(2009) 10 DEL CK 0167

In the Delhi High Court

Case No : IAs 6694, 7600 of 2009 in CS (OS) 910 of 2009 and IAs 7417, 8023 of 2009 in CS (OS) 1035 of 2009

DCM Shriram Consolidated Limited APPELLANT

Vs

Shri Laxami Trader and Others RESPONDENT

Date of Decision : 23-10-2009

Acts Referred:

Citation : (2009) 41 PTC 772

Hon'ble Judges : Dr. S. Muralidhar, J

Bench : Single Bench

Advocate : Maninder Singh, Meghana Mishra, Naveen Kumar, Lakshmi Ramachandran, Akhil Sachar, R.N. Karanjawala, Ramji Srinivasan, Naveen Kumar and Vartika Sahay, for the Plaintiff in IAs 7417, 8023/2009 in CS OS 1035/2009, for the Appellant; K.G. Bansal, for the Defendant 3/Applicant in IA 7600/2009, Sunil K. Mittal, Kshhitij Mittal, Omika Dubey, for the Defendant 1, N. Mahabir and S. Gowthaman for Defendants 2 and 3/Applicants in IA 8023/2009, for the Respondent

Final Decision : Dismissed

Judgement

S. Muralidhar, J.—Both sets of applications arise out of similar facts and involve similar questions and are accordingly disposed of by this

common judgment.

2. CS (OS) No. 910 of 2009 has been filed by DCM Shriram Consolidated Ltd. (Plaintiff) against Shri Laxami Trader (Defendant No. 1) having

its shop at Ghaziabad, M/s. Ganesh Plaster (Defendant No. 2) at Rohini, Delhi and M/s. Mukesh Khadaria (Defendant No. 3) trading as M/s.

Agarwal Udyog, at K.K. Bhukar Ka, Tehsil Noahr, Distt. Hanumangarh, Rajasthan. The suit is for both infringement and passing off. The prayers

in the suit are for a decree of permanent injunction restraining the Defendants from manufacturing, marketing, advertising or in any manner dealing

with goods or services using the mark ""SHRIRAM"" or any other mark identical or confusingly/deceptively similar to Plaintiff''s trademark

SHRIRAM"" and from doing anything directly or indirectly infringing the Plaintiff''s said registered trademark ""SHRIRAM"", a decree of permanent

injunction to restrain the Defendants from reproducing and/or using the get up, lay out, colour scheme or the Plaintiff''s packaging in the

SHRIRAM"" product including the ""SHRIRAM Nirman Plaster of Paris"" logo along with the blue, red and black colour striped on white

background, a decree of permanent injunction to restrain the Defendants from using the mark/name ""SHRIRAM"" and from using the get up, layout

and colour scheme in the packaging similar to that of the Plaintiff, and from doing any other thing as is likely to lead to passing off of the business

and goods of the Defendants as those of the Plaintiff. The other prayers are for delivery up of all the infringing products, rendition of accounts and

damages. Defendants 1 and 2 in CS (OS) No. 910/2009 are said to be proprietorship firms. Defendant No. 2 is a trader in Plaster of Paris (PoP)

manufactured by Defendants 1 and 3. Defendant No. 2 is stated to be the dealer of Defendant No. 1 in Delhi. The case of the Plaintiff is that

Defendants are selling PoP in the NCT of Delhi under a mark which is deceptively and confusingly similar to mark ""SHRIRAM"" of the Plaintiff and

that use of the said trade marks by the Defendants is illegal, dishonest and fraudulent.

3. CS (OS) No. 1035 of 2009 has been filed by the same Plaintiff against Sumit Hardware (Defendant No. 1), a shop in New Delhi, Mr.

