
(2023) 04 DEL CK 0136

In the Delhi High Court

Case No : Civil Suit (COMM) No. 673 Of 2022, I.A. No. 5843 Of 2023?

JMD Heritag Lawns Private Limited

APPELLANT

Vs

Ankit Chawla Proprietor Sadda Pind Restaurant

RESPONDENT

Date of Decision : 10-04-2023

Acts Referred:

Code Of Civil Procedure, 1908 — Order 39 Rule 2A

Citation : (2023) 04 DEL CK 0136

Hon'ble Judges : C.Hari Shankar, J

Bench : Single Bench

Advocate : Deepika Pokharia, Mohit Dagar, Shubham Jain

Judgement

C.Hari Shankar, J

1. The plaintiff is a private limited company engaged in hospitality and allied services. The plaintiff runs what is known as a "Cultural Living Museum" by name SADDA PIND with the logo .

2. The plaintiff possesses word mark registrations, under the Trade Marks Act, 1999, in respect of the word mark SADDA PIND, as well as the device marks and with effect from 16th October 2015, 15th February 2016 and 19th September 2017 respectively.

3. The outlet of the plaintiff, it is submitted, provides, inter alia, restaurant and boarding services.

4. The plaint instituted by the plaintiff further asserts that, in a short period of time, the plaintiff has acquired considerable goodwill in its word mark as well as its device marks. The plaintiff has also provided figures of its annual turnover which, during the year 2021-22, was to the tune of Rs. 13.82 crores. It is also asserted, in the plaint, that the plaintiff has invested considerable amounts towards advertisement and promotional activities which, during the year 2021-22, is to the tune of Rs. 26,69,000/-.

5. The plaintiff also runs a dedicated website www.saddapind.co.in and enjoys significant presence on social media websites such as Facebook, Instagram, Twitter and LinkedIn.

6. The logo is also registered in favour of the plaintiff as an original artistic work vide Registration No. A-126451/2018 under the Copyrights Act, 1957.

7. The plaintiff submits, therefore, that it possesses enforceable rights against infringement or passing off of its marks, both under common law as well as statute.

8. The defendant is stated to be running a restaurant using logos and which are identical to that of the plaintiff, in Rajasthan. On coming to know of the said fact, the plaintiff issued a cease and desist notice to the defendant on 31st May 2022, requesting the defendant to discontinue use of the infringing marks. The defendant, instead of doing so, replied on 18th July 2022, contesting the allegation of infringement and terming the similarity of the mark as purely coincidental. According to the averments in the plaint, though the plaintiff came to know that the plaintiff had applied for registration of the mark SADDA PIND, no such application could be found from the website of the Registrar of Trademarks.

9. It was in these circumstances that the plaintiff instituted the present suit, essentially alleging infringement of the plaintiff's registered trademarks as well as copyright and passing off, by the defendant, of its services as associated with the plaintiff. The prayer clause in the suit reads thus:

"In view of the foregoing facts and circumstances, the Plaintiff respectfully prays that the following reliefs be granted in its favour:

a. A decree of permanent injunction restraining the Defendant its business associates, partners, directors, principal officers, family members, servants, agents, dealers, distributors, franchisees and anyone acting for and on its behalf from selling, offer to sell, manufacturing, advertising, promoting or in any other manner using Plaintiff's registered trademarks SADDA PIND, and and/or any other identical/deceptively similar mark with respect to services falling under Class 43 and any other cognate and allied goods/services in any manner, so as to result in infringement of Plaintiff's registered trademarks SADDA PIND , and .

b. A decree of permanent injunction restraining the Defendant its business associates, partners, directors, principal officers, family members, servants, agents, dealers, distributors, franchisees and anyone acting for and on its behalf from selling, offer to sell, manufacturing, advertising, promoting or in any other manner using PIND Plaintiff's original artistic work and/or any substantial reproduction thereof, so as to result in infringement of Plaintiff's copyright.

c. A decree of permanent injunction restraining the Defendant, its business associates, partners, directors, principal officers, family members, servants, agents, dealers, distributors, franchisees and anyone acting for and on its behalf

from selling, offer to sell, manufacturing, advertising, promoting or in any other manner using Plaintiff's registered trademarks SADDA PIND, and and/or any other identical/deceptively similar mark with respect to services falling under Class 43 and any other cognate and allied goods/services in any manner, so as to result in passing off or any act of Unfair Competition including resulting in confusion of any manner whatsoever

d. An order directing the Defendant to take down of all online and offline listings under the mark/name SADDA PIND and/or any identical/deceptively similar variations thereof.

e. An order directing delivery up of all the material bearing the impugned trademarks on packaging, labels, name, cartons, packaging material, name plates, publicity material like pamphlets, fliers, hoardings, sign boards, stationery, digital material, etc., for the purpose of destruction/erasure.

f. An order granting damages is the tune of Rs 2,00,00,000/- for the damage caused to the Plaintiff's brand equity, goodwill and reputation in favour of the Plaintiff and against the Defendant.

g. An order directing the Defendant to render the accounts to ascertain the quantum of unjust profits gained by Defendant,

h. An order granting the cost of proceedings in favour of the Plaintiff;

i. Any such further and other order(s) as this Hon'ble Court deems just and proper in the facts and circumstances of the present case and in the interest of justice/equity."

10. The defendant, in its written statement, contested the suit. It is a matter of consternation to this Court that, despite the obvious identity between the mark used by the defendant and the plaintiff's registered marks, the defendant, instead of acknowledging this fact, sought to contest the allegation of infