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Kavita S.J.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY ORDINARY ORIGINAL CIVIL JURISDICTION IN ITS COMMERCIAL DIVISION

INTERIM APPLICATION NO. 1628 OF 2021 IN COMMERCIAL IPR SUIT NO.178 OF 2021

Everest Food Products Private Limited (Formerly known as M/s S. Narendrakumar & Co.)... Applicant/Plaintiff

Versus

Shyam Dhani Industries Pvt. Ltd. & Ors., ... Defendants

Mr. Hiren Kamod, Counsel a/w Ms. Kavita Srivastav, Ms. Manorama Mohanty, Ms. Mittal B. Nor i/b S.K. Srivastav & Co. for Applicant/Plaintiff.

Mr. Harshit S. Tolia, Senior Counsel a/w Ms. Rushvi N. Shah, Mr. Amit Mehta, Mr. Hitesh Mishra, Mr. Zahid K. Shaikh, Mr. Javvad Z. Shaikh and Ms. Riya D. Dani i/b Mr. Amit Mehta for the Defendants.

Mr. Ramawtar Agarwal, Defendant No.3 present.

CORAM: R.I. CHAGLA, J.RESERVED ON: 22nd OCTOBER, 2024.PRONOUNCED ON: 2nd JANUARY, 2025.

ORDER :

KAVITA SUSHIL JADHAV

Digitally signed by KAVITA SUSHIL JADHAV Date: 2025.01.02 18:38:08 +0530 1. By this Interim Application, the Applicant / Plaintiff has sought injunction against the Defendants for infringement of its

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registered trademarks and for passing off. For combination of the cause of action of infringement of trademark and passing off and since the Defendants are having their registered office outside the jurisdiction of this Court. Leave has been sought under Clause XIV of the Letters Patent. There is no Reply to the Letters Patent Petition. Further, this Court has jurisdiction to try, entertain and dispose of the captioned Suit for cause of action for infringement of trademark. In order to avoid multiplicity of proceedings, leave is granted under Clause 14 of the Letters Patent and accordingly the Letters Patent Petition is allowed.

2. The Plaintiff has stated that it is a company engaged in the business of *inter alia* manufacturing, producing, processing, exporting, importing buying, selling, distributing and dealing in all kinds and types of food products including all types of whole, pure and blended masalas, spices, herbs, seasonings and condiments for Indian dishes and international cuisines. The Plaintiff was earlier operating as a Partnership firm in the name and style of M/s. S. Narendrakumar & Co. registered under the Indian Partnerships Act, 1932. On 11th May 2020, the said firm was converted and incorporated into the Plaintiff.

3. It is stated that in or around the year 1961, M/s. Vadilal Champaklal & Co. (Plaintiff's predecessor in interest) commenced and carried on the business of manufacture and sale of mirchi, masalas, spices and dry fruits under the trade mark "EVEREST". In the year 1989, the Plaintiff's predecessor in interest granted a license to M/s. S. Narendrakumar & Co. (now converted into the Plaintiff) to use the mark "EVEREST" by way of a Deed of License dated 1st April 1989. Thereafter by Deed of Assignment dated 26th September 1994, the Plaintiff's predecessor in interest assigned the trade mark 'EVEREST' and the goodwill attached thereto in favour of the M/s. S. Narendrakumar & Co. As such, the Plaintiff is the proprietor of the trade mark "EVEREST" and is exclusively entitled to the same. A table setting out the particulars of the Plaintiff's trade mark registrations for its EVEREST trade marks is at paragraph 3.6 of the Plaint.

4. It is stated that in or around 2000-2001, Mr. Sanjeev Vadilal Shah, at the time he was the partner of the said partnership firm and is now the Director of the Plaintiff, conceived and / or coined the unique word mark "TIKHALAE" to be used and applied to chilli powders manufactured / sold under the Plaintiff's brand "EVEREST". The word "TIKHALAL" was never in use before in trade and commerce with respect to chilli powders and the same is an invented and / or coined word. It is also pertinent to note that the word "TIKHALAL" does not have any dictionary meaning and is unknown/uncommon in use generally in English or any other Indian language. A copy of the Affidavit of Mr. Sanjeev Vadilal Shah, affirming these facts is at Exhibit E to the Plaint.

5. The Plaintiff has applied for and secured trade mark registration for the word mark "TIKHALAL" in class 30 bearing trade mark registration No. 1075818 in Class 30 dated 24th January 2002. The Plaintiff has also applied for and secured device mark registration for



the Plaintiff's product label "Figure 100 in class 30 bearing trade mark registration No. 2004353 in Class 30 dated 5th August 2010.

6. Since January 2002, the Plaintiff claims that it has been openly continuously and extensively using the trade mark "TIKHALAL" in respect of its goods and has acquired tremendous goodwill and reputation in the goods bearing the same. To demonstrate its goodwill and reputation respect of its goods bearing the trade mark "TIKHALAL", the Plaintiff has produced the following documents along with the Plaint:

(1) A statement of Plaintiff's domestic and international sales turnover from 2009-2010 to 2018-2019 in respect of its goods bearing the trade mark "TIKHALAL";

(2) Sales invoices raised by Plaintiff towards sales of the goods bearing the said trade mark "TIKHALAL";

(3) Few specimens of the promotional material in respect of its goods bearing the trade mark "TIKHALAL";

(4) Invoices raised upon Plaintiff towards television and news channel advertisements in respect of the Plaintiff's goods bearing the trade mark "TIKHALAL";

(5) Invoices raised upon Plaintiff towards advertisements in cinema halls in respect of the Plaintiff's goods bearing the trade mark "TIKHALAL";

(6) CD containing videos of Plaintiff's commercial advertisements in respect of the Plaintiff's goods bearing the trade mark "TIKHALAL";

(7) Plaintiff's listings on e-commerce websites.

7. It is stated that on or about September 2019, the Plaintiff came across a packet of Defendants' "SHYAM TIKHA LAL" Chilli Powder manufactured by Defendant No. 1 and marketed by Defendant No. 2.

8. The Plaintiff states that it has conducted enquiries into the Defendants' activities which revealed that the Defendant No. 3, proprietor of Defendant No.2, has secured trade mark registration



bearing No. 2960690 in Class 30 for the device mark "Comparison of the impugned trade mark "TIKHALAL". On 25th February 2019, the Plaintiff filed a Rectification Application before the Registrar of Trade Marks for cancelling the Defendant No. 3's said trade mark registration, which is pending.

9. On 20th September 2019, the Plaintiff's Advocates issued a cease-and-desist notice upon the Defendants. Despite having duly received the said notice, the Defendants did not send any reply to the said notice.

10. On 20th April 2021, the Plaintiff filed the present Suit and Interim Application against the Defendants before this Court.

11. It is stated that after filing the present Suit, the Plaintiff has learnt that on 30th November 2021, the Defendant No. 1 has filed a trade mark application for the word mark "SHYAM TIKHALAL" under No. 5227639 in Class 29. On 8th April 2022, the Plaintiff filed a Notice of Opposition against the Defendant No. 1's said trade mark application under No. 5227639 in Class 29.

