

(2011) 01 DEL CK 0278

In the Delhi High Court

Case No : IA No"s. 867 of 2010, 3001 of 2010 and 7424 of 2010 in CS (OS) No. 107 of 2010

Bhole Baba Milk Food Industries Ltd.

APPELLANT

Vs

Parul Food Specialities (P) Ltd.

RESPONDENT

Date of Decision : 19-01-2011

Acts Referred:

Citation : (2011) 1 AD 771 : (2011) 177 DLT 109 : (2011) 121 DRJ 536 : (2011) 2 ILR Delhi 317 : (2011) 45 PTC 217

Hon'ble Judges : Rajiv Shakdher, J

Bench : Single Bench

Advocate : Mohan Vidhani, for the Appellant; N.K. Kaul H.P. Singh, Navroop Singh and S.P. Kaushal, for the Respondent

Judgement

Rajiv Shakdher, J.—IA No. 867/2010 [u/s 135(2) of Trade Marks Act, 1999 and Order 39 R. 1 and 2 r/w S. 151 of CPC by Pltf.] IA Nos. 3001/2010 and 7424/2010 (O. 39 R. 4 r/w S. 151 of CPC by Deft.) 1. Parties in this case are locked in an intense court battle over the exclusive right to use the name of one of the reigning deity"s from amongst pantheon of Hindu Gods; not for any altruistic purpose but for pure commercial gains. Since the products in issue, in respect of which the impugned mark is being used are: ghee, milk products and dairy products, the God who has been invoked; and the name which would, in the litigants" estimation, catch consumers imagination is "KRISHNA". The Plaintiff claims exclusivity over the word mark and label mark KRISHNA; which includes the attendant pictorial depiction.

2. It is pertinent to note at this stage that, when the suit was first moved alongwith an interlocutory application, by an order dated 25.01.2010, the Defendant had been restrained by me from using the infringing mark KRISHNA or any other mark which was deceptively and confusingly similar to the Plaintiff"s mark. During the course of proceedings, the Defendant placed before me an alternate representation to the one which is currently being used by the

Defendant. The label which the Defendant proposes to use, as against the one which it is currently using, was filed formally on 02.11.2010. This filing was preceded by an order dated 01.10.2010 when, the counsels representing the Defendant had placed before me during the course of hearing the changes they proposed in their trade mark label for consideration of the Plaintiff. At this hearing it was contended by the counsels appearing for the Defendant that they had instructions to argue the application for vacation of the ad interim order dated 25.01.2010 on the basis of the suggested trade mark label. This, of course, was without prejudice to their stand taken in the pleadings before me. The reason that I have adverted to this aspect of the matter is, for the reason, that consequent to this step of the Defendant, the controversy in issue, in my view, has got substantially narrowed to usage of the word KRISHNA by the Defendant as part of its trade mark. The packaging and the colour scheme and the manner of depiction of the word KRISHNA has been altered. I would deal with this in greater detail towards the end of my judgment after I have dealt with the contention of parties.

3. In this background, let me advert briefly to the case set up by the parties.
PLAINTIFF'S CASE

4. The Plaintiff, it appears, was originally incorporated as a private limited company and thereafter, got converted into a public limited company. The Plaintiff avers that it has been in the business of manufacturing and sale of ghee, milk and milk products, as also dairy products etc., for several years. In respect of its trademarks, it is specifically averred that the Plaintiff has obtained registration of the label mark KRISHNA which, depicts the picture of Lord Krishna standing on a lotus flower. This label mark has been given the registration number of 597519 and stands registered in respect of milk and dairy products falling in class 29. It is claimed that the mark was advertized in the trade mark journal No. 1206(S) dated 08.09.2009 at pages 107-08. To be noted, I was informed during the course of hearing that the Plaintiff is not using the said label mark even though it stands registered in its name. 4.1 The Plaintiff also claims registration of the word mark KRISHNA which has a somewhat elliptical contour on the outside. Because of which, the Plaintiff claims, that the representation is unique. This mark is, a subject matter of a certificate bearing registration No. 599070. The mark is registered in respect of ghee; once again falling in class 29. The registration relates back to 09.06.1993. 4.2 The third registration has also been obtained in respect of the trade mark KRISHNA and, is similar to the one referred to by me hereinabove, save and except to the extent that the certificate of registration bearing No. 783679B has been obtained in respect of skimmed milk powder, whole milk powder and dairy whitener falling in class 29. The registration relates back to 29.12.2007. The user, however, is claimed in Delhi since 01.01.1992. It is also averred that the registration certificates bearing Nos. 599070, 783679B are valid till 08.06.2017 and 28.12.2017 respectively.

5. Apart from the above, the Plaintiff also avers that it has obtained a copyright

registration bearing No. A-56134/99 under the Copyright Act, 1957 (hereinafter referred to as "Copyright Act") in respect of the artistic work KRISHNA. It is stated that the registration under the Copyright Act is valid and subsisting. The Plaintiff also claims that it is registered with the Bureau of Indian Standard (in short, "BIS") and has been certified as ISO 9001:2000. This apart, the Plaintiff claims it has a valid certificate of registration from Agmark.

