



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

% Judgment reserved on: 26.02.2026
Judgment delivered on: 10.03.2026

+ **CS(COMM) 575/2023 , CC(COMM) 6/2024, CRL.M.A.
37879/2025, I.A. 9184/2025, I.A. 18703/2025 & I.A.21860/2025**

ATLAS GLOBAL TECHNOLOGIES LLCPlaintiff
versus

TP LINK TECHNOLOGIES CO LTD & ORS.Defendants

Advocates who appeared in this case:

For the Plaintiff : Mr. Pravin Anand, Ms. Vaishali Mittal, Mr. Jitesh Prakash Gupta and Mr. Siddhant Chamola, Advocates.

For the Defendants : Mr. J. Sai Deepak, Senior Advocate with Mr. Prashant Gupta, Mr. Abhishek Jain, Mr. Shatadal Ghosh and Mr. Munesh Kumar Sharma, Advocates.

CORAM:

HON'BLE MR. JUSTICE TUSHAR RAO GEDELA

J U D G M E N T

TUSHAR RAO GEDELA, J

IA 31839/2025 (seeking Orders of Security Payment, Imposition of Costs and Summoning of Representative of D4)

1. By way of present application, the plaintiff seeks the following relief:

“i. Direct the Defendants to make payment to the Plaintiff of an amount of INR 9,29,62,331 (Rupees Nine Crores, Twenty-Nine Lakh, Sixty-Two Thousand, Three-Hundred-Thirty-One) as pro-tem security, subject to final determination of damages and compensation in the present proceedings.

ii. Impose heavy costs on the Defendants for furnishing false information in the form of C.A certificates dated 15th September 2023; 3rd February 2024; 7th May 2024; 10th July, 2024 ; 16th



October 2024; 17th January 2025, and in I.A 18699/2023 pertaining to sales made by Defendants for WI-Fi6 compliant products in India

iii. Summon Mr. Ramakanta Routray, CIO and Authorised Representative of TP-Link India Private Limited, Defendant No. 4 for his act of furnishing false information on oath regarding the sales of Wi-Fi6 products made by the Defendants in India.

iv. Direct that the data pertaining to sales made by the Defendants in India of Wi-Fi6 compliant products, as reported by the third-party organization International Data Corporation (IDC) and filed along with the evidence affidavit of Plaintiff's witness, Mr. Roy Weinstein 16 (PW-2) will be treated as admitted matter of fact for the purpose of trial and final proceedings;

2. The present Suit has been instituted by the plaintiff seeking relief in respect of infringement of its Standard Essential Patents (SEPs) relating to Wi-Fi 6 technology. The defendants are stated to be manufacturers and sellers of Wi-Fi 6 compliant networking devices in India. The Suit pertains to the allegation that the defendants continue to manufacture, import and offer for sale Wi-Fi 6 compliant devices without obtaining a licence from the plaintiff for the subject SEPs.

3. Opening for the plaintiffs, Mr. Pravin Anand, learned counsel invites attention of this Court to order dated 28.08.2023, whereby the defendants were directed to deposit 1/5th of the amount of the counter offer made by the defendants as *pro-tem* security before the Court. The sum as directed was to the extent of USD 1 million. He stated that the Court took notice of certain facts like long term knowledge that the defendants had of the plaintiff's SEPs and had been in negotiations for a licence since June, 2021; that the defendants continue to sell the Wi-Fi 6 compliant devices in India without challenging the plaintiff's patent; the defendants continued to manufacture infringing products locally without paying royalties; large number of devices were imported from China but sold without royalty



being paid to the plaintiff and that the defendants had made a counter offer in August, 2023 to the tune of [REDACTED].