Bajarang Lal Pareek (Defendant No. 2) at Dhirwas, (Sahawa) District - Churu (Rajasthan) and M/s. Shriram Plaster Industries (Defendant No. 3)

also at Sahawa in Rajasthan. The prayers in the suit are more or less similar to the prayers in CS (OS) No. 910/2009. Defendant No. 1 (Sumit

Hardware) is a trader of PoP and Defendant No. 3 Shriram Plaster Industries in Rajasthan is its manufacturer. Defendant No. 2 is stated to be the

proprietor of Defendant No. 3. It is alleged that these Defendants are selling PoP in Delhi and in the neighbouring towns under marks deceptively

and confusingly similar to the ""SHRIRAM"" trademark of the Plaintiff and that they are attempting to pass off their goods as that of the Plaintiff.

4. In the plaints in both suits, it is stated that the Plaintiff, a public limited company, has an annual turnover of Rs. 3000 crores with a diversified

portfolio comprising inter alia of merchandising of cement, PoP, PVC resin, sugar, fertilizers, chemicals, plastics, and agri input products like urea,

pesticides, insecticides, herbicides etc. Most of the products of the Plaintiff are sold under its umbrella brand ""SHRIRAM"" and command enviable

reputation in the market. The Plaintiff has drawn the trademark ""SHRIRAM"" from late Lala Shri Ram who was an eminent entrepreneur and

educationist. He is stated to have championed industrial research, technical and professional education in India. He was the founder of various

reputed institutions including the Shriram College of Commerce, Lady Shriram College, Delhi School of Economics and Shriram Centre for

Performing Arts etc.

5. It is further stated that the word ""SHRIRAM"" is the distinct and integral part of the registered corporate name of the Plaintiff including that of

units and subsidiaries which are registered with the name of ""SHRIRAM"" for over four decades. This include Shriram Fertilizers and Chemicals

(since 1967), M/s. Shriram Cement Works (since 1986), SHRIRAM Vinyl and Chemicals, Shriram Alkalies and Chemicals and SHRIRAM

Polytechnic.

6. The Plaintiff states that the trademark ""SHRIRAM"" was adopted in 1967. According to the Plaintiff, the international reputation of the mark

SHRIRAM"" is apparent from its association with M/s. Yara Inc of Norway which is co-branding the ""SHRIRAM ENERGY"" (for micronutrients)

with their ""YARA LIVA"" brand. It has continuously, uninterruptedly and exclusively used the mark ""SHRIRAM UREA"" since 1977. The said

trade mark has been registered in the name of the Plaintiff under Registration No. 358500 dated 12th February 1980 in Class 1 in respect of

fertilizers. The Plaintiff also holds registration of the trade mark ""SHRIRAM DAP"" under registration No. 597743 dated 21st May 1993. The

application for renewal of the said mark is stated to be pending. Other registered trademarks of the Plaintiff include ""SHRIRAM NIRMAN

Plaster of Paris, ""SHRIRAM-53"" Cement, ""SHRIRAM MULTI-PURPOSE"" Cement, ""SHRIRAM SILVER"" Cement. In para 24 of the plaint in

each of the suits, the registered trademarks of the Plaintiff in Classes 1, 5, 19, 30, 31 and 40 and of the label ""SHRIRAM"" and logo are listed. It is

stated that the Plaintiff is the proprietor of the copyright in the logo of ""SHRIRAM NIRMAN"" Plaster of Paris, along with the device arranged in

an artistic way.

7. It is stated that by virtue of continuous, uninterrupted and extensive use, the Plaintiff has acquired exclusive rights in the mark ""SHRIRAM

which has also been vigorously advertised by the Plaintiff through print, electronic and other interactive medium, throughout India. It is stated that

the Plaintiff has spent over Rs. 15 crores in advertisement. The products of the Plaintiff have been of premium quality and have earned a good

name and reputation among the customers, dealers and general public. The Plaintiff further states that it organizes various social-welfare and

interactive programmes as part of its corporate social responsibility schemes. These activities are carried out through the SHRIRAM Krishi Vikas

Kendras (KVKs) which in turn organise interactive programmes where experts of the Plaintiff in agriculture and cement, interact with the villagers

and give them expert advice. During this process, the brand ""SHRIRAM"" gets advertised in the rural areas through banners, pamphlets and direct

communications. It is claimed that the SHRIRAM brand of the Plaintiff has a huge presence and a well-known reputation in the rural parts of the

country. It has been ranked among top ten brands in India in the research conducted by Tele Nelson Mode in 1999 and Indica Research in 2003.