5.1 In sum and substance, Plaintiff has been using the mark KRISHNA since 1992 and hence, the use of the same has resulted in generation of valuable goodwill in view of the reputation of its goods sold in the market. In order to substantiate this claim, there is a reference to the turnover achieved by the Plaintiff between 1997-98 and 2008-09. It is averred that the sales turnover has enhanced from Rs 47.29 crores to Rs. 374.44 crores.

5.2 In order to support its case that the Plaintiff's mark has achieved high visibility, reference is also made to the expenses incurred by the Plaintiff, on advertisements. As in the case of sales revenue, advertisement spend figures have been given for the period 1997-98 to 2008-09. It is averred that in 1997-98, from a relatively small amount of Rs 1.02 lacs, in 2007-08 the advertisement spend stands increased to Rs 3.02 crores. It may only be noted that in 2008-09, the advertisement expenses have come down to Rs 2.35 lacs. In this connection invoices have been filed; one bill of July, 2001 and two bills of February and September, 2003 to buttress its claim of visibility. Vis-?-vis print media similar invoices have been filed of January, 2003 to support its claim of advertisement in electronic media.

6. The Plaintiff thus claims that due to prior continuous user of the word mark KRISHNA in respect of the goods in issue, and given the fact that its products have substantial demand, as reflected by the sales turnover and advertisement spend - the mark has become "well known" within the meaning of Section 2(zg) of Trade Marks Act, 1999 (hereinafter referred to as "Trade Marks Act"). The Plaintiff has also sought to demonstrate that it has taken steps against infringers of its registered marks by filing opposition and cancellation petitions as also by instituting criminal proceedings against offenders. In this regard certain details have been culled out in paragraph 17 of the plaint.

7. In so far as the Defendant is concerned, the Plaintiff has averred that it became aware of the Defendant's use of the impugned mark in the third week of October, 2009 and accordingly, a cease and desist notice was issued to the Defendant through its advocate on 24.10.2009. Based on the aforesaid, the Plaintiff moved this Court by way of the instant suit to seek reliefs qua infringement of its registered trade mark(s) and copyright, and passing off of the said marks, as also for consequential reliefs of rendition of accounts and damages.

DEFENDANT'S CASE

8. The Defendant, on the other hand, has set up a defence that what it is using is

a "qualified mark" in as much as the name KRISHNA is preceded by words "Parul's Lord Krishna". The Defendant claims that the word Parul is part of its corporate name; the full form of which is given in the cause title of the suit as Parul Food Specialities (P) Ltd. It is the Defendant's case that the Plaintiff cannot claim exclusivity vis-à-vis the trade mark KRISHNA or with respect to the colour scheme comprising of the colour yellow and / or its combination with blue and green colours as, the same is used commonly by various manufacturers of dairy products like butter, ghee, processed cheese. A reference in this regard have been made to manufacturers of products such as Amul Butter, Britannia Cheese where various combinations alongwith the colour yellow have been used in packaging. Similarly, the colour blue, it is averred, is used in mint based products such as chewing gum etc. As a matter of fact the Defendant further avers that the Plaintiff cannot have any exclusivity in respect of pictorial representation in the label mark consisting of cows in a dairy farm, since such a real life situation obtains in the Indian context, in most villages in India.

8.1. As regards the use of the trade mark KRISHNA; the Defendant has impugned the Plaintiff's claim of monopoly on the ground that there are several registrations using the word mark Krishna in respect of various products, including the products in issue, of many other manufacturers. It is for this reason the Defendant submits that it has filed a rectification proceedings before the Intellectual Property Appellate Board, Chennai (hereinafter referred to as "IPAB") vide application bearing No. 066/2010 dated 18.02.2010, seeking removal of Plaintiff's word mark KRISHNA from the register of trade marks. Even though the Defendant claims that it has been in the business of selling dairy products, including milk powder and ghee etc. under various brands since September, 1992 it does concede that it has been using the mark Parul's Lord Krishna only since September, 2009.

8.2 The Defendant claims that it has substantial sales. As a matter of fact the Defendant has appended a certificate of a Chartered Accountant whereby, the said Chartered Accountant has certified that between the period 01.04.2009 to 27.01.2010 the Defendant has achieved a gross sales turnover of Rs 21.10 crores, out of which Rs 1.22 crores is in respect of ghee evidently sold under the trade mark Parul's Lord Krishna ghee.

8.3 The Defendant has admittedly filed an application for registration of the trade mark Parul's Lord Krishna with the office of Registrar of Trade Marks. The said application bears the number 1863747 and, is dated 17.09.2009. Registration has been sought by the Defendant under class 29.

8.4 The Defendant also avers that it has an Agmark registration and has also received ISO 9001:2000 certification. Besides this, it also claimed that it stands registered with BIS.

8.5 Based on the aforesaid the Defendant avers that there is no infringement of the Plaintiff's trademark of copyright or, that a case is made out against it of

passing off as alleged or at all.