4. Mr. Anand, would submit that on an application being I.A No.18699/2023, filed by the defendants seeking reduction of the *pro-tem* security amount, *vide* order dated 13.10.2023, this Court modified the order dated 23.08.2023 and reduced the *pro-tem* deposit to Rs.50 lakhs. In support of such application, the defendants had filed Chartered Accountant Certificates which indicated low sale figures of Wi-Fi 6 compliant devices. As an abundant precaution, the Court, while reducing the quantum, noted that the same was a temporary arrangement, subject to further orders once the pleadings are complete.

5. Mr. Anand, would further submit that when the plaintiff pointed out glaring inconsistencies between the defendants sale figures quoted in the CA certificate and independent market research data including International Data Corporation (IDC), this Court *vide* order dated 16.04.2025 nominated and appointed an independent Auditor to examine the books of accounts of the defendant no.4 in respect of sale of Wi-Fi 6 compliant devices in India. He stated that the background to such a requirement of appointing an Auditor is the order dated 02.08.2023, whereby the US Court made certain observations which would amount to misrepresentation and a dishonest approach of the defendant. Apart from the above, the plaintiff had also compared the figures obtained in the CA certificate with the IDC data, and found that the sales figures for Q3 and Q4 of the year 2024 showed massive differences and inconsistencies. He further submitted that shockingly the Auditor's report observed a variance of Rs.9,29,62,331/- in the audited figures as per the Auditor's report *vis-à-vis* the figures in the CA certificates.



6. He stoutly contended that the aforesaid facts are specifically admitted by the defendants, however, the defendants claim that the variance is only Rs.7,75,34,277/- and not Rs.9,29,62,331/-. According to Mr. Anand, more than the figure, what is relevant is that, the defendants unequivocally admit that there indeed is a variance. He would submit that the said fact becomes even clearer from the table contained in the Auditor's Report, which is undeniable.

7. Learned counsel would forcefully contend a party like the defendants who have not only misrepresented before the US Court but also audaciously misrepresented the true facts and figures before the Auditor and has unashamedly admitted to the said discrepancy before this Court, cannot be shown any leniency and need to be directed to deposit the entire amount as calculated by the Auditor as the enhanced *pro-tem* security before this Court. He would also contend that the Auditor has clearly found that the defendants have under-reported/misrepresented the true figures and that there is a clear misrepresentation by the defendants.

8. Mr. Anand, learned counsel would submit that having regard to the aforesaid glaring discrepancies, misrepresentation and fraud attempted by the defendants, this Court on a very conservative estimate must direct a deposit of Rs.9,29,62,331/- at the least. Learned counsel also states that this Court may also direct deposit of additional cost which have been incurred by the plaintiff which have been necessitated on account of defendant's conduct in terms of Section 35, 35A and 35B of the CPC and Rule 1 of Chapter XXIII of the Delhi High Court (Original Side) Rules 2018.

9. *Per contra*, Mr. J. Sai Deepak, learned senior counsel appearing for the defendants strenuously refuted the submissions of the plaintiffs. He would submit that *vide* the order dated 28.08.2023, this Court had directed a *pro-tem* security deposit to the tune of USD 1 million on the basis of a



counter offer made by the defendant of [REDACTED]. However, *vide* the order dated 13.10.2023, this Court had reduced the same on the basis of the sales figures furnished by the defendants on valid CA certificates furnished alongwith the application seeking reduction of the *pro-tem* deposit. He would submit that the Court was convinced that the actual sales figures, as disclosed by the defendants, did not justify the requirement of a deposit of USD 1 million. He would submit that on the basis of offer made by the plaintiff's German Counsel through the submitted affidavit, the running royalty per device was claimed at [REDACTED] which equivalent to [REDACTED]-, and for 1,94,979 devices, the total royalty in terms of *pro-tem* security would reckon at Rs.12,94,660/- which impelled this Court to secure the plaintiff's interest for future and the quantum was assessed at Rs.50 lakhs.