8. As part of the list of documents filed in CS (OS) 910 of 2009, the Plaintiff has included photographs of the packaging used by Defendants 1 to

3 and that used by the Plaintiff for their Respective products. Copies of the registration certificates issued in favour of the Plaintiff under the

Trademarks Act, 1999 (TM Act) as well as Copyright Act, 1957 (CR Act) have also been included. Copies of the invoice evidencing sale and

use of the product ""SHRIRAM"" by the Plaintiff as well as the invoices of Defendant No. 3 showing sales of the infringing products in Delhi have

been included.

9. In CS (OS) No. 1035 of 2009, the Plaintiff has placed on record the photographs of the packaging used by the Defendant No. 3 for the

products sold by it. Copies of the invoices of the sales of ""Shriram"" products by the Plaintiff and the cash memo issued by Defendant No. 1 for sale of the infringing product in Delhi have been included. The Plaintiff has also placed on record copies of the certificates of registration of the

trade mark and copyright issued in favour of the Plaintiff.

10. CS (OS) No. 910/2009 was listed on 19th May 2009 when this Court while directing summons to issue to the Defendants granted an ex parte

ad interim injunction in IA No. 6694 of 2009, under Order XXXIX Rules 1 and 2 Code of Civil Procedure, restraining the Defendants from using

the impugned mark ""SHRIRAM"" on their products. Local Commissioners were appointed to visit the business premises of the Defendants, to

make an inventory of the infringing materials and release the goods on suprerdari to the Defendants. Pursuant thereto the Commissioners have filed

their reports enclosing samples of the infringing packaging used by the Defendants on their products. In CS (OS) No. 1035 of 2009 a similar order

was passed by this Court on 28th May 2009 in IA No. 7417 of 2009 (under Order XXXIX Rules 1 and 2 Code of Civil Procedure). The

Commissioner appointed in the said suit has also filed a report placing on record a sample of the packaging used by the Defendants for their

products.

11. Against the order dated 28th May 2009, M/s. Shri Ram Plaster Industries [Defendant No. 3 in CS (OS) No. 1035/2009] filed FAO(OS)

No. 322/2009. The Division Bench by its order dated 3rd August 2009 did not grant any interim order except recording the plea of the Appellant,

i.e., M/s. Shri Ram Plaster Industries that in para 37 of the plaint it was not pleaded by the Plaintiff that a cease and desist notice dated 25th May

2007, more than two years earlier to the filing of the suit, had been issued; further the case being essentially one for passing off with both the

Plaintiff''s and Defendants"" marks being registered, an ex parte order of interim injunction was not called for. Alternatively, it was submitted that the

cause of action paras 38 and 39 of the plaint were silent about the date on which the cause of action arose. M/s. Shri Ram Plaster Industries was

permitted by the Division Bench to raise the aforementioned pleas before the Single Judge.

12. Thereafter Mukesh Khadaria [Defendant No. 3 in CS (OS) No. 910/2009]. filed an application (IA No. 7600 of 2009) under Order XXXIX

Rule 4 CPC seeking vacation of the ex parte ad interim injunction. Likewise M/s.

Shri Ram Plaster Industries (Defendant No. 3) and Bajarang Lal

Pareek (Defendant No. 2) filed IA 8023/2009 under Order XXXIX Rule 4 CPC in CS (OS) No. 1035/2009 seeking vacation of the ex parte ad

interim injunction.

13. By the order dated 16th July 2009 the Plaintiff was permitted to amend CS (OS) No. 910/2009 to implead M/s. Laxami Plaster Industries as

Defendant No. 4 since it was also a manufacturer of the goods bearing the infringing mark SHRIRAM. IA No. 7599/2009 was accordingly

allowed and the amended memo of parties was taken on record.