9. Before I proceed further, I must refer to one other aspect of the matter which, the Defendant has adverted to, in its second application filed under Order 39 Rule 4 of the Code of Civil Procedure, 1908 (in short, CPC) , to the effect that, it came across a newspaper article dated 18.05.2010 which, referred to the fact that the Central Bureau of Investigation (CBI) in one of its raids had discovered large scale misuse of Agmark certification, even while it was under suspension on account of adulteration in products, as found by the concerned department. As per the newspaper report it appears that the Plaintiff had been transferring products to its sister concern. The Defendant, based on these newspaper reports has averred that these were the events which occurred in May, 2009 and November, 2009 despite which, in the plaint, there is no reference to this fact even though the suit was moved in January, 2010.

9.1 The Plaintiff, of course, has taken the stand that the CBI raid did not pertain to it. The reason given to support this claim is that the Plaintiff had demerged pursuant to a scheme, which resulted in formation of a demerged entity separate from the Plaintiff; namely Bhole Baba Milk Food Industries (Dholpur) Pvt. Ltd. - and that this demerger took place prior to the date of raid, i.e., November, 2009. The raid, according to the Plaintiff, was thus carried out on its "licencee" company, namely, Bhole Baba Milk Food Industries (Dholpur) Pvt. Ltd.. According to the Plaintiff the said company is a separate legal entity and the Agmark license of the Plaintiff is separate from that of demerged entity, i.e., Bhole Baba Milk Food Industries (Dholpur) Pvt. Ltd.

9.2 The Defendant, however, has in its rejoinder reiterated that there is a commonality of interest between the two entities as the management of both the Plaintiff and the licensee company is common. In so far as this aspect of the matter is concerned, I will deal with it in the later part of my judgment.

SUBMISIONS OF COUNSELS

10. On behalf of the Plaintiff submissions were made by Mr Mohan Vidhani, while on behalf of the Defendant submissions were made by Mr. N.K. Kaul, Sr. Advocate assisted by Mr H.P. Singh.

10.1 Mr Vidhani more or less replicated the averments made in the pleadings. He laid special emphasis on the fact that the Plaintiff having registered mark(s) in its favour was entitled to an injunction against the Defendant as a matter of right since the impugned mark was identical to the registered marks. In this connection the learned Counsel relied upon the provisions of Section 28 and 29 of the Trade Marks Act. Mr Vidhani submitted that the Defendants intent in using the Plaintiff's mark is dishonest. In this connection he made reference to other marks which the Defendant had been using such as "Mulri", "Himalaya" and "Goodday". It was the learned Counsel's contention that the impugned mark makes use of the word KRISHNA with a malafide intent so that the Defendant is able to seek benefit of the goodwill and reputation which is inalienably connected

with its registered marks. Mr Vidhani submitted that the use of the word KRISHNA in the impugned mark of which it forms an essential part has infringed the Plaintiff's right both under the Trade Marks Act as well as its common law rights. The learned Counsel further submitted that the stand of the Defendant that the Plaintiff cannot claim monopoly over the word KRISHNA is belied by the fact that the Defendant itself has filed an application, in September, 2009, seeking registration of the impugned mark. Therefore, according to the learned Counsel, the inverse cannot but be correct, that is, that the Plaintiff is also entitled to seek monopoly of the word mark KRISHNA. Mr Vidhani further submitted that the registration of the trade mark would prima facie establish its validity, and a mere addition of a prefix could not result in dilution of its rights over the word mark. The registration of the mark, according to the learned Counsel, resulted in a statutory monopoly in favour of the Plaintiff. In support of his submission, the learned Counsel relied upon the following judgments: Kedar Nath Vs. Monga Perfumery and Flour Mills Delhi-6, ; Avis International Ltd. v. Avi Footwear Industries and Anr. AIR 1991 Delhi 22; Automatic Electric Limited v. R.K. Dhawan and Anr. 1999 (19) PTC 81 (Del.); Midas Hygiene Industries P. Ltd. and Another Vs. Sudhir Bhatia and Others, ; Astrazeneca UK Ltd. and Another Vs. Orchid Chemicals and Pharmaceuticals Ltd., ; Kishore Kumar Vs. L. Chuni Lal Kidarnath and Another, .

11. With regard to the proposition that the Plaintiff could monopolise a name ascribed to deity "KRISHNA", reliance was placed on the judgment in DCM Shriram Consolidated Limited Vs. Shri Laxami Trader and Others, .

12. On the other hand, on behalf of the Defendant, Mr Kaul submitted that this Court has in a series of judgment taken the view that even though there is registration in favour of a party the court an examine whether a registration is prima facie valid. Taking this contention forward Mr Kaul submitted that the name KRISHNA is in the Indian context so common that it has attained a status of publici juris. It was contended by the learned senior counsel that since the Plaintiff had chosen to use a name which was widely used by other manufacturers; both in the same field of activity and in other fields; the Plaintiff had taken a risk in the same being replicated in one form or other by the other competitors. In this regard the learned Counsel took me through a compilation of registrations filed alongwith their documents to support this contention.