12. Mr. Kamod, the learned Counsel for the Plaintiff submits that it is relevant to take note of the fact that the Defendants have attempted to mislead this Court by producing false and fabricated sales invoices along with their Affidavit in Reply affirmed on 17th June 2021 to show their alleged use of the impugned trade mark "TIKHALAL".

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13. Mr. Kamod submits that on 30/11/2021, the Defendant No. 1 has filed a trade mark application for the word mark "SHYAM TIKHALAL" under No. 5227639 in Class 29. Along with this trade mark application the Defendant No. 1 has produced documents before the Trade Marks Registry to show its alleged use of the impugned trade mark. During the hearing of the oral submissions, the Plaintiff has tendered a separate Compilation of Documents consisting of the Defendant No. 1's trade mark application under No. 5227639 along with Defendant No. 1's documents in support thereof.

14. Mr. Kamod submits that additionally, in the years 2019 and 2020, the Defendant No. 1 has filed 8 other trade mark applications under Nos. 4401271, 4401272, 4410273, 4401274, 4401275, 44327020, 4327021 and 4327022 for unrelated trademarks containing *inter alia* the word "SHYAM", wherein the Defendant No. 1 has produced documents before the Trade Marks Registry to show its alleged use of the trademarks applied for by the Defendant. While the Plaintiff is not concerned with these 8 trade mark applications in the present suit, the documents filed therein are relevant for the consideration of this Court. During the hearing of the oral submissions, the Plaintiff has

tendered printouts of the online status of these 8 other trade mark applications filed by the Defendant No. 1 along with the relevant documents produced by the Defendant No.1 along with these trade mark applications before the Trade Marks Registry.

15. Mr. Kamod submits that in each of the aforesaid trade mark application under No. 5227639 as well as under Nos. 4401271, 4401272, 4410273, 4401274, 4401275, 44327020, 4327021 and 4327022 filed by the Defendant No.1 before the Trade Marks Registry, the Defendant No. 1 has produced an alleged sales invoice dated 1st April 2006 bearing No. 1 addressed to one Kalika General Store, Losal. This sales invoice produced by the Defendant No. 1 before the Trade Marks Registry is identical with the alleged sales invoice produced at page 9 of the Defendants' Affidavit in Reply, except for some glaring discrepancies in the description of the goods stated in these invoices. Images of the rival invoices are reproduced below for the ease of reference of this Court:

Alleged Sales Invoice produced along with Defendants' Affidavit in Reply:

Rajasthan (India)		VAT-49 I	No. Dated			
Rajasthan (India)			1-Apr			
	elivery No	te	Mode/	Term	s of Payment	
	Reference No. & Date.		Other	Other References		
	Buyer's Order No.		Dated	Dated		
Kalika General Store, Losal	Dispatch Doc No. Dispatched through		Delive	Delivery Note Date Destination		
c			Destin			
SI Description of Goods		Quantity	Rate	per	Amount	
 Mirch 100 Gm (A) Mirch 200 Gm (A) Wirch 500 Gm (A) Jirch 1 Kg (A) Dhania 500 Gm (A) Dhania 5 Kg (A) Haldi 200 Gm (A) Haldi 1 Kg (A) Haldi 1 Kg (A) Haldi 5 Kg (A) Mirch Tikha Lal 1kg Mirch Tikha Lal 5kg Dhania 250 Gm Dhania 250 Gm Maldi 250 Gm 	t Tax 4%	40.00 kgs 40.00 kgs 40.00 kgs 20.00 kgs 20.00 kgs 20.00 kgs 20.00 kgs 20.00 kgs 40.00 kgs 40.00 kgs 20.00 kgs 20.00 kgs 20.00 kgs 20.00 kgs 40.00 kgs	58.00 56.00 54.00 52.00 42.00 40.00 38.00 44.00 38.00 50.00 50.00 50.00 38.00 38.00 38.00 38.00	kgs kgs kgs kgs kgs kgs kgs kgs kgs kgs	2,320.00 2,240.00 2,160.00 840.00 800.00 2,280.00 880.00 2,280.00 2,000.00 2,000.00 8,640.00 760.00 720.00 1,520.00 32,320.00 1,293.00	
Amount Chargeable (in words)	Total	700.00 kgs			₹ 33,613.00 E. & O.E	

10/52

Alleged Sales Invoice produced along with Defendant No. 1's Trade Mark Applications filed before the Trade Marks Registry:

Io. Note s Ref. Drder No. h Document N hed through light No. of Loading % Quantity 4 40.00 kgs 4 40.00 kgs	Other Dated o. Delive Destin Place City/P	I nation of rece	rence(s) te Date
s Ref. Drder No. h Document N hed through light No. of Loading % Quantity 4 40.00 kgs 4 40.00 kgs	Other Dated o. Delive Destin Place City/P	Refer	rence(s) te Date eipt by shipper Discharge
Arder No. h Document N hed through light No. of Loading % Quantity 4 40.00 kgs 4 40.00 kgs	Oated o. Delive Destin Place City/P	I nation of reco	te Date eipt by shipper Discharge
h Document N hed through light No. of Loading % Quantity 4 40.00 kgs 4 40.00 kgs	o. Delive Destin Place City/P	of reco	eipt by shipper Discharge
Med through Hight No. of Loading Auantity 40.00 kgs 40.00 kgs	Destin Place City/P	of reco	eipt by shipper Discharge
light No. of Loading % Quantity 4 40.00 kgs 4 40.00 kgs	Place City/P Rate	of reco	eipt by shipper Discharge
light No. of Loading % Quantity 4 40.00 kgs 4 40.00 kgs	City/P Rate	Port of	Discharge
of Loading % Quantity 4 40.00 kgs 4 40.00 kgs	City/P Rate	Port of	Discharge.
 % Quantity 4 40.00 kgs 4 40.00 kgs 	Rate		
4 40.00 kgs 4 40.00 kgs		per	
4 40.00 kgs 4 40.00 kgs		per	Amount
4 40.00 kgs			Amount
4 40.00 kgs	58.00	kgs	2,320.0
4 40.00 kns	56.00	kgs	2,240.0
	54.00		2,160.0
4 40.00 kgs	52.00		2,080.0
4 20.00 kgs	42.00		840.0
4 20.00 kgs	40.00 38.00		800.0 2.280.0
4 60.00 kgs			2,280.0
			800.0
			2.280.0
4 40.00 kgs			2,000.0
4 40.00 kgs	50.00	kgs	2,000.0
4 180.00 kgs			8,640.0
4 20.00 kgs			760.0
4 20.00 kgs			720.0
4 40.00 kgs	38.00	kgs	1,520.0
			32,320.0
			1,293.0
700.00 kgs			₹ 33,613.0
	4 40.00 kgs 4 40.00 kgs 4 180.00 kgs 4 20.00 kgs 4 20.00 kgs 4 20.00 kgs 4 40.00 kgs	4 20.00 kgs 40.00 4 60.00 kgs 38.00 4 40.00 kgs 50.00 4 40.00 kgs 50.00 4 180.00 kgs 48.00 4 20.00 kgs 38.00 4 20.00 kgs 38.00 4 20.00 kgs 38.00 4 40.00 kgs 38.00	4 20.00 kgs 40.00 kgs 40.00 kgs 4 60.00 kgs 38.00 kgs 40.00 kgs 4 40.00 kgs 50.00 kgs 40.00 kgs 4 40.00 kgs 50.00 kgs 40.00 kgs 4 120.00 kgs 48.00 kgs 48.00 kgs 4 20.00 kgs 38.00 kgs 48.00 kgs 4 20.00 kgs 38.00 kgs 40.00 kgs 4 40.00 kgs 38.00 kgs 38.00 kgs

