

The unauthorized use of a copyrighted software program, detected and proved through an inbuilt security mechanism that logs 'Infringement Hits' by cross-checking license keys and capturing MAC addresses, constitutes copyright infringement when the defendant fails to procure genuine licenses and maintains silence to legal notices

The **Delhi High Court** in the case of **Dassault Systemes Solidworks Corporation vs Zoneonne Venture Private Limited [CS(COMM) 334/2021]** dated **April 08, 2026**, has held that where any party from whom a written statement is required fails to present the same within the time permitted or fixed by the Court, the Court shall pronounce judgment against him under Order VIII Rule 10 of the CPC, and the averments in the plaint and the evidence 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 Court ruled that the unauthorized use of a copyrighted software program, detected and proved through an inbuilt security mechanism ('Phone Home' technology) that logs 'Infringement Hits' by cross-checking license keys and capturing MAC addresses, constitutes copyright infringement when the defendant fails to procure genuine licenses and maintains silence to legal notices.

In such cases of infringement, the quantum of loss and damages can be reckoned on the basis of the loss that occurred to the plaintiff, represented by the total market costs or genuine purchase cost of the software programs for the exact number of computer systems on which the pirated/unauthorized software was used, added the Court.

The High Court noted how the prosecution witness 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. 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, which is transmitted to plaintiff's servers which automatically cross-check the details of the software and the computer system on which it is installed. The transmission of the specific information logs the said information as an incident report of an infringement known as an 'Infringement Hit', which refers to the number of times the pirated/unauthorized software is used by an individual.

The Court observed that 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 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). The deathly silence on the part of the defendant to the legal notice dated Dec 09, 2020 and continued acts of unauthorised use would constitute infringement of the copyright of the plaintiff in its SOLIDWORKS software program.

Further, the Court observed that 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 as also the depositions of the prosecution witnesses 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 plaintiff has been able to establish loss of revenue and damages to the extent of Rs. 64.79 lakhs based on the genuine purchase cost of the software for authorized use on seven computer systems, and is held entitled to the same along with costs of Rs. 3.21 lakhs.