13. A special emphasis was laid on the fact that the Plaintiff had failed to disclose that there had been a CBI raid in which it was found that the Plaintiff had been selling goods under Agmark certification, even though as is now admitted that Agmark certification of its licensee sister concern, i.e., Bhole Baba Milk Food Industries (Dholpur) Pvt. Ltd. was suspended. Mr Kaul submitted that a litigant such as the Plaintiff, in these circumstances were not entitled to protection of court by way of an injunction, which fell, decidedly within the realm of equitable jurisdiction of the court. In support of his submissions, Mr Kaul cited following judgments: J.R. Kapoor v. Micronix India 1994 PTC 260 (SC); S.P. Chengalvaraya

Naidu (dead) by L.Rs. Vs. Jagannath (dead) by L.Rs. and others, ; Competition Review P. Ltd v. NN Ojha 1996 PTC 16; and Satish Khosla Vs. M/s Eli Lilly Ranbaxy Ltd. and another, ; Kewal Kishan Kumar v. Rudi Roller Flour Mills 2007 (34) PTC 848 (Del.); Rhizome Distilleries P. Ltd. and Others Vs. Pernod Ricard S.A. France and Others, ; Rich Products v. Indian Nippon Foods 2010 (42) PTC 660; J.K. Oil Industries Vs. Adani Wilmar Limited, .

REASONS:

14. Having perused the pleadings and documents filed by the parties and considered the submissions of the counsels, in my view, the following emerges: As indicated at the very outset, in the opening part of my judgment, the controversy, in my view, now centres around the use of the word KRISHNA. There have been in my opinion substantial changes incorporated in the label mark of the Defendant in so far as the colour scheme and the pictorial representation is concerned which should allay any apprehension that a prudent and a reasonable consumer would be deceived as regards the origin and the source of the goods on which such a label mark is put. This aspect was as a matter of fact was conceded before me by Mr Vidhani, though rather reluctantly. Mr Vidhani, however, pressed his application for interlocutory injunction qua use of the word KRISHNA in the label mark of the Defendant. I had indicated to both parties that the usage of the word "KRISHNA" in the Defendant's mark would necessarily have to be given the same prominence as the words "Parul" and "Lord" which precede the word KRISHNA in the Defendant's mark. In other words the font size and the prominence of the preceding words "Parul" and "Lord" had to be identical to that of KRISHNA. That a court can issue such directions in the interregnum is not now in doubt. See Cadila Healthcare Ltd. Vs. Diat Foods (India), . Nevertheless since Mr Vidhani asserts his complete exclusivity to use the word "KRISHNA" I have decided to deal with that aspect of the matter as well.

14.1 In this connection, before I proceed further, it may be important to refer to the specific grievances of the Plaintiff in the suit qua the Defendant. For this purpose, it may be relevant to refer to the averments made in paragraph 18 and 23 of the plaint. Briefly, the Plaintiff has inter alia averred as follows: The Defendant's mark Parul's Lord Krishna is identical to the Plaintiff's mark. The Defendant's addition of the word "Parul" and Lord" is "insignificant". The word "Parul" and "Lord" are much smaller as compared to the font of the word KRISHNA. The essential feature of the Defendant's mark is KRISHNA to which the Defendant has given prominence. The Defendant has slavishly copied not only the trade mark KRISHNA but also replicated the packaging on the 15 kg and 1 ltr. Containers, used for selling ghee. The packaging of these containers uses a background colour scheme, which is, predominantly yellow with printed material depicted in red; similar to that of the Plaintiff. Importantly, it is stated that the word KRISHNA is written and placed at the top centre, in the same manner, in red colour printed with white colour in the background.

14.2 A reading of paragraphs 18 and 23 of the plaint seems to suggest that the Plaintiff came to court being aggrieved by the fact that the word KRISHNA forms an essential part of the Defendant's trade mark and had been given greater prominence as compared to the suffix "Parul" and "Lord" and, therefore, resulted in confusion qua the Plaintiff's mark. Apart from the Plaintiff's grievance vis-à-vis the packaging, which in my opinion stands satisfied, the Plaintiff has not set up the case of a monopolistic right to use the word KRISHNA; at least the same has not been said in so many words. But I will assume for the moment that, this is what the Plaintiff intends to say in the plaint for the purposes of decision of the captioned applications.

14.3 In regard to the above, one may only notice that the Plaintiff is not the only person in the business of manufacturing. A voluminous set of documents have been filed by the Defendant in this regard to show several such registrations under class 29; some of them precede the period of registration of the Plaintiff, while the others succeed the date. To cite examples: KRISHNA mark in class 29 appears to have been registered vide registration No. 622772 in the name of one Subhrangshu Kumar Ghosh for ghee, butter and dairy products, the user date is given as 01.09.1989; Krishna brand label has been registered vide registration No. 82986, in favour of A.N.A. Alagirisamy Naidu Bros. in respect of ghee, the user date is 01.01.1936; Krishna ghee label has been registered vide registration No. 584939, in favour of one Gobinda Chakraborty, the user date is given as 01.10.1992. The registration seems to be restricted to sales in West Bengal and Orissa. I have deliberately not taken examples of certain registrations made post 1993 because the Plaintiff claims users since 1993, but there are several registrations of the word mark KRISHNA or Krishna Label Mark even thereafter. The claim of the Defendant that there is ubiquitous use of the word mark KRISHNA appears to be prima facie correct, at least at this stage.