SUBJECT TO JAIPUR JURISDICTION

This is a Computer Generated Invoice

16. Mr. Kamod submits that comparison of the above alleged invoices, more particularly the items listed at Sr. No. 12 and 13 of these invoices, shows that while the sales invoices at page 9 of the Defendants' Affidavit in Reply particularizes the items listed at Sr. No. 12 and 13 as "Mirch Tikha Lal", however the alleged sales invoice produced by the Defendant No. 1 before the Trade Marks Registry in all of its trade mark applications filed before and after the filing of the present Suit particularizes the items listed at Sr. No. 12 and 13 only as "Mirch". He has submitted that it is therefore evident that the Defendants have deliberately fabricated the sales invoice produced along with the Affidavit in Reply by adding the words "TIKHA LAE" therein and produced the same before this Court in an attempt to falsely show their use of the impugned trade mark "TIKHA LAE" and to mislead this Court.

17. Mr. Kamod submits that the Defendant No. 3 has filed an Affidavit dated 12th September 2024, wherein he has sought to explain the discrepancy between the aforesaid sales invoices by alleging that the invoice filed along with the Defendant No. 1's trade mark application under No. 5227639 has not been issued by the Defendants. This explanation is preposterous and obviously false since this sales invoice is

the Defendant No. 1's own document which it has been filed along with its trade mark applications before the Trade Marks Registry. Pertinently, vide an order 13th September 2024, this Court has observed it was *prima* facie satisfied that the Defendant No. 3 has made false statements on oath before this Court. Thereafter, the Defendant No. 3 filed a further affidavit dated 1st October 2024, wherein he has given a newfound explanation that due a misprint caused by error of computer software the impugned trade mark "TIKHA LAL" is absent in the alleged sales invoice filed along with Defendant No. 1's trade mark applications before the Trade Marks Registry. The Plaintiff submits that this explanation is not palatable at all especially since the Defendants have failed to justify how such a misprint or error in software could have occurred in the first place. The lack of any particulars of the software, much less a proper explanation for the cause of the alleged error in the Defendants' computer software, does not inspire any confidence in the explanation given in the Defendants' Affidavit. Further, the contents of the affidavit dated 1st October, 2024 are at loggerheads with the explanation given by the Defendant No. 3 in his Affidavit dated 12th September 2024. There is no explanation forthcoming from the

Defendants for the discrepancies in the Defendant No. 3's Affidavits dated 12th September 2024 and 1st October 2024. In its order dated 3rd October 2024, this Court has observed that *prima facie* the Defendant No. 3 has once again made contradictory and false statements in its affidavit dated 1st October 2024.

18. Mr. Kamod submits that the dishonesty of the Defendants writ at large due the fact that after being caught red handed, instead of showing remorse and coming out with a truthful case, the Defendants have continued to file a false Affidavit followed by another false Affidavit giving frivolous and untenable explanations to justify the discrepancies in their case. This Court has already taken due notice of the Defendants' dishonest conduct in its orders dated 13th September 2024 and 3rd October 2024. He has submitted that under the garb of submitting an apology, the Defendant No. 3 filed an Additional Affidavit dated 14th October 2024, wherein it has attempted to surreptitiously introduce new facts to bolster its case and attempt to skew the balance of convenience in its favour. The dishonest case of the Defendants is also evident from the fact that in their Affidavit in Reply they have failed to provide any explanation for adopting the impugned trade mark.

19. Mr. Kamod submits that in view of the Defendants' dishonest conduct, this Court ought to disregard their defense and impose exemplary costs on the Defendants. The Plaintiff submits that it is entitled to reliefs as prayed for in the Interim Application on this ground alone.

20. Mr. Kamod in support of his submission states that for the purpose of trademark infringement especially of a word mark, this Court needs to only compare the rival word marks "TIKHALAE" and "TIKHA LAE". He has submitted that a bare perusal of the Plaintiff's registered trade mark "TIKHALAE" and the Defendants' trade mark "TIKHA LAE" leaves no manner of doubt that the rival trademarks are phonetically, aurally and visually identical and deceptive similar. The Defendants have merely added a space between the words "TIKHA" and "LAE" in the Plaintiff's trade mark "TIKHALAE" to form the impugned trade mark "TIKHA LAE". He has submitted that such miniscule changes do not make the impugned trade mark distinctive and / or dissimilar to the Plaintiff's trade mark.

21. Mr. Kamod has placed reliance upon the Judgment of a

Division Bench of this Court in <u>Hiralal Parbhudas v. Ganesh Trading</u> <u>Company</u>¹, wherein this Court has considered the principles / tests for assessing deceptive similarity laid down in various key authorities. He has referred to in particular Paragraph 5 of the said decision which has listed the factors for deciding the question of deceptive similarity.

22. Mr. Kamod has submitted that applying the tests and principles of deceptive similarity laid down by this Court in the aforesaid decision would lead to the unmistakable conclusion that the Plaintiff's trade mark "TIKHALAE" and the Defendants' trade mark "TIKHA LAE" are deceptively similar.

23. Mr. Kamod has submitted that in the Affidavit-in-Reply the Defendants have not pleaded that the rival trademarks are dissimilar or that there is no likelihood of confusion on part of the public.

24. Mr. Kamod has submitted that the Defendants are using "TIKHA LAE" in the sense of a trade mark. He has submitted that a bare perusal of the impugned product and particularly the manner in which the impugned trade mark is visually depicted on the impugned product

¹ 1983 SCC OnLine Bom 284

leaves an unmistakable impression that the Defendants are using "TIKHA LAE" in the sense of a trademark. He has submitted that an ordinary person of average intelligence who comes across the impugned trade mark "TIKHA LAE" would never perceive the same to be a description of the character or nature of the goods. Pertinently, the Defendants have used the words 'Chilli Powder' written below the impugned mark "TIKHA LAE" to describe the characteristic of the Defendants' goods.

25. Mr. Kamod has placed reliance upon the decision of the Judgment of this Court in <u>Hem Corpn. (P) Ltd. v. ITC Ltd.</u>², wherein this Court has held that even if a Defendant genuinely intended to use the impugned trade mark descriptively, it would make no difference if the use of the impugned trade mark is likely to be taken as being used as a trade mark.

26. Mr. Kamod has submitted that the Defendants in their trade mark applications have referred to their trade mark as "SHYAM TIKHA LAE". The impugned trade mark "TIKHA LAE" forms a leading, essential

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² 2012 SCC OnLine Bom 551,

and prominent feature of the Defendants' trade mark registration



bearing No. 2960690 in Class 30 for the device mark " Provide that by the act of filing the trade mark applications, the Defendants have manifested their own understanding that the impugned trade mark "SHYAM TIKHA LAL" used by them is used as a trade mark. He has placed reliance on the Judgment of this Court in *Pidilite Industries Ltd. v. Jubilant Agri & Consumer Products Ltd.* ³ at Paragraph 11.1 in this context.