14. In the written statement filed in CS (OS) No. 910/2009, the Defendant No. 3 Mukesh Khadaria has raised a preliminary objection that the suit

should be dismissed on account of suppression of material facts by the Plaintiff. In particular it is averred that on 14th February 2007 the Plaintiff

had served upon M/s. Mukesh Khadaria a cease and desist notice calling upon it to cease using the trade mark ""SHRIRAM"". It is accordingly

submitted that the user of the trademark by Defendant No. 3 was within the knowledge of the Plaintiff since 2007 and yet the suit was filed only in

2009. It is submitted that since it had failed to disclose the exact date on which the cause of action arose, the Plaintiff was not entitled to any ex

parte ad interim injunction. It is further submitted that the Plaintiff has in para 39 of the plaint admitted that the Defendant''s products had become

distinct and well-known in the Indian market for cement and PoP and therefore the user by the Defendants of the said marks in 2007 was well-

known to the Plaintiff. The suit was accordingly said to be bad for delay, laches and acquiescence.

15. It is then submitted that by virtue of the operation of Section 28(3) and Section 30(2)(e) of the TM Act, the suit was bad since Defendant No.

3 Mr. Mukesh Khadaria was a registered proprietor of the trademark ""Aggarwal Shriram"" under Registration No. 1477746 in Class 19 and the

said registration was prima facie evidence of its validity in terms of Section 31 of the TM Act. It is stated that the Defendant No. 3 has already filed

suit, CS (OS) No. 2627 of 2008 titled Mukesh Khadaria v. Laxami Plaster Industries in which an injunction was against the said Defendant from

using the trademark LAXMI SHRIRAM and which suit is pending adjudication. It is accordingly submitted that there is no nexus between

Defendant No. 3 on the one hand and Defendants 1 and 2 on the other. It is submitted that the said trademark ""Aggarwal Shriram"" of the

Defendant No. 3 Mukesh Khadaria is different from that of the Plaintiff in all respects, i.e., get up, lettering style etc. and therefore the suit for

passing of was also not maintainable. It is further submitted that M/s. DCM Shriram Consolidated Ltd. is not a juristic personality and has got

nothing to do with the registrations in relation to cement or PoP.

16. As regards the copyright it is submitted that the Plaintiff is neither the author nor the owner of the impugned art work. M/s. Kirti Advertising is

not the author of the impugned art work since no such entity existed and in any event there was no written deed of assignment by M/s. Kirti

Advertising in favour of the Plaintiff. It is stated that the averments in the plaint are vague and it has not been shown how the Plaintiff can claim to

be the Proprietor of the alleged trademark since 1967 when it was not in existence on that date. The invoices also did not pertain to it. On the

other hand Defendant No. 3 Mukesh Khadaria claims to have adopted the trademark ""Aggarwal Shriram"" since 2000 and to be continuously using

it since then. It is claimed that the said mark has become distinctive and is associated with the PoP and related goods of Defendant No. 3.

17. In the written statement filed by Defendants 2 and 3 in CS (OS) No, 1035/2009, it is submitted that Bajarang Lal Pareek (Defendant No. 2)

honestly adopted SHRI RAM as a trademark, being an ardent devotee of Lord Shri Ram and he himself being named Bajarang Lal, the devotee

of Lord Shri Ram. He had immense faith in Lord Shri Ram and considered it to be auspicious to adopt SHRI RAM as a trading style in the year

1996. He claims to have commenced the business of manufacturing and marketing PoP since 2000, after discontinuing his earlier business in

certain other commodities. It is claimed that the said PoP goods are being marketed under the trademark of SRP as coined from the initials of

Defendants"" trading style SHRI RAM PLASTER. The device of kalash was also adopted by the said Defendants. The Defendant No. 2 states

that he started business on 16th March 2000 with Shri Yash Bhatia as partner. Shri Bhatia retired on 24th April 2003 and waived his rights in the

trademarks SRP and SHRI RAM PLASTER. The partnership firm was reconstituted. The incoming partners also waived their rights in the trademark and copyright SHRI RAM PLASTER and SRP LOGO. The copies of the partnership deeds and release letters have been included in

the documents filed by the Defendants. It is stated that the M/s. Shriram Plaster obtained registration for the mark SHRI RAM PLASTER and