14.4 I must here point to an argument raised by Mr Vidhani that the mere presence of such marks on the register of the Trade Mark Registry would not deprive an owner of its rights, such as the Plaintiff to seek protection of the court in the event of an infringement by a competitor. In other words, Mr Vidhani sought to suggest that most of the registrations referred to by the Defendant were lying dormant. In my opinion, one cannot quibble with this proposition. The use of the trade mark is important for an owner to claim rights in it. The only difficulty is, that at this stage, for me to accept the Plaintiff's contention that these marks which are identical to the Plaintiff's mark and which precede the date of user claimed by the Plaintiff are lying dormant, without any evidence on record, would result in putting the cart before the horse. The point remains that both prior to 1993, and thereafter, there have been several manufacturers of identical goods which have, it appears been using the word mark or label mark KRISHNA. The Plaintiff's claim to monopoly does not at this stage appear to be quite accurate, notwithstanding its zealous prosecution of cases against offenders, to which reference has been made in the plaint. In this regard the Plaintiff had referred to the judgment of this Court in the case of DCM Sriram

(supra). The DCM Sriram (supra) case is distinguishable. Briefly the facts obtaining in the case were as follows: The Plaintiff, who was the Respondent before the Division Bench was a registered proprietor of the trademarks "Shriram" and "Shriram Nirman". The Appellant i.e., the Defendant in the suit was in the business of manufacturing and selling Plaster of Paris under the name and style of "Aggarwal Shriram". The Division Bench examined the case only with respect to passing off. The Plaintiff/Respondent which was a Shriram Group Company had evidently adopted "Shriram" as its trademark as it was the name of its founder promoter late Lala Shriram. The Plaintiff/Respondent had been using the mark "Shriram" for a considerable period of time. The Appellant/Defendant had in defence averred that the trademark Shriram was adopted by him as one Bajrang Lal Pareek who was connected with the Appellant/Defendant was an ardent devotee of lord Shriram. The Court came to the conclusion that the defence taken was dishonest. In the instant case, as discussed by me above, the facts are quite different. The Plaintiff in the instant case has adopted a common name which is unconnected to the Plaintiff. The Plaintiff has not been able to establish, at this stage, that the name has acquired secondary distinctiveness. Notwithstanding the fact that the Plaintiff has adverted to the fact that its gross sales turnover between 1997-98 and 2007-08 jumped by leaps and bounds, it cannot be said at this stage that the mark has attained a reputation which brings to mind the Plaintiff's product on a mere invocation of the word KRISHNA. In my opinion, the sales alone does not necessarily transcend in the mark attaining a secondary distinctiveness of a degree which ought to give the owner of a common name, in this case, a deity's name a right to monopolise its use to the exclusion of all others.

14.5 What would have to be addressed at the final stage, in this case, would be whether the mark has achieved secondary distinctiveness of the kind which brings to mind immediately the Plaintiff's product. In order to come to a conclusion whether or not the mark has achieved a distinctiveness of such distinction evidence would have to be placed on record bearing in mind, amongst others, the following: (a) does the mark remind the consumer of the trade and origin. In other words does the trade origin get related to the propounder of the mark and none other; (b) has the mark required sufficient distinctive character that the mark has become a trade mark. The use of the mark does not automatically translate into distinctiveness. [See Rich Products Corporation and Another Vs. Indo Nippon Food Ltd., . In this regard an argument was raised by Mr Vidhani that Rich Products case related to a descriptive mark whereas the present case deals with a common name. In my opinion, the test of secondary distinctiveness can be no different for a common name than that which is enunciated for a descriptive mark. Applying the same test, in my view, at this juncture, I cannot come to the conclusion that a name as common as KRISHNA; which in the cultural context of our country is as common as the word "John" used in West, has achieved in the Plaintiff's case a secondary distinctiveness of the kind that it is inalienably related by the consumers to the Plaintiff's product.

14.6 The Defendant, of course, would have to show that the usage of the mark by it, of the word KRISHNA is bonafide and honest. The Defendant's stand appears to be that the name KRISHNA is commonly used in the milk products industries; and thus it was included in its trade name with a specific intent to carve out a distinct identity by prefixing it with the word "Parul's" and "Lord". The Defendant appears to indicate to the consumers very categorically that the origin of the goods is Parul, by using the word Parul's in its trade mark Parul's Lord Krishna. Prima facie there is nothing to show that the usage of the impugned mark is dishonest or lacks any bonafide. The case law cited by Mr Vidhani on this aspect of the matter is in my view, distinguishable on facts. In this regard I may only note that while the Plaintiff has given the gross turnover, the requisite documents in the form of profit and loss accounts and balance sheets have not been filed. There is also no affidavits of consumers on record which would demonstrate, what was contended before me very vehemently, which is that, the word KRISHNA brings immediately to mind the Plaintiff's product. Therefore, at this stage one cannot come to the conclusion that the trade mark KRISHNA has achieved the requisite distinctiveness which relates the origin of the product to the Plaintiff.