10. Predicated on the aforesaid calculations, learned senior counsel would submit that the defendants were prepared to make a further deposit, without prejudice to the rights and contentions *qua* the question of whether the plaintiff was entitled to any *pro-tem* security at all, from the period 28.08.2023 to 31.12.2024 at the rate at which previous deposit was calculated. In other words, learned senior counsel would submit that the defendant would deposit a sum of Rs.25 lakhs, though according to him, for roughly about 2 lakh devices sold between 29.08.2023 to 31.12.2024 applying the aforesaid ratio/formula, the actual sum comes to approximately Rs.14 lakhs only.

11. He would submit that plaintiff cannot have any quarrel with the said proposition for the reason that the amount calculated above is in consonance with their offer as per affidavit of the plaintiff's counsel.

12. So far as the allegation of misrepresentation or fraud etc. leveled by the plaintiff is concerned, he would submit that there is no substance in the same. He would submit by referring to the Auditor's Report that the



Auditor has framed the report only on the basis of the data furnished by the defendants and does not refer to IDC at all. Thus, the plaintiff's contention that this Court ought to take cognizance of IDC data to direct defendants to make the *pro-tem* deposit is without any merit since Auditor's Report is completely silent as regards any reference to the IDC.

13. While referring to the Auditor Report and the argument of misrepresentation or willful concealment of facts as contended by the plaintiffs, he would invite attention to para 12 of the said report to dispel any such notion. He would submit that nowhere has the Auditor made any observation or allegation that the defendants have concealed any relevant figures muchless given any false representation at all. The only observation made by the Auditor in para 12 is restricted to not having adjusted (i) Debit Note Register; (ii) Freight Charges and (iii) Trade Discount and Rebate, while arriving at the sale amounts in the absence of split between Wi-Fi 6 and non-Wi-Fi 6 devices. Learned senior counsel emphatically submitted that the detailed and separate figures for Wi-Fi 6 and non-Wi-Fi 6 devices in respect of the aforesaid three aspects could not be furnished by the defendants itself, on account of the fact that the trade discount and rebates would be offered at a later stage and would not be readily available as on the date of actual sales. He would submit that the devices which are transported in the containers are not item specific and therefore, the details as to whether the containers would contain either Wi-Fi 6 devices or otherwise could not be discerned even by the defendants. So far as trade discounts and rebates are concerned, he would submit that these are also calculable only after the credit period is over. Thus according to learned senior counsel, there is neither any misrepresentation nor fraud nor has the auditor made any such observation.



14. Predicated on the above, learned senior counsel would contend that the claim of the plaintiff cannot be entertained. Additionally, he would submit that the deposit of *pro-tem* security is not a continuous process that every time the defendants would effect sales of Wi-Fi 6 compliant devices, the plaintiff would be entitled to further enhanced *pro-tem* security amount.

15. As a conclusion, learned senior counsel would submit that in case this Court is inclined to direct any further deposit, the defendants are willing to deposit a sum of Rs.25 lakhs without prejudice to their rights and contentions before this Court, as a final amount and close the application.

16. Having heard learned counsel for the parties and perusing the relevant documents *qua* the present application, the following order is passed.

17. In order to appreciate the rival contentions it would be appropriate to extract para 12 of the Auditor's Report dated 14.05.2025:

"Scope Limitations/ data not made available

12. In the absence of split between Wi-Fi 6 and Non- WiFi 6 categories, the following have not been adjusted while arriving at the sale amounts:

- *Debit Note Register*
- *Freight Charges*
- *Trade Discount & Rebate."*

18. It is clear that the independent Auditor does not refer to any data of the IDC while making the calculations which were required of it as per order dated 16.04.2025. The Auditor appears to have submitted the report purely in terms of the documents provided by the defendant no.4 i.e. the Books of account and the CA Certificates furnished by the defendant no.4. Other than that there is no other document referred to in the said report dated 14.05.2025. Thus, at this stage, it may not be appropriate to refer to the IDC for the purposes of reckoning enhanced *pro-tem* security deposit, if any. Having said that, it is deemed appropriate to observe that if required,



the examination of the IDC Report shall be considered at the appropriate stage, in accordance with law.