SRP LOGO along with device of kalash under registration No. 1327339 in Class 19 (building material (Non Metallic), non metallic rigid pipes for

building, asphalt, pitch and Bitumen etc.) According to the Defendants in the year 2007 Defendant No. 2 by his own intellectual efforts developed

the art work and applied it on the packaging. He being the author as well as the owner of the art work applied for registration for the work on 14th

June 2008 with the Copyright Office. The said artwork was registered under registration No. A-S4912/2009. Certified extracts from the Register

of Copyrights have been annexed with the list of documents. It is stated that the Defendant No. 2 has been granted ISO 9000 on account of the

excellent quality for the product SHRI RAM and that the Defendant No. 2 has been openly using, advertising and selling goods under the trade

mark SHRI RAM all over India including New Delhi since 2000.

18. Defendant No. 3, Shri Ram Plaster states in para 9 of the written statement that ""the Plaintiff had in the year 2007 issued a notice to the

Defendant regarding the trade mark SHRI RAM. As the Defendant did not see any merit in the said, notice, the Defendant did not deem it worthy

to reply to the said notice."" It is alleged that this fact was suppressed by the Plaintiff while filing the suit only with a view to obtaining an ex parte ad

interim injunction. Thus Defendant No. 3 submits that the suit is bad for delay, laches, acquiescence and waiver. According to the Defendant Shri

Ram Plaster it is selling its goods since 1996 under the trading style of SHRI RAM, openly, extensively, concurrently and uninterruptedly. A further

point is taken that since SHRI RAM is the presiding deity and the Hindus have immense faith in Lord Shri Ram and that any Hindu can adopt the

God''s name out of his faith, the Defendant No. 3 cannot be restrained from practising his faith in any manner as he chooses. It is alleged that the

suit has hurt the religious sentiments of the Defendant No. 3. It is alleged that the mark SHRI RAM cannot be a source of monopoly of the

Plaintiffs. It is stated that the ""Plaintiff''s case is based upon SHRI RAM and that it being God''s name cannot be considered to be distinctive so as to indicate trade origin of the Plaintiff"".

19. Considering that both Defendants have claimed registrations of these marks in their favour and one of them has claims regarding copyright as

well, the present suits are treated essentially as actions for passing off. The word ""SHRIRAM"" is the essential feature of the mark adopted by both

the Plaintiff as well as the Defendants. The said mark is identical and not merely similar. In terms of the decision of the Supreme Court in Kaviraj

Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories, the Defendants can expect to escape liability only if they can show ""that

the added matter is sufficient to distinguish their goods from that of the Plaintiff."" The only added feature in the marks adopted by the Defendants is

the prefix ""Aggarwal"" or ""Laxmi"". These can hardly be said to distinguish the products of the Defendants from that of the Plaintiff.

20. Next, the packaging used by the Plaintiff and the Defendants for their respective products are examined. The photographs of the packaging in

which the Plaintiff''s PoP is sold are as under:

21. As far as the Defendant No. 3 in CS (OS) No. 910/2009 M/s. Mukesh Khadaria trading as Aggarwal Udyog is concerned the photographs

of the packaging used by it (both front and rear view) are as under:

22. The photographs placed on record of the packaging used by Defendant No. 4 in CS (OS) No. 910 of 2009, M/s. Laxami Plaster Industries

(both front and rear view), are as under:

23. Likewise the photographs of the packaging (both front and rear view) used by M/s. Shriram Plaster (Defendant No. 3 in C.S. (OS) No. 1035

of 20009) are as under:

24. A visual comparison of the above packaging makes it apparent that the aforementioned Defendants have adopted not only the essential and

identical feature of the Plaintiff''s trademark SHRIRAM but have also imitated the logo, the device, the colour combination which is very similar to

the logo and device used by the Plaintiff. The font and lettering of the word ""SHRIRAM"", its positioning in the packaging and combination of black

and red letters in the same sequence, the use of the kalash device, can easily lead to deception and confusion among unwary customers seeking to

buy PoP in the rural areas. The logo design and marks adopted by the Defendants are confusingly and deceptively similar to the logo design, marks, trademark style, and art work adopted by the Plaintiff. The line of trade of the Plaintiff and the Defendants is the same i.e. products used in

the building construction industry. The market for their respective products is therefore the same. The product is PoP. The packaging used is

almost identical. The plastic bags containing the Defendants products when stacked side by side with the Plaintiffs bags in any shop selling such

products would make them indistinguishable. Even if they are not stacked side by side a purchaser of PoP on viewing the bags of the Defendants

products in any shop selling these items is likely to be deceived into thinking that the Defendants products are that of the Plaintiff''s.

25. The defence of the Defendants based on the dissimilarities in the marks and logo adopted by them is prima facie without merit. The other

defence is that the Plaintiff has suppressed material facts by not mentioning in the plaint that cease and desist notices were issued to each of them

by the Plaintiff in 2007. It is stated that inasmuch as the Plaintiff was aware that the Defendants have been using the infringing marks and logos

since 2007, the suits must fail on the grounds of laches and acquiescence. The fact remains that neither of the Defendants thought it fit to reply to

the said cease and desist notice of the Plaintiff. Therefore, the Defendants cannot seek to take advantage of the fact that the Plaintiff was aware of

the infringement since 2007. In the circumstances, this Court is not able to come to the conclusion that either this fact was a material fact, for the

suppression of which the Plaintiff ought to be denied interim injunction or that even if the fact of issuance of such cease and desist notices had been

disclosed in the plaint, the Court may have been persuaded not to grant an interim injunction. What should weigh with the Court is the nature of the

suppression pleaded in the case. In the considered view of this Court, the non-disclosure by the Plaintiff of the fact of it having issued cease and

desist notices to the Defendants does not, in the facts and circumstances of the present case, make a difference to the decision to grant the Plaintiff

an ad interim injunction. In that view of the matter, this Court is not persuaded to accept the arguments of the Defendants based on the judgments

in M/s. Seemax Construction (P) Ltd. Vs. State Bank of India and another, ; The Fairdeal Corporation (Pvt.) Ltd. v. Vijay Pharmaceuticals 1985

PTC 80 and Om Prakash Gupta v. Parveen Kumar 2000 PTC 326 (Del).

26. Consequently this Court is also unable to accept the plea of the Defendants based on the judgment in Shri Gopal Engg. and Chemical Works

Vs. M/s. POMX Laboratory, that injunction ought to be refused on account of the delay in the Plaintiff approaching this Court. On the other hand

the decision in Shri Pankaj Goel Vs. Dabur India Ltd., suggests that grounds of delay and concurrent use cannot by themselves be sufficient to

deny injunction. In Hindustan Pencils Pvt. Ltd. v. India Stationery Products Company AIR 1990 Del 19 : 1989 (9) PTC 61 (Del), it was observed

as follows: ""If a party, for no apparent or valid reason, adopts, with or without modifications, a mark belonging to another, whether registered or

not, it will be difficult for that party to avoid an order of injunction because the Court may rightly assume that such adoption of the mark by the

party was not an honest one. The Court would be justified in concluding that the Defendant, in such an action, wanted to cash in on the Plaintiff''s

name and reputation and that was the sole, primary or the real motive of the Defendant adopting such a mark. Even if, in such a case, there may be

an inordinate delay on the part of the Plaintiff in bringing a suit for injunction, the application of the Plaintiff for an interim injunction cannot be

dismissed on the ground that the Defendant has been using the mark for a number of years. Dealing with this aspect Harry D. Nims in his ""The Law

of Unfair Competition and Trade Marks"", Fourth Edition, Volume Two at page 1282 noted as follows: ""Where infringement is deliberate and

willful and the Defendant acts fraudulently with knowledge that he is violating Plaintiff''s rights, essential elements of estoppels are lacking and in

such a case the protection of Plaintiffs rights by injunctive relief never is properly denied."" The doctrine of estoppels can only be invoked to

promote fair dealings"".

27. The other defence raised by both sets of Defendants concerns their alleged honest and concurrent use of the mark SHRIRAM. The case of

M/s. Shri Ram Plaster Industries is based solely on the fact that the name was inspired by Lord Shri Ram and that Defendant No. 2 is himself an

ardent devotee of Lord Shri Ram. However, there is nothing substantial placed on record by the Defendants to back this claim of honest and

concurrent and prior user of the mark SHRIRAM. While the Plaintiff has been able to prima facie show that its mark SHRIRAM though not inherently distinctive has acquired distinctiveness over long years of continuous usage, the Defendants have not been able to establish such a prima

facie case at this stage. The explanation offered by the Defendants of their honest adoption of the mark SHRIRAM is not convincing at all.

28. Going by the tests laid down in Laxmikant V. Patel Vs. Chetanbhat Shah and Another, , it appears to this Court that since there is possibility of

deception and confusion in the trade, an injunction should be granted even if one were to accept the Defendants"" case that they adopted the mark

in question honestly. The registration in favour of the Defendants does not advance their case for denial of injunction to the Plaintiff. The mere fact

that there is a subsequent registration in favour of the Defendant is not a defence in an action for passing off. In terms of Section 27(2) of the TM

Act, the right of the Plaintiff to seek an injunction on the basis of passing off cannot be negated only because there is registration granted in favour

of the Defendants for the same or similar mark. In this context the observations in Century Traders v. Roshan Lal Duggar AIR 1978 Del 250 :

PTC (Suppl) (1) 720 (Del) (DB) are also relevant.

29. The Defendants have not been able to counter the formidable case of the Plaintiff as to its prior user of the mark SHRIRAM, which was drawn

from the name of its entrepreneur late Lala Shriram who was an industrialist, philanthropist and educationist. The Defendants have no answer to the

Plaintiff''s case that Sir Shri Ram championed the cause of industrial research, technical and professional education in India and was the founder of

several institutions such as the Shriram College of Commerce, Shriram Institute of Industrial Research, Lady Shriram College, Delhi School of

Economics, Shriram Center for Performing Arts and many more. The Defendants also have not been able to deny that several manufacturing units

of the erstwhile DCM Limited started by Sir Lala Shriram and the erstwhile DCM Limited were renamed after him. M/s. Rajasthan Chemicals has

been renamed as M/s. Shriram Fertilizers and Chemicals. Many other units of DCM Ltd. also adopted SHRIRAM as part of their corporate

names in 1967 and 1977. M/s. Shriram Cement established its cement plant at Kota in Rajasthan and was registered under the Factories Act. The

Defendants have also not been able to counter the case of the Plaintiff regarding the availability of various products of the Plaintiff group of companies, including Shriram Cements in Rajasthan, in the rural areas. The Plaintiff group''s products in the fields of fertilizers, chemicals and

agricultural products including building and construction products like PoP have been prima facie shown to have acquired a formidable reputation.

The registration certificates issued in favour of the Plaintiff also establish the prior user by the Plaintiff of the mark ""SHRIRAM"". The numerous

documents placed on record showing the sales of SHRIRAM products by the Plaintiff group of companies and the wholesaler agreements from

1975 onwards also bear this out. The earliest invoices of the Defendants on the other hand are from 2002 onwards. The contention that the

Plaintiff has in para 39 of the plaint admitted that the Defendant''s products had become distinct and well-known in the Indian market for cement

and PoP is an obvious typographical error when the said para is read as a whole. It is plain that the reference therein is to the Plaintiff''s products

and not the Defendants"".

30. The trademark and copyright registration certificates produced by the Plaintiff prima facie show the connection of the Plaintiff with the Shriram

group of companies and of its proprietorship of the marks and logos and artistic work in question. Each company of the Shiram group in whose

favour the registration has been granted is referred to as a unit of the Plaintiff company. As regards the reputation earned by the mark SHRIRAM,

the settled law appears to be prima facie in favour of the Plaintiff. In Corn Products Refining Co. Vs. Shangrila Food Products Ltd., , it was held

that as far as the reputation to be acquired by the trademark ""it should appear that the public associated that trade mark with certain goods"". In the

said case, it was stated that reputation was that of the trade mark and not that of the maker of the goods bearing that trade mark. As far as the

present case is concerned, both tests appear to be prima facie satisfied. For the aforementioned reasons, it is held that the Plaintiff has been able to

make out a prima facie case for grant of an interim injunction in its favour.

31. As regards the balance of convenience, an argument was advanced that the Defendants were small traders who are sought to be snuffed out

by a powerful Plaintiff. Reliance was placed on certain observations of the Supreme Court in London Rubber Company Ltd. v. Durex Products

PTC (Suppl) (1) 246 (SC) @ p. 256.

In the said decision it was observed by the Supreme Court that it was not possible to lay down any hard and fast rule on the volume of use

necessary to establish honest and concurrent use in terms of Section 10(2) of the 1940 Act (which corresponds to Section 12 of the 1999 Act). In

the present case, the volumes of trade of the Defendants and the Plaintiff are not comparable at all. Still, the Court is satisfied prima facie that the

Defendants"" use of mark SHRIRAM is neither honest nor bona fide. Merely because the Defendants are small traders compared to the Plaintiff,

they cannot be permitted to pass off their goods as that of the Plaintiff. The other factor is the deception in the trade and among unwary consumers

with imperfect recollection. The court has to account for the fact that they may be misled into buying an inferior product thinking it to be originating

from the Plaintiff. Recently, in Amar Singh Chawal Wala Vs. Shree Vardhman Rice and Genl. Mills, [which has been affirmed by the dismissal by

the Supreme Court on 7th September 2009 of SLP (C) No. 21594/20091, the Division Bench of this Court referred to the following passage on

McCarthy on Trademarks (p. 346) para 30.21: ""Some courts also consider the necessity of protecting third parties in trade mark infringement

cases, ""third parties"" means the buying public. If the equities are closely balanced, the right of the public not to be deceived or confused may turn

the scales in favour of a preliminary injunction."" Keeping in view all these factors, it is held that the balance of convenience in granting an interim

injunction as prayed for is in favour of the Plaintiff.

32. It may be mentioned here that at the hearing on 9th September 2009 the proprietor of Defendant No. 1 in CS (OS) No. 1035 of 2009 (M/s.

Sumit Hardware) stated in court that he was prepared to make a statement that he would not sell any product in the infringing packaging of

Shriram Plaster. He was, however, directed to file an affidavit explaining how he came to be found in possession of the 8 infringing packaging in the

first place.

33. For all of the aforementioned reasons, this Court is satisfied that the Plaintiff has made out a case for continuance of the ad interim injunction

during the pendency of the suits. Accordingly, the interim order dated 19th May 2009 passed in IA No. 6694/2009 in CS (OS) 910/2009 and the

interim order dated 28th May 2009 passed in IA No. 7417/2009 in CS (OS) No.

1035/2009 are made absolute. IAs 6694 and 7417 of 2009

stand disposed of accordingly. IA No. 7600/2009 in CS (OS) No. 910 of 2009 and IA No. 8023/2009 in CS (OS) No. 1035/2009 are

accordingly dismissed. Each of the Defendants in the two suits will pay to the Plaintiff costs of Rs. 10,000 within a period of two weeks. 34. It is

clarified that the observations on merits in this order are based on the documents on record and the pleadings at this stage. They are not intended

to influence the final decision in each of the suits which will be taken on an independent assessment of the evidence that emerges during the trial.