15. Mr Vidhani's submission that having obtained registration the Plaintiff has a right to seek an injunction as a matter of right and that adding a prefix such as "Parul's" and "Lord" to the word KRISHNA would not enure to the benefit of the Defendant is misconceived, in the facts of the present case. In a case where a registered mark appears with a prefix and, the registered mark over which rights are claimed is either a descriptive mark or is, as in the instant case, a common name, the same test ought to apply. In several decisions of this Court a view has been expressed that notwithstanding the registration of marks the courts are entitled to, prima facie examine the validity of such registrations, in the light of the provisions of Section 9, 30 and 35 of the Trade Marks Act. I do not intend to replicate the exercise - relevant observations in that regard found in *Marico Ltd. v. Agro Tech Foods Ltd.* 169 (2010) DLT 325, are extracted hereinbelow by way of conversance:

15. On a consideration of submissions and the judgments:

(i) The court can at an interlocutory stage take a prima facie view as to the validity of a registered trade mark. This view can be taken based on averments made in the written statement/ pleadings. [See *Lowenbrau AG (supra)*]. The pleadings in this regard, as in every other case, has to be read "meaningfully" (see *Begum Sabiha Sultan Vs. Nawab Mohd. Mansur Ali Khan and Others*,

(ii) Some marks are inherently incapable of distinctiveness. [See *Asian Paints Ltd (supra)*]

(iii) The rights u/s 28 are subject to other provisions of the Trade mark Act. Also the registered proprietor or the permitted user can exercise his rights if the

registered mark "is valid".

(iv) A descriptive mark can be registered provided it has acquired secondary meaning [See *Girnar* (supra)]

(v) If a descriptive mark is one, which is, essentially a combination of common English words the user of the marks has to bear the risk of, some amount of confusion. No monopoly can be claimed by the user of the mark. [See *Cadila Health Care* (supra) and *J.R. Kapoor* (supra)]

(vi) The mark can be impugned both at the stage of registration and post registration. See provisions of Section 9(1)(a) to (c) of the Trade Marks Act for challenge at time of registration and Section 30 and 35 for challenge after registration.

(vii) If the registered mark and the rival mark are not identical; in other words the two marks are similar then the same test as in the case of passing off is applicable; which is, is there a likelihood of deception or cause for confusion. [See *Ruston and Hornby Ltd* (supra)]

16. A Division Bench of this Court while sustaining the judgment went on to observe as follows:

In view of the judgment of the Division Bench in the *Cadila Healthcare Ltd.* (supra), and with which we respectfully agree, the Appellant in the facts of the present case can have no exclusive ownership rights on the trademark "LOW ABSORB". The expression "LOW ABSORB" is quite clearly a common descriptive expression/adjective. The expression "LOW ABSORB " is not a coined word and at best it is a combination of two popular English words which are descriptive of the nature of the product as held by the Division Bench in *Cadila Healthcare Ltd.* (supra) case that such adoption naturally entails the risk that others in the field would also be entitled to use such phrases. Low Absorb is not an unusual syntax and the same can almost be said to be a meaningful part sentence or phrase in itself. The expression "LOW ABSORB" surely and immediately conveys the meaning of the expression that something which absorbs less, and when used with respect to edible oil, it is descriptive in that it refers to less oil being absorbed or low oil being absorbed. Similar to the expression "Sugar Free" being not an unusual juxtaposition of two English words the expression "LOW ABSORB" equally is not an unusual juxtaposition of words in that the same can take away the descriptive nature of the expression. The expression "LOW ABSORB" is used in the functional sense for the character of the product viz edible oil. With respect to the unregistered trademark "LOW ABSORB" we are of the firm opinion that in essence the expression "LOW ABSORB" only describes the characteristic of the product edible oil and ordinarily/ normally incapable of being distinctive.

We are also of the view that it is high time that those persons who are first of the blocks in using a trade mark which is a purely descriptive expression pertaining to the subject product ought to be discouraged from appropriating a descriptive

expression or an expression which is more or less a descriptive expression as found in the English language for claiming the same to be an exclusive trademark and which descriptive word mark bears an indication to the product's kind, quality, use or characteristic etc. This in our view is in accordance with the spirit of various Sub-sections of Section 9 and Section 30 besides also Section 35 of the Act. The very fact that in terms of Section 9 of the Act, in cases falling therein, there is an absolute ground for refusal of registration of the trademark, the same clearly is an indication of ordinarily a disentitlement from claiming exclusive ownership of a descriptive expression as a trademark. We are in this entire judgment for the sake of convenience only using the expression "descriptive expression" or "descriptive word" or "descriptive trademark" "descriptive" etc. but these expressions are intended to cover cases with respect not only to a descriptive word mark used as a trademark but to all word marks used as trademarks which refer to kind, quality, intended use or other characteristics etc of the goods, and also other ingredients of Section 9(1)(b) and Section 30(2)(a).