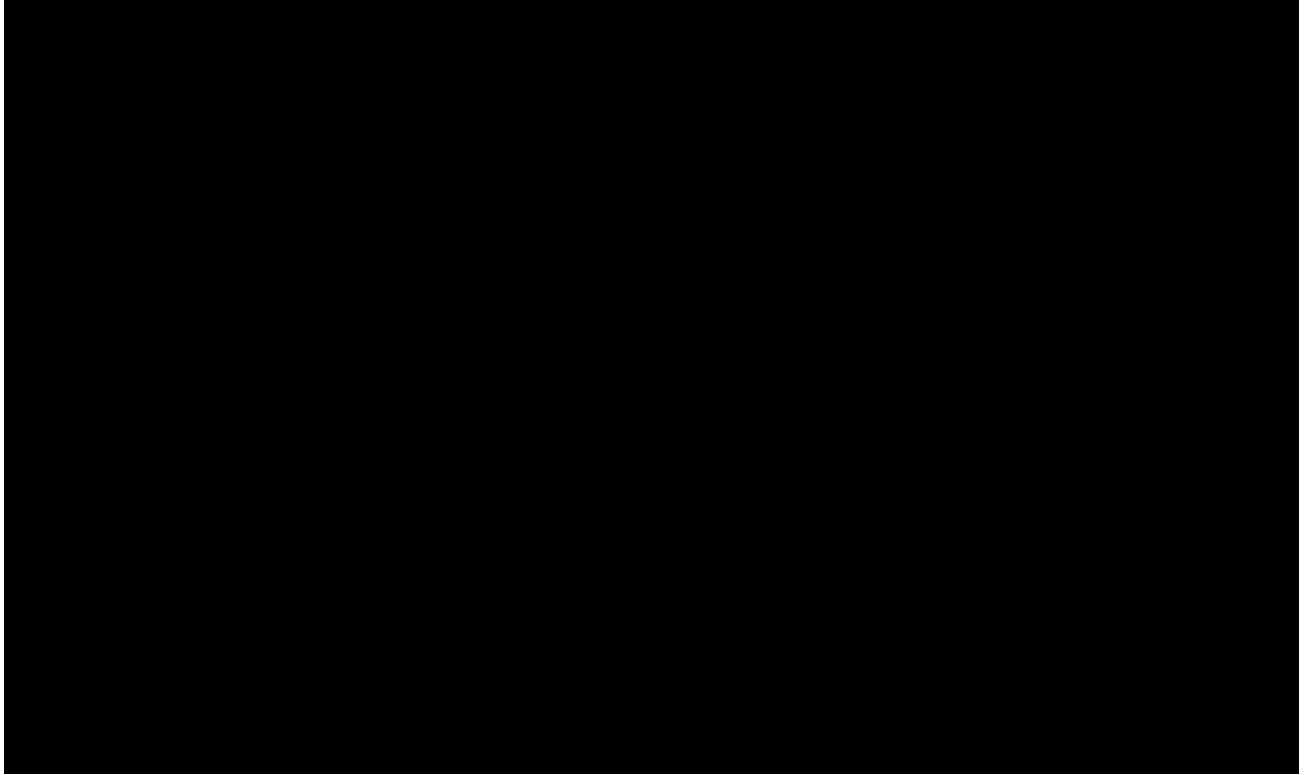
19. So far as the allegation of the plaintiff that there has been a misrepresentation or fraud on the part of the defendants stated to have been observed in the Auditor's Report is concerned, after having perused the entire report such allegation is not discernible. No doubt, that in para 12, the Auditor has clearly stated that in the absence of split between Wi-Fi 6 and non Wi-Fi 6 devices, the aspects like, (i) Debit Note Register; (ii) Freight Charges and (iii) Trade Discount and Rebate, have not been adjusted while arriving at the sale amounts, that by itself may not be construed or assessed at this stage, to be a misrepresentation. This is for the reason that as stated by Mr. J. Sai Deepak, learned senior counsel, the apportionment of the number of devices, whether WiFi 6 compliant or otherwise in a particular container may not be possible to arrive at, since the containers may contain many more such devices and equipment other than WiFi 6 devices. Additionally, the trade discount and rebate also may not be clearly apportioned between WiFi 6 and non-WiFi 6 compliant devices by the defendant no.4 and accordingly, the Auditor had expressed its helplessness to take into account the aforesaid aspects to make suitable adjustment by arriving at the sale amounts. Having said that, though this Court is of the, *prima facie* opinion that there does not appear to be a willful misrepresentation, however, would be impelled to leave this aspect to be examined and adjudicated at the proper stage during the trial. After all, the trial is yet to commence. This Court would also appreciate the order of the US Court at the relevant stage.

