighted SOLIDWORKS software program. The plaintiff has also admitted that only when the computer on which such unauthorised use is continuing is connected to the internet, then alone could the plaintiff identify the acts of infringement. The plaintiff has also explained how the built in security mechanism "phone home" operates and how the data collated is matched and verified with its licensed software data to ascertain whether the infringer of the copyright is a licensed user or not. Similarly, the number of computers or end terminals where the SOLIDWORKS software program is unauthorisedly used is captured by the MAC addresses. Thus, the number of computers and number of infringement hits are ascertained by the above process. There is nothing on record to rebut or disprove the aforesaid averment in the plaint or the deposition of PW-1 for this Court to arrive at any other contrary finding.

30. Thus, this Court is of the considered opinion that the plaintiff has been able to prove by cogent evidence that the defendants have infringed the copyrighted SOLIDWORKS software program of the plaintiff on 7 computers at infringement database (Exalead Portal). This finding can also be inferred from the deathly silence on the part of the defendant to the legal notice dated 09.12.2020 issued by the plaintiff informing the defendant

about the infringement hits plaintiff has received through its built-in security mechanism- "phone home". The silence and continued acts of unauthorised use would constitute infringement of the copyright of the plaintiff in its SOLIDWORKS software program. Despite having been served with the summons and having appeared, the defendant chose not to file its reply nor does any evidence impel the Court to construe that the defendants have any plausible defence. The averments in the plaint and the evidence of PW-1 by way of the affidavit Ex. PW-1/A are deemed to have been admitted.

31. On the aspect of computation of damages, plaintiff has examined Mr. Santosh Kumar, the Licensing Compliance Manager of plaintiff no.2, as PW-2. PW-2 deposed that the computation of damages can be reckoned on the basis of loss that occurred to the plaintiff, the loss being represented by the value of profit that the plaintiffs could have made, had the defendants used genuine copies of the plaintiffs' software programs. He further deposes that having examined the details of unauthorized software usage mentioned in the plaint and the relevant documents regarding Phone-Home data which are part of the record, he opined that the defendants indulged in the illegal use of the pirated copies of the SolidWorks software program on at least seven machines for their commercial and business activities.

32. He further deposed that there is no production or establishment costs for these software programmers, hence the current market value of the said programs is the net profit earned by the plaintiffs. Thus, the quantum of loss is the total market costs of such programs as it were on the date of filing of the suit in 2021. He affirmed the approximate value of the software program in the year 2021 as under:

"7. I affirm that in 2021 the approximate value of the software program of the Plaintiffs were as follows:

Sl.No.	Software	Cost Per Unit (In INR) (excluding taxes)	Total Cost (In INR) (including 18% GST)
1.	SOLIDWORKS	7,84,376	9,25,563

33. He further deposed that the defendants have been using the pirated/unauthorized software of the SolidWorks software program on at least seven computer systems on which the computation of loss could be reckoned at Rs.64,79,941/-. He would depose that had the defendants lawfully purchased the licensed solid work software program from the plaintiff for authorized use on seven computer systems, the damages to the extent of Rs.64,79,941/- would be the genuine purchase cost of the software.

34. Overall, PW-2 deposed that in all, the substantial loss caused to the plaintiff on its credibility and reputation in the market and the injury caused by such infringement entitles the plaintiff to claim an amount of Rs. 2,00,01,000/- from the defendants. If the sum of Rs. 64,79,941/- is added, the total sum on account of damages and loss of potential revenue etc. would be to the tune of Rs. 2,64,80,941/-.

35. As noted above, the defendant no.2 appeared before the Court only once, i.e., on 12.05.2022 and has not entered appearance thereafter the defendants were proceeded *ex-parte* on 15.09.2022. Also, they neither had any written statement rebutting the averments in the suit nor were the plaintiff's witnesses cross-examined on any point. In fact, they were proceeded *ex-parte* on 05.09.2022. In such circumstances, the averments in the plaint as also the depositions of the PWs and the documents marked as exhibits by such witnesses are deemed to have been admitted requiring no further corroboration on any material aspect, in terms of Rule 4 of the

Delhi High Court (Original Side) Rules, 2018, the same are deemed to have been admitted.

36. At this stage, it would be apposite to refer to Order VIII Rule 10 of CPC. The said rule reads as under: -

> *"**10. Procedure when party fails to present written statement called for by Court**.— Where any party from whom a written statement is required under rule 1 or rule 9 fails to present the same within the time permitted or fixed by the Court, as the case may be, the Court shall pronounce judgment against him, or make such order in relation to the suit as it thinks fit and on the pronouncement of such judgment a decree shall be drawn up."*

Thus, in the facts of the case, the principle provided in Order VIII Rule 10 in CPC would apply and this Court can proceed to pronounce the judgment.

37. The plaintiff has been able to establish loss of revenue and damages to the extent of Rs.64,79,941/- and is held entitled to the same.

38. The plaintiffs have also filed a statement of costs dated 19.03.2024, in respect of court fees, legal costs and miscellaneous expenses. As per the statement of costs, the total expenditure incurred by the plaintiffs (i) Rs.2,00,000/- towards payment of Court Fees on the suit plant; (ii) incurred expenses of Rs.21,000/- on account of having filed the present suit and also; (iii) incurred expenses of Rs.1,00,013/- towards legal fees. There is no reason why this Court should not believe the statement of expenses incurred by the plaintiffs, therefore, the plaintiffs would be entitled to a total sum of Rs.3,21,013/- as costs.

39. In view of the aforesaid analysis, a decree of permanent injunction is passed in favour of the plaintiffs and against the defendants in terms of prayer clauses 52(a) and 52(b) of the plaint:

> *a. A decree of permanent injunction restraining the Defendants, their agents, franchisees, servants and all others acting for and on their behalf,*

from directly or indirectly copying, reproducing, storing, installing and/or using pirated/unlicensed software programs of Plaintiffs including SOLIDWORKS and its various versions or any other software programs developed by the Plaintiffs in any manner that may amount to infringement of the Plaintiff No. 1's copyright subsisting in its software programs and software related documentation.

b. An order for delivery-up to the Plaintiffs, of all the unlicensed copies of the Plaintiffs' software, and/or articles/ software, the duplicating equipment used in the copying of the Plaintiffs' software, including computers, compact disc writers, stampers, burners, "plates", hard disks, diskettes, packaging and advertising material, labels, stationery articles and all other infringing material under Section 58 of the Act;

40. Accordingly, the suit is hereby decreed in favour of the plaintiffs and defendants in terms of para 52(d) and 52(e) of the prayer clauses in the plaint. The plaintiffs are entitled to, (i) a sum of Rs.64,79,941/- as cost and damages; (ii) a sum of Rs.3,21,013/- as legal costs, to be paid by the defendants jointly and severally.

41. Decree sheet be drawn up accordingly.

42. The present suit is hereby decreed and disposed of in above terms, alongwith the pending applications.

TUSHAR RAO GEDELA
(JUDGE)

APRIL 8, 2026/*rl/anj*