The aforesaid observations are made by us mindful of the proviso of Section 9 as per which on account of distinctiveness, the absolute bar against registration is removed, but, we are for the present stressing on the intendment of the main part of the Section and which is to basically prevent descriptive terms from being registered as trademarks. The proviso no doubt does state that such marks can be registered as a trademarks, however, the Act itself also contains provisions for cancellation of registered trademarks including Section 57 whereby registration obtained is cancelled being violative of the applicable provisions of the Act. Our belief is further confirmed by the provision of Section 31(1) which clearly states that registration is only prima facie evidence of the validity of registration. It is only when cancellation proceedings achieve finality of the same being finally dismissed can it be said that a mark for which ordinarily there is an absolute ground for refusal of registration that it has acquired a distinctive character i.e. a secondary meaning or is a well known trademark. Section 124 of the Act is also relevant in this regard. Sub-Section 5 of Section 124 clearly provides that in spite of registration, the Court before which an action is filed seeking protection of the trademark is not precluded from making any interlocutory order it thinks fit in spite of the registration and also the fact that the suit may have to be stayed till decision of the rectification/cancellation proceedings before the Registrar/Appellate Board filed in terms of Section 57 of the Act. This aspect of Section 124(5) and related aspects are dealt in details in the following portions of this judgment. The facts of the present case are not such that a cancellation proceeding has been dismissed and that which dismissal has obtained finality and it cannot be said that the validity of registration has been finally tested.

17. On the aspect of the case as to whether use of the word KRISHNA would constitute passing off, I may only refer to the judgment of another Division Bench of this Court in the case of Rhizome Distilleries P. Ltd. and Others Vs. Pernod Ricard S.A. France and Others, . In Rhizome's case, the Division Bench

considered the two rival marks. The Plaintiff's mark was Imperial Blue while that of the Defendant (who was the Appellant before the Division Bench) was Rhizome Imperial Gold. During the course of hearing, it appears Appellant/Defendant had offered to make changes in the trade dress. After the requisite suggestions in respect of the trade dress had been laid out before the court - the court was persuaded to hold that there could be no confusion in the mind of an average prudent consumer as regards the trade origins of the product (see observations made in paragraph 11). On the aspect of the matter as to whether the principles of law enunciated vis-?-vis a descriptive word would also apply to laudatory words, the court held, in effect, that the same principle did apply (See observations made in paragraph 16 of the judgment made by the court in that regard). On this aspect of the matter, the court noted with approval earlier decisions of this Court rendered in the following cases: Cadila Healthcare Ltd. Vs. Gujarat Co-operative Milk Marketing Federation Ltd. and Others, ; Asian Paints Limited v. Home Solutions Retain (India) Ltd 2007 (35) PTC 697; and Proctor and Gamble v. Office of Harmonization in the International Market (OHIM) (2002) RPC 17 (See observations made in paragraph 15). With the aforesaid aspects of the case, out of the way, the court dwelled upon the remaining issue which was whether the use of the word Imperial in the Appellant/original Defendant's trade mark would result in passing off. The relevant observations in this regard are extracted hereinbelow:

27. Finally, so far as prayer of passing off is concerned, we reiterate that the similarity of label/trade dress was with respect to the Plaintiffs. ROYAL STAG and the Defendants. Imperial Gold. Substantial changes have been agreed upon by the Appellants which upon implementation removes any likelihood of deception even concerning the cognitive faculties of an average customer, if not in an inebriated stupor. It may still be pleaded by the Plaintiffs that the Defendants are guilty of passing off because of the adoption of the word IMPERIAL. To this we may clarify that neither party has any exclusive right for the use of the word IMPERIAL. The two labels, that is IMPERIAL BLUE and RHIZOME Imperial Gold are totally dissimilar and if a flat amber bottle is used by the Defendants/Appellants, no deception is likely to arise. It is also relevant to mention that the word IMPERIAL is used by several other manufacturers of alcohol such as IMPERIAL TRIBUTE, IMPERIAL FAMOUS, TETLEY's IMPERIAL, IMPERIAL's HERO FIVE WHISKY, CAREW's IMPERIAL WHINE WHISKY, OLD IMPERIAL, SUMMERHILL IMPERIAL, XO IMPERIAL, DON FULANO IMPERIAL, RON BARCELO IMPERIAL ETC. All these parties will have to co-exist. In view of the widespread use of the word IMPERIAL, especially in the alcohol business, it is not possible to accept the contention of Mr. Chandra that the word IMPERIAL has attained a secondary meaning which would justify exclusivity. Moreover, secondary meaning would evolve over a number of years; in the present case, the Plaintiffs started marketing its product in 1997 and that is too short a period to make such an extreme claim. In this regard, it is also relevant that both the parties have received registration under the TM Act for their competing brands.