20. To ascertain, as to what could be the enhanced *pro-tem* security amount which needs to be directed against the defendant no.4, it may be



appropriate to consider the Auditor's report and the table provided therein.

The said table is reproduced hereunder:



21. The Auditor after having examined the books of account and CA certificates for the FY 2018-19 to FY 2022-23 had also examined the documents relating to the period commencing from 01.04.2023 to 31.12.2024. Since a sum of Rs. 50 lakhs had already been deposited as reckoned up to 23.08.2023, this Court would be concerned with the deposit, if any, for a period from 29.08.2023 to 31.12.2024 as agreed to by the defendants.

22. From the data furnished by Defendant no.4 in terms of the CA certificates submitted, it is found that with effect from 2018-19 uptill 28.08.2023, approximately 1,94,979 devices were sold on which Rs. 50 lakhs have already been deposited by defendants. On and from 29.08.2023 uptill 31.12.2024 approximately 2 lakh WiFi 6 compliant devices are declared to have been sold by the defendants. This Court has also perused



order dated 13.10.2023, whereby this Court had reduced the quantum of deposit from USD 1 million to Rs. 50 lakhs. Though there is no clear determination in terms of actual calculations, it appears to this Court that on a sale of 1,94,977 devices, the Court had directed a deposit of 50 lakhs. Whether such calculation was made on the basis of what Mr. J. Sai Deepak, learned senior counsel had referred to as arising from the affidavit of plaintiffs German Counsel Mr. Yudell, or it was an abstract figure, is not clearly discernible.

23. Mr. J. Sai Deepak, learned senior counsel had attempted to give some semblance to such determination by reference to the running royalty per device at [REDACTED] which is equivalent to [REDACTED] as per the affidavit of Mr. Yudell and had arrived at a figure of approximately Rs.14 lakhs. He had however also stated on instructions that the defendant would deposit a sum of Rs.25 lakhs which is approximately Rs.10 lakhs to Rs.11 lakhs over and above the calculated sum.

24. Though there may be some reference point to the attempted calculation made by learned senior counsel, however, this Court is of the considered opinion that the figure of Rs.50 lakhs was arrived at by this Court in the order dated 13.10.2023, ostensibly, based on the admitted sales of 1,94,977 devices. Therefore, having regard to the fact that from 29.08.2023 to 31.12.2024 the defendant no.4 has declared to have sold approximately 2 lakh devices and is prepared to make a deposit thereon, it would be apposite and in the interest of justice as also to balance equity, to direct defendant no.4 to deposit the enhanced *pro-tem* security of Rs.50 lakhs with this Court. It is made clear that this order would attach finality to the *pro-tem* security deposit issue.

25. Accordingly, defendant no.4 is directed to deposit a sum of Rs.50 lakh within a period of four weeks from date, in the name of the Registrar



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General who shall invest the said amount in an interest bearing Fixed Deposit Receipt with auto renewable clause.

26. In terms of the aforesaid, the application is disposed of.

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27. List before Court on 10.07.2026.

**TUSHAR RAO GEDELA
(JUDGE)**

MARCH 10, 2026

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