27. Mr. Kamod has submitted that the Defendants in their Affidavit-in-Reply, themselves referred to their trade mark as "TIKHA LAL" *per se*. He has in this context referred to Paragraphs 2, 8, 9 and 10 of the Affidavit-in-Reply which proceeds on the basis that the Defendants are the Proprietor of the trade mark "SHYAM TIKHA LAL" which is used in relation to the Defendants' goods which are described as 'chilli powder'.

28. Mr. Kamod has submitted that the further contention of the

³ 2014 SCC OnLine Bom 50

Defendants that "TIKHA LAL" is descriptive and / or is not a trade mark is not even raised in the Defendants' Affidavit-in-Reply but a case developed at the time of the arguments only. He has submitted that "TIKHALAL" is an arbitrary trade mark adopted by the Plaintiff for its own goods.

29. Mr. Kamod has submitted that Section 30(2)(a) of the Act does not apply in the present case. The Defendants cannot approbate and reprobate by contending that the Plaintiff cannot claim a monopoly in its trade mark "TIKHALAL" since both parties are using "TIKHALAL" to describe the characteristic of chilli powder. He has submitted that the Defendant No. 1 has itself filed trade mark application for the trade mark "SHYAM TIKHALAL" containing the impugned trade mark "TIKHALAL". Hence, the Defendants are estopped from contending that the Defendants or the Plaintiff are not using the same in a trade mark sense. He has placed reliance upon the decision of this Court in *Pidilite Industries Ltd. v. Riya Chemy* ⁴ at Paragraph 62 in this context. He has submitted that the Doctrine of Estoppel squarely applies to the present case.

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⁴ 2022 SCC OnLine Bom 5077

30. Mr. Kamod has submitted that the Defendants are using the trade mark on their goods and hence, not for descriptive purposes. Since Section 30(2)(a) of the Act only applies to a case of a use of a mark, purely for descriptive purposes, in relation to goods or services to indicate the kind, quality, purpose, value, etc. which is different from the use of a mark as a trade mark. He has placed reliance upon the decision of this Court in *Jagdish Gopal Kamath v. Lime & Chilli Hospitality Services*⁵ at Paragraph 40 in this context.

31. Mr. Kamod has submitted that the Plaintiff's case for infringement of its registered trade mark has been made out as the Defendants' use of the impugned trade mark amounts to infringement of trade mark by applying Section 29(2)(c) read with Section 29(3) of the Act. He has submitted that applying the legal provisions to the facts of the present case, the Defendants' use of the impugned trade mark TIKHA LAL, which is identical with the Plaintiff's registered trade mark TIKHALAL in respect of chili powder which is covered by the Plaintiff's trade mark registrations is likely to cause confusion on part of the public and / or association with the Plaintiff's registered trade mark, thereby

⁵ 2015 SCC OnLine Bom 531

leading to infringement of the Plaintiff's registered trade marks under Section 29(2)(c) read with Section 29(3) of the Act.

32. Mr. Kamod has submitted that in view of the Plaintiff being a registered Proprietor of the trade mark "TIKHALAL" and using the same openly, continuously and extensively since the year 2002, the Defendants could not have validly secured registration of their device

mark "Containing "TIKHA LAL" bearing registration No. 2960690 in Class 30 as the same is violative of Sections 9 and 11 of the Act. He has submitted that Defendants' said trade mark ought not to have proceeded to registration as the same is *ex-facie* illegal and is liable to be removed / cancelled from the Register of Trade Marks. He has referred to the Plaintiff's Rectification Application against the Defendants' trade mark registration No. 2960690 is pending before the Trade Marks Registry. He has submitted that the Defendants ought to have been aware of the Plaintiff's prior statutory rights in the said trade mark as they would not have go across the Plaintiff's prior trade mark registration "TIKHLAL" at the time of conducting a search in the Register

of Trade Marks. He has submitted that in view of the dishonest conduct of the Defendants, this a fit case for this Court to exercise its discretion to go behind the validity of the Defendants' trade mark bearing registration No. 2960690 in Class 30, even at this interim stage, and grant the Plaintiff relief in terms of infringement of its registered trade marks. He has submitted that the present case squarely fits within the small window left open by the Full Bench of this Court in Lupin Ltd. vs. Johnson and Johnson⁶ to go behind the Defendants' trade mark registration which is *ex-facie* illegal, fraudulent and of a nature that would shock the conscience of the Court. He has placed reliance upon the Judgment of this Court in *Riva Chemy (supra)* wherein this Court applied the test laid down in Lupin (supra) and granted the relief of trade mark infringement against the Defendant therein who was a registered proprietor of its trade mark by going behind the validity of its trade mark registration at the interim stage.

33. Mr. Kamod has submitted that from the record produced by the Plaintiff it clearly shows that the Plaintiff has acquired immense goodwill and reputation in its trade mark "TIKHALAL" and the goods

⁶ 2014 SCC OnLine Bom 4596

bearing the same. The Defendants' use of the identical trade mark "TIKHALAL" / "TIKHA LAL" in respect of the same goods in respect of which the Plaintiff has been using its trade mark has caused / is likely to cause confusion and deception on part of the members of the general public and trade. He has submitted that there is every likelihood of injury to the goodwill and reputation that has been painstakingly acquired by the Plaintiff in its said trade mark "TIKHALAL" and the goods bearing the same. He has accordingly submitted that by using the impugned trade mark "TIKHALAL" / "TIKHA LAL" in respect of the impugned goods, the Defendants are passing off their impugned goods as those of the Plaintiff's trade mark "TIKHALAL". He has submitted that the Plaintiff is entitled to an injunction in terms of passing off against the Defendants.

34. Mr. Kamod has submitted that it is a settled principle of law that a Defendant's trade mark registration will not come in the way of the Court granting reliefs of injunction in terms of passing off against such Defendant. He has placed reliance in this regard on the decision of the Supreme Court in <u>S. Syed Mohideen v. P. Sulochana Bai</u>⁷ at

⁷ (2016) 2 SCC 683

Paragraph 30.4 and 30.5. He has accordingly submitted that the Plaintiff has made a strong case of passing off and is entitled to relief of injunction on this ground alone.

35. Mr. Kamod has submitted that during the oral arguments, the Defendants have challenged territorial jurisdiction of this Court to try this case on the ground that the present Suit is for infringement of trade mark which is not maintainable under Section 28(3) of the Act. He has submitted that the Defendants' contention is based on a misconceived interpretation of Section 28(3) of the Act. He has placed reliance upon an unrelated Suit filed by the Plaintiff's predecessor against a different Defendant namely S. Narendra Kumar and Co. v. Apricot Foods Pvt. Ltd.⁸ wherein this Court has dealt with the exact defense raised by the Defendants. He has submitted that this Court is held that Sections 28(3), 29(2) and 30(2)(e) of the Act which relied upon by the Defendants therein, did not incorporate any bar on filing of a Suit for infringement in a case where the Defendant's mark is also registered. Section 124 of the Act was relied upon by this Court which clearly shows that a Suit for infringement is not barred by the mere fact

⁸ 2013 SCC OnLine Bom 667,

that the Defendant's mark is also registered. The said provision clearly contemplates that a Suit can be filed and would lie.