(Emphasis is mine)

18. Before I conclude let me also refer to the judgments cited by the Plaintiff which have not been dealt by me, in the earlier part of my judgment.

18.1 Astrazeneca UK (Supra) case was cited by the learned Counsel for the Plaintiff to demonstrate that u/s 124 of the Trade marks Act it was incumbent on the Defendant to obtain permission of this Court before preferring a rectification application before IPAB. It is pertinent to note that in the said case, the two competing marks were MERONEM and MEROMER. The court vacated the injunction, inter-alia, on the ground of balance of convenience. On the issue of whether a rectification application could be moved without having the court rule with respect to its prima facie satisfaction as regards plea of invalidity of the mark of which rectification is sought, the court held in the negative. In that case the Plaintiff had moved an application for rectification. The court came to the conclusion that the Plaintiff could not circumvent the condition provided in Section 124(1)(b)(ii) of the Trade Marks Act by filing a rectification application during the pendency of the suit without seeking its imprimatur. In the instant case notwithstanding the fact that the rectification application was filed by the Defendant during the pendency of the suit, the fact remains that the Plaintiff has come to court to seek an injunction. Whether the rectification application is maintainable is not the issue before the court in the captioned applications, therefore, the case, according to me, has no applicability.

18.2 Midas Hygiene (supra) case was cited by Mr Vidhani to support his submission that mere delay would not defeat his right to claim injunction. Since my conclusion is not pivoted on delay, in my view, the judgment has no applicability.

18.3 Avis International (supra) case was cited by Mr Vidhani to support his submission that on registration of the trade mark a "statutory monopoly" is created in favour of the owner of the mark. As indicated above, in isolation this proposition cannot be quibbled with. In this case the Defendant's submission was that injunction order ought not to be passed in favour of Plaintiff as there was non-user of the mark by the Plaintiff over a period of more than five years. The court observed that at this stage non-user could not be established. These facts do not obtain in the present case. The case is distinguishable.

18.4 In Kedar Nath (supra) case the Defendant was sued as he had used the Plaintiff's registered mark SUDERSHAN with a pre-fix VIJAY appended to it. The court came to the conclusion that the cartons of the Plaintiff and that of the Defendant were similar in as much as the colour scheme and the trade dress had a striking similarity. It was also found that the Plaintiff had been in the business since 1960 and had placed the relevant records before the court. In contradiction the Defendant had not filed any details of advertisements carried or expenses incurred in that behalf. In my view, the decision did not deal with the issue which is raised in the present case.

18.5 Metro Playing Card (supra) was cited for the same purposes. Once again it did not deal with the issue raised in the present case. It is important to stress that in the present matter a prima facie case is made out that the trade mark KRISHNA ought not to have been registered, therefore, the case is distinguishable.

18.6 Kishore Kumar (supra) case turned on the fact that the Plaintiff had been able to establish prior adoption/user of the mark HOMELITE in relation to torches and flashlights. The Defendant in that case was in the business of manufacture of dry cell, battery and flashlights. The Defendant had placed on record evidence of selling its good under the mark HOMELITE from November, 2008; a period which fell, decidedly, after the date of user claimed by the Plaintiff. Consequently, the injunction was granted in favour of the Plaintiff. As is evident the case has no applicability to the facts obtaining in the instant matter.

18.7 Automatic Electric (supra): Plaintiff was a registered owner of the trade mark DIMMERSTAT while, the Defendant was evidently a user of an unregistered mark DIMMER DOT; though the court noted that the trade mark DIMMER DOT had been registered in Australia. In this case, one of the submissions made on behalf of the Defendant was that the "Dimmer" being a descriptive word in the context of auto variable transformers it could not be monopolized. This submission was made when the counsel of the Defendant appeared to have had difficulty in explaining as to how, the Defendant had been conveying to the world at large that the mark was registered in India when that was not factually correct. (See observations made in paragraphs 14-17). Therefore, even though the issue of "dimmer" being a generic word was referred to, it appears that the said submission was made by the counsel in the passing and that the court's attention was not drawn to the various provisions of the Trade Marks Act, in particular, Sections 9, 13 and 35 of the Trade Marks Act. A reading of paragraph 19 of the judgment clearly indicates that the court came to the conclusion since DIMMERSTAT was a registered mark of the Plaintiff, without a disclaimer, the Defendant could not have carved out from a registered mark a part for its own use; which is the correct ratio of the judgment.

18.8 Gold Star (supra) case was cited by Mr Vidhani to support his point that mere institution of a rectification proceeding would not be a valid defence for infringement of a trade mark. Even though in the instant case the rectification application has been filed, as noticed by me above, the conclusion arrived at by me is not based on the institution of such an application by the Defendant. The judgment, thus, in my view would not advance the case of the Plaintiff for an injunction.

19. In view of the discussions above, the interim order dated 25.01.2010 is modified to the extent that the Defendant is permitted to use label mark which was filed with this Court on 02.11.2010 bearing in mind that the prefix "Parul"s" and "Lord" shall have a font size and prominence similar to the word KRISHNA. With the aforesaid directions the captioned applications are disposed of.