36. Mr. Kamod has submitted that the Defendants' contention that the Plaintiff has not shown any actual instance of confusion was raised for the first time during its oral submissions. He has submitted that the Defendants' contentions in respect thereof are liable to be rejected on this ground alone. Without prejudice to the same, he has submitted that the law on this subject is now settled by this Court in the case of *Glenmark Pharmaceuticals Ltd. v. Alteus Biogenics (P) Ltd.* ⁹ wherein this Court has relied upon the decision of the Supreme Court in India in *Laxmikant V Patel vs. Chetanbhai Shah* ¹⁰ and the decision of the Division Bench of this Court in <u>Medley Laboratories (P) Ltd. vs.</u> *Alkem Laboratories Limited* ¹¹ to hold that mere likelihood of confusion is sufficient and Plaintiff need not prove actual confusion.

37. Mr. Kamod has submitted that though the Defendants have not raised the plea of delay or latches or acquiescence in their Affidavit-

⁹ 2024 SCC OnLine Bom 3141

¹⁰(2002) 3 SCC 65

¹¹2002 SCC OnLine Bom 444

in- Reply as well as during in the oral submissions, the Defendants did not raise the contention of acquiescence. Hence, acquiescence cannot be considered as it is a settled principle of law that the acquiescence has to be pleaded. He has submitted that it is also a settled law that mere delay is not a sufficient defence to an application for injunction in a Suit for infringement of trade mark. In this context he has placed reliance upon the decision of the Supreme Court in *Midas Hygiene vs. Sudhir Bhatia*¹², wherein it has been held that in an action for infringement of trade mark once the Court is *prima facie* satisfied that a clear case for infringement of trade mark is made out, an injunction must follow, especially at the interim stage.

38. Mr. Kamod has submitted that in view of the negative acts of the Plaintiff i.e. (i) the Plaintiff addressed a cease and desist notice to the Defendants immediately after coming across their impugned goods bearing the impugned trade mark, (ii) the Plaintiff filed a Rectification Application against the Defendants' trade mark registration and a Notice of Opposition against the Defendants' trade mark application and (iii) the Plaintiff filed the present Suit for injunction against the Defendants,

¹² (2004) 3 SCC 90

there is no question of any delay or acquiescence. He has placed reliance upon the decision of this Court in <u>Abdul Rasul Nurallah Virjee &</u> <u>Jalalluddin Nurallah Virjee v. Regal Footwear</u>¹³ at Paragraphs 118 and 119.

39. Mr. Kamod has submitted that once the Plaintiff establishes that the there is visual and phonetic similarity, and once it is established that the Defendants' adoption of the trade mark is not honest or genuine, then the consideration of any plea as to delay must be on the basis of a consideration where the delay is of such a nature that lead the Defendants to assume that the Plaintiff has acquiesced to the Defendants' use of the impugned mark. He has placed reliance upon the decision of the Division Bench of this Court in *Schering Corporation vs.* Kilitch Co. (Pharma) Pvt. Ltd. 14. He has submitted that in the facts of the present case, the Plaintiff filed the present Suit soon after it came across the Defendants' use of the impugned trade mark and the Plaintiff immediately issued a cease and desist notice to the Defendants objecting to their use of the impugned mark upon. He has submitted that there is no question of the present Defendants assuming that the Plaintiff has

¹³ 2023 SCC OnLine Bom 10

¹⁴ 1990 SCC OnLine Bom 425

acquiesced to the Defendants' use of the impugned mark.

40. Mr. Kamod has submitted that the damage caused to the goodwill of Plaintiff in its registered trade mark due to the Defendants' use of the impugned trade mark is intangible and not computable in terms of money. However, it has the long term effect of devaluing the Plaintiff's trade mark which is the property of the Plaintiff as its registered Proprietor. He has submitted that the Defendants consciously and / or without taking the necessary steps to assure themselves of the existence of the Plaintiff's trade mark, used the impugned trade mark and invested money therein, hence, the balance of convenience is not in their favour. He has placed reliance upon the Judgment of the Division Bench of this Court in *Bal Pharma Ltd. vs. Centaur Laboratories Pvt. Ltd.*¹⁵ at Paragraph 10.

41. Mr. Kamod has submitted that the Defendants during oral submissions offered to change their trade mark from "TIKHA LAL" to "TIKHA TEJ" or "TIKHA TIKHA" subject to the outcome of the Suit. He has submitted that the Defendants having dishonestly used the

¹⁵2001 SCC OnLine Bom 1176

impugned trade mark "TIKHA LAL" and violated the Plaintiff's prior statutory and common law rights led to Plaintiff filing the present Suit against the Defendants. He has submitted that this suggested change / proposed trademarks are not the subject matter of the present proceedings. He has accordingly submitted that the said proposal is not acceptable to the Plaintiff. He has placed reliance upon the decision of the Division Bench of this Court in R.R. Oomerbhoy Pvt. Ltd. v. Court **<u>Receiver</u>**¹⁶ and decision of this Court in <u>K.L.F. Nirmal Industries (P) Ltd.</u> v. K.L.F. Nirmal Industries (P) Ltd. 17, wherein it has been held that the Defendant cannot seek a seal of approval from this Court to use a revised trade mark. This Court also applied the 'Safe Distance Rule' to hold that once a party infringes on another's trade mark, the confusion sowed 'is not magically remedied' by de minimis fixes. He has referred to Paragraph 81 of K.L.F. Nirmal Industries (P) Ltd. v. K.L.F. Nirmal *Industries (P) Ltd. (supra)* in this context.

42. Mr. Harshit Tolia, learned Counsel appearing for the Defendants has submitted that the word "Tikhalal" being used by the Defendants is for "chili powder", and thus it is "characteristic of goods".

¹⁶2003 SCC OnLine Bom 718

¹⁷2023 SCC OnLine Bom 2734

It is not a Trademark. He has referred to Section 30(2)(a) of the Act, wherein it is provided that for such use no infringement action is maintainable.

43. Mr. Tolia has submitted that the Defendants are selling three three different types of chilli powder - (a) "Kutilal"; (b) "Kashmirilal"; and (c) "Tikhalal", out of 6-7 known types of chilies' and total 4000 types of chilies, being grown in India / worldwide. He has referred to the characteristics of chili powder under the abovementioned types of chili powder. He has submitted that the Plaintiff is also using "Everest - Tikhalal Chilli Powder" or "Everest Tikhalal Hot and Red Chilli Powder".

44. Mr. Tolia has submitted that even if a party intend to use Tikha Lal as a trademark, but if its use in relation to goods indicates characteristics of goods, the provisions of Section 30(2)(a) of the Act shall apply, in view of its specific language.

45. Mr. Tolia has submitted that Section 28 of the Act confers the right by registration of a trademark on the registered proprietor is

"subject to other provisions of this Act", as per recital of Section 28(1) of the Act itself. Thus, it shall subsume to Section 30 of the Act.

46. Mr. Tolia has submitted that Section 30(2) of the Act is an absolute embargo because its recital "a registered trademark is not infringed where" is based on certain inherently non-distinctive aspects like kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services. He has submitted that Section 30(2) of the Act affects the public interest inasmuch as something which is necessary to characterize or describe any goods, shall not be an infringement. Otherwise, no one will be able to use such characteristics or describing words.

47. Mr. Tolia has submitted that to direct the party not to use "Tikha Lal chili powder" for chili powder will be against the public policy. By placing the word "Tikhalal" or "Tikha Lal" with a particular background, will only amount to highlighting the characteristics to distinguish other chili powder like "Kutti Lal" chili powder, "Kashmiri Lal" chili powder, "Byadgi" red chili powder, "Guntur" red chili powder,

etc. In all these cases, Tikhalal, Kutti Lal, Kashmiri Lal, Byadgi, Guntur, etc. are showing the characteristic or such description of "red chili powder" only.

48. Mr. Tolia has submitted that the Defendants are in the market with its registered trademark "Shyam TikhaLal" since the year 2015 and using the mark continuously, openly and extensively. The said user is also uninterrupted till date, barring the present Suit filed by the Plaintiff.

49. Mr. Tolia has submitted that the Defendants have substantially established itself in the market. The Plaintiff has failed to provide a single instance of actual confusion but solely rely upon the statutory provisions with regard to "likely to cause confusion", despite the Defendants substantially presence in the market since about 10 years. He has submitted that the Plaintiff has filed additional set of evidence on 21st August, 2024, but still has failed to provide any case of actual confusion.

50.

Mr. Tolia has submitted that the purposive reading of

Section 2(1)(h) of the Act, in the facts and circumstances of the case, lead to only one conclusion that the Plaintiff has failed to substantiate a prima-facie case of "likely to deceive or cause confusion".

51. Mr. Tolia has submitted that the Defendant must be given an opportunity at the trial to substantiate its prima-facie tenable defence of Section 30(2)(a) of the Act i.e. "Tikha Lal" is characterizing and / or descriptive of red chili powder. Therefore, grant of interim injunction at this stage, after the pendency of the Suit for almost four years, during which Plaintiff has never shown any enthusiasm to pursue the same, shall amount to serious prejudice to the Defendant. He has placed reliance upon the decision of the Supreme Court of India in <u>Wander Ltd.</u> <u>And Anr. v. Antox India Pvt. Ltd.</u>, ¹⁸ at Paragraph 9.

52. Mr. Tolia has submitted that without prejudice to the above submissions even if the case of the Plaintiff is accepted just for the sake of argument, then no relief for infringement of the trademark can be granted in view of Section 28(3) of the Act. This is in view of the Plaintiff and Defendant being both registered Proprietors of the trade

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¹⁸1990 (Supp) SCC 727

mark.

53. Mr. Tolia has submitted that since the Defendant has applied for the word mark "Shyam TikhaLal", as per section 17(2) of the Act, Defendant can claim benefit of registration of trademark for wordmark also. He has submitted that in any event the Defendant has registered its label mark "Shyam Tikha Lal" and the word "Tikha Lal" is treated as its essential feature which is covered by the registration of the trademark (device). Therefore, the provisions of Section 28(3) of the Act applies and no relief for the infringement of the trademark can be granted in favor of the Plaintiff.

54. Mr. Tolia has submitted that if the Defendant's contention of applicability of Section 28(3) of the Act is accepted, then the Defendant is entitled to raise the defense forum inconvenience or lack of territorial jurisdiction. He has submitted that undisputedly, the cause of action has taken place in Jaipur. The Suit has been filed in this Court on the ground of Section 134 of the Act and for passing of action the leave under Clause XIV of the Letters Patent is sought for. He has submitted that when the infringement action is itself not maintainable against the Defendant, this Court may not entertain the suit on the ground of territorial jurisdiction/forum convenience/lack of territorial jurisdiction. He has accordingly submitted that the leave granted be revoked.

55. Mr. Tolia has submitted that the Defendant as aforementioned has established itself in the market. Not permitting the Defendants to use the words describing the kind and/or quality and/or intended purpose in relation to the goods (red chili powder), shall be prejudicial to the entire business of the Defendants. As against this, the Plaintiff has no prejudice. The plaintiff can be compensated in terms of money in future, if at all Plaintiff succeeds.

56. Mr. Tolia has submitted has submitted that the Defendant company is in the business of spices since about 30 years. Defendant is having 400 permanent employees and 100 other employees. Till date no Suit for infringement of the trademark or any such other litigation is filed against the Defendant. The Defendant's principle brand "Shyam" is equally well reputed in the market like the trademark of the Plaintiff "Everest". He has referred to the several awards received by the Defendant Company and recognition from the State Government and /

or the industries, which are referred in Affidavit of Mr. Ram Avtar Agrawal dated 14th October, 2024.

57. Mr. Tolia has placed upon the Judgment of *Marico Ltd. v. Agro Tech Foods Ltd.*¹⁹ at Paragraph 10, 37, where the Delhi High Court has considered Section 30(2)(a) of the Act and held that the trademark "low absorb" is generic for edible oil. It has been held that Section 30(2) (a) and Section 35 will apply.

58. Mr. Tolia has also placed reliance upon Judgment of Madras High Court in <u>Aravind Laboratories v. Modicare</u>²⁰ at Paragraph 48, 49, 53, where the Madras High Court distinguished Section 30(1) vis-à-vis Section 30(2) and held that the trademark "Dazzler" to be descriptive as it denotes intended purpose of nail polish.

59. Mr. Tolia has submitted also placed reliance upon the decision of the <u>Madras High Court in ITC Limited v. Nestle India</u> <u>Limited²¹</u> at Paragraph 73, 74, 75, 82 which has also considered Section 30(2)(a).

¹⁹2010 SCC OnLine Del 3806

²⁰2011 SCC OnLine Mad 847

²¹2020 SCC OnLine Mad 5457

60. Mr. Tolia has submitted that where there is delay, status quo ante is not permissible. He has placed reliance upon <u>Wander Ltd.</u> <u>And Anr. V. Antox India Pvt. Ltd.</u>²² at Paragraph 9. Further, he has submitted that delay would be a valid defence in trademark matter. In this context he has placed reliance upon <u>Khoday Distilleries Ltd. v.</u> <u>Scotch Whisky Assn.</u>²³ at Paragraph 49.

61. Mr. Tolia has also placed reliance upon the Judgment of Supreme Court in <u>Toyota Jidosha Kabushiki Kaisha v. Prius Auto</u> <u>Industries Ltd.²⁴</u> at Paragraph 40 where it is held that unexplained delay in approaching the Court disentitle the Plaintiff to seek interim injunction.

62. Mr Tolia has also placed reliance upon the decision of this Court in *Essel Propack Ltd. v. Essel Kitchenware Ltd.,*²⁵ at Paragraph 45 where this Court has considered the scope of equitable relief of interim injunction in trademark cases.

²²1990 (Supp) SCC 727

²³(2008) 10 SCC 723

²⁴(2018) 2 SCC 1

²⁵2016 SCC OnLine Bom 937

63. Mr. Tolia has distinguished the Judgment relied upon by the Plaintiff viz. Jagdish Gopal Kamat (supra) on the ground that Section 30(2)(a) was found not to be applicable in the facts of that case. The Trademark itself was "Café Madras" and there was no question of use of "Café Madras" to indicate the characteristic of the goods or services. He has submitted that in the present case, Tikha Lal is used to demonstrate the characteristic of chili powder. He has also submitted that the decision relied upon by the Plaintiff viz. Hem Corporation Pvt. Ltd. and Others v. ITC Limited (supra) is in favour of the Defendants. It was held that the referred to provisions would come to the Defendant's aid only if the Defendant established that the use of the mark in relation to goods was to indicate their quality or it established that the use of the mark was a bona fide description of the quality of the goods. In the facts of that case, it was held that the Defendants were not able to establish the same and hence, the use of the impugned mark was as a trademark and not as descriptive of the Defendant' products sold under the mark.

64. Mr. Tolia has referred to the fact that the Defendant company is ready and willing to change the word "Tikha Lal" to "**Tikha**

Tej" or "Tikha Tikha". This is subject to the final outcome of the Suit.

65. Mr. Tolia has submitted that this is not a fit case where this Court would exercise the discretionary relief of interim injunction in favor of the Plaintiff and parties may be directed to go for trial with time bound schedule. He has accordingly submitted that the application for interim injunction filed by the Plaintiff may be dismissed.

66. Having considered the rival submissions, in my view, the Defendants' conduct in the present case has been nothing but dishonest. Prima facie the Defendants have placed reliance upon false and fabricated Sales Invoices which have been annexed with the Affidavit-in-Reply and which have been referred to as part of the submissions of the Plaintiff. The Defendants in my prima facie view have deliberately fabricated Sales Invoices including Sales Invoice dated 1st April, 2006 by adding the words "TIKHA LAL" and produced the same before this Court in an attempt to falsely show their use of the impugned trade mark "TIKHA LAL" to mislead this Court. The Affidavits which have been filed by the Defendant No.3 viz. Affidavit dated 12th September, 2024 and 1st October, 2024 are contradictory to each other and no satisfactory

explanation is forthcoming from the Defendants for the discrepancies therein and in the Invoices which have been produced. This Court has also taken notice of the Defendant's dishonest conduct in its prior Orders dated 13th September, 2024 and 3rd October, 2024. Thus, in view of this dishonest case, the Defendants' defence to the Interim Application itself is required not to be considered. The Plaintiff is entitled to interim reliefs on this ground alone.

67. In the event, this Court is required to go into the defence of the Defendants, I do not find that the Defendants have been able to establish their case that they are using "TIKHA LAL" as per the provisions of Section 30(2)(a) of the Act viz. as "characteristics of its goods", i.e. "Chilly Powder".

68. I find much merit in the submissions on behalf of the Plaintiff that upon a bare perusal of the impugned product, particularly the matter in which the impugned trade mark is visually depicted on the impugned product leaves no manner of doubt that the Defendants are using "TIKHA LAL" in the sense of a trademark. In *Hem Corpn. (P) Ltd. v. ITC Ltd. (supra)* it has been held as under:

O-IA 1628.2021 in COMIP 178.2021.doc

"27. Even assuming that the defendant genuinely intended using the mark only to describe the aroma of the products, it would make no difference if the use of the mark is likely to be taken as being used as a trademark. ...

28. The intention to use a mark as a trademark is not the only factor that constitutes infringement. A registered trademark is infringed by a person if he uses it in such a manner as to render the use of the mark likely to be taken as a trademark. In other words the use of a registered trademark would constitute an infringement if it indicates a connection in the course of trade between the person and his goods or services irrespective of his intention. This is clear from the phrase in section 2(1)(zb)(ii) "for the purpose of indicating or so to indicate"."

69. I do not find any merit in the submission of the Defendants that the said decision supports the case of the Defendants.

70. The Defendants have themselves understood that the

impugned trade mark "SHYAM TIKHALAL" is being used by them as a trade mark. The impugned trade mark "TIKHA LAL" forms a leading essential and prominent feature of the Defendants' trade mark registration bearing No. 2960690 in Class 30 for the device mark "



". The Defendants by the act of applying for registration of the said device mark cannot contend to the contrary i.e. the impugned trade mark "TIKHALAL" is used to describe the characteristic of the goods. The decision of this Court in *Pidilite Industries Ltd. v. Jubilant Agri & Consumer Products Ltd. (supra)* is apposite.

71. The Defendants in their Affidavit-in-Reply have also proceeded on the basis that they are the Proprietor of trade mark "SHYAM TIKHA LAL" which is used in relation to the Defendants' goods which are described as "Chilly Powder". Thus, in view of the pleadings at Paragraph 2, 8, 9 and 10 of the Affidavit-in-Reply, they cannot contend to contrary. It is also apparent that this contention of the Defendants is not only false but also an after thought which has no merit.

72. I find much merit in the submission of the Plaintiff that the Defendant No.1 by filing trade mark application for trade mark "SHYAM TIKHALAL" containing the impugned trademark "TIKHALAL" the Defendants are estopped from contending that the Defendants or the Plaintiff are not using the same in the trade mark sense. The Judgment of this Court in *Pidilite Industries Ltd. v. Riya Chemy (supra)* is apposite.

73. The Defendants are using the impugned trade mark not in any descriptive sense, but as a trade mark which is evident from the manner which the Defendants are using the impugned trade mark on their goods as well as the Defendants' own trade mark applications for the impugned trade mark. This Court in *Jagdish Gopal Kamath v. Lime & Chilli Hospitality Services (supra)* has held that "it is the use of a mark otherwise then as a trade mark i.e., purely for descriptive purposes. Here, the Defendant is using the mark not in any descriptive sense, but as a trade mark. This is obvious from the Defendants' own application for registration."

74. Upon a perusal of the rival marks, I am of the prima facie

view that use of the Defendants' impugned mark "TIKHA LAL" which is identical with the Plaintiff's registered trade mark TIKHALAL in respect of Chilly Powder which is covered by the Plaintiff's trade mark registrations is likely to cause confusion on the part of the public, and / or association with the Plaintiff's registered trade mark, thereby leading to infringement of the Plaintiff's registered trade marks under Section 29(2)(c) read with Section 29(3) of the Act.

75. In my prima facie view, the Plaintiff has established that it has acquired immense goodwill and reputation in its trade mark "TIKHALAL" and the goods bearing the same. This is evident from the fact that the Plaintiff has registered its trade mark "TIKHALAL" on 24th January, 2002. Since January 2002, the Plaintiff has been openly, continuously and extensively using the trade mark "TIKHALAL" in respect of its goods and has acquired tremendous goodwill and reputation in the goods bearing the same. The Defendants have secured



registration of their device mark "**Lass**" in Class 30 bearing trade mark registration No. 2004353 on 5th August 2010. The

Defendants' have by using the identical trade mark "TIKHALAL" / "TIKHA LAL" in respect of the same goods in respect of which the Plaintiff has been using its registered trade mark, is likely to cause confusion and deception on part of the members of the general public and trade. There is likelihood of injury to the goodwill and reputation that has been painstakingly acquired by the Plaintiff in its said trade mark "TIKHALAL" and the goods bearing the same.

76. It is settled law that the Defendants' trade mark registration will not come in the way of the Court granting relief of injunction in terms of passing off against the Defendants. The decision of the Supreme Court in *S. Syed Mohideen v. P. Sulochana Bai (supra)* is apposite. I do not find any merit in contention on behalf of the Defendants with regard to this Court having no territorial jurisdiction in view of Section 28(3) of the Act being applicable. This Court in *S. Narendra Kumar and Co. v. Apricot Foods Pvt. Ltd. (supra)* has held that Section 28(3) of the Act would not bar the filing of the Suit for infringement in a case where the Defendants' mark is also registered.

77. I prima facie find that the Plaintiff has been able to establish

a case for this Court to go behind the registration of the Defendants' impugned mark as in my prima facie view the Plaintiff has been able to establish that the Defendants have dishonestly / fraudulently registered their impugned mark. The Defendants trade mark registration is in my prima facie view *ex-facie* illegal, fraudulent and of a nature that would shock the conscience of the Court. Thus, the present case squarely fits within the small window left open by the Full Bench of this Court in Lupin Ltd. vs. Johnson and Johnson (supra). This Court in Riva Chemy applied the test laid down in Lupin Ltd. Vs. Johnson and (supra) Johnson (supra) and granted the relief of trade mark infringement against the Defendant therein who was a registered Proprietor of its trade mark by going behind the validity of its trade mark registration at the interim stage. The present case is one of such case where this Court is required to go behind the validity of the Defendants' trade mark registration at the interim stage.

78. The contention of the Defendants that the Plaintiff has not shown any actual instance of confusion, though not pleaded was raised for the first time during their oral submissions. However, this contention is misconceived as it fails to acknowledge the settled law as laid down

by this Court in the *Glenmark Pharmaceuticals Ltd. v. Alteus Biogenics* (*P*) *Ltd. (supra*) which relied upon decision of the Supreme Court in *Laxmikant V. Patel vs. Chetanbhai Shah (supra)* and the Division Bench of this Court in *Medley Laboratories (P) Ltd. vs. Alkem Laboratories Limited (supra)* which have held that mere likelihood of confusion is sufficient and Plaintiff need not prove actual confusion.

79. I further do not find much merit in the submission of the Defendants that there has been delay in the Plaintiff approaching this Court. There are sufficient negative acts of the Plaintiff viz. that the Plaintiff addressed cease and desist notice to the Defendants immediately after coming across their impugned goods bearing the impugned mark; filed Rectification Application against the Defendants' trade mark registration and a Notice of opposition against the Defendants' trade mark application. Further, the Plaintiff filed the present Suit for injunction against the Defendants. This is itself militates against the contention on behalf of the Defendants that there is delay or acquiescence. Further, this Court in *Abdul Rasul Nurallah Virjee & Jalalluddin Nurallah Virjee v. Regal Footwear (supra)* has held that the plea of acquiescence to be raised in the Defendants' defence so as to

succeed ought to be supported by weighly materials of that effect. In that case, the Defendants were not be able to refer to a single positive act of the Plaintiff encouraging its business. In fact, there were negative acts on the part of the Plaintiff in that case. This is exactly the position in the present case and in my prima facie view the Defendants have failed to make out any defence of acquiescence and / or delay.

80. I further do not consider it appropriate in the circumstances of the present case to consider the proposed trade marks which were suggested by the Defendants, particularly considering that in my prima facie view the Defendants have dishonestly adopted their trade mark "TIKHA LAE". Further, the proposal itself is not acceptable to the Plaintiff. It has been held by this Court in *K.L.F. Nirmal Industries (P) Ltd. v. K.L.F. Nirmal Industries (P) Ltd. v. K.L.F. Nirmal Industries (P) Ltd. (supra)* that the Defendants cannot seek a seal of approval from this Court to use a revised trade mark. The said decision placed reliance upon the Division Bench of this Court in *R.R. Oomerbhoy Pvt. Ltd. v. Court Receiver (supra)*.

81. The decisions relied upon by the Defendants viz. *Marico Ltd. v. Agro Tech Foods Ltd. (supra); Aravind Laboratories v. Modicare*

(supra); ITC Limited v. Nestle India Limited are distinguishable on the facts. They are inapplicable in the present case. Further, the remainder of the decisions relied upon by the Defendants would also be inapplicable in the present case in view of the aforementioned prima facie finding that there has been dishonest adoption by the Defendants of the impugned mark and hence, a plea of acquiescence cannot be raised as a defence by the Defendants. Further, in so far as the jurisdiction is concerned, this Court has jurisdiction under Section 134 of the Act and Section 28(3) of the Act does not bar the filing of a Suit for infringement.

82. Thus, I find that the Plaintiff has been able to make out an overwhelming prima facie case for grant of injunction against the Defendants. The balance of convenience is also in favour of the Plaintiff as the Plaintiff is the registered Proprietor of its trade mark since 2002 and it has been openly, continuously and extensively using the trade mark "TIKHALAL" in respect of Chilly Powder since that year. The Plaintiff has valuable statutory and common law rights in the trade mark and goods bearing the same. The Defendants have failed to plead any explanation for adopting the impugned trade mark. Further, the

Defendants use of the impugned trade mark is likely to cause confusion and / or deception against the members of the general public and trade. The Defendants' use of impugned trade mark would dilute the distinctiveness of the Plaintiff's trade mark and would lead to injury to the Plaintiff's goodwill and reputation. Unless the reliefs prayed for which are granted, the Plaintiff will suffer irreparable injury which cannot be compensated in terms of money.

83. In view thereof, interim relief is granted in terms of prayer Clauses (a) and (b) of the Interim Application which reads thus:

> "(a) pending the hearing and final disposal of the suit, this Hon'ble Court be pleased to restrain the Defendants by themselves, their partners, affiliates, assigns, associates, agents, servants, employees, dealers, distributors stockiest and all other persons claiming through or under the Defendants by an order and injunction of this Hon'ble Court in any manner (directly or indirectly) from using, depicting, adopting, affixing the name/word Tikha lal or any other mark which is identical or deceptively similar or phonetically similar to the Plaintiff's trademark

"TIKHALAL" bearing No. 1075818 at Exhibit D-1 to the Plaint or in any other manner whatsoever;

(b) pending the hearing and final disposal of the suit, this Hon'ble Court be pleased to restrain the Defendants by themselves, their partners, affiliates, assigns, associates, agents, servants, employees, dealers, distributors stockiest and all other persons claiming through or under the Defendants by an order and injunction of this Hon'ble Court from using, manufacturing, packaging, selling, exhibiting for Sale, advertising, printing or otherwise dealing with their impugned product "SHYAM TIKHA LAL" or any other product with the name/word "Tikhalal" in any manner (directly or indirectly) which is infringing the Plaintiff's trademark /suit marks or any other mark which is identical or deceptively similar or phonetically similar to the Plaintiff's trademark "TIKHALAL" bearing No. 1075818 at Exhibit D-1 to the Plaint so as to pass off or enable others to pass off the Defendants' product as the product of the Plaintiff:

84. The Defendants shall pay costs to the Plaintiff in the sum of Rs.2,00,000/- (Rupees Two Lakh only) for filing a false case of user since 2006 as borne out by the fabricated Sales Invoice and discrepancies in the Affidavits filed by the Defendants. This shall be paid within a period of four weeks from the date of uploading of this Judgment and Order.

85. The Interim Application is accordingly disposed of.

[R.I. CHAGLA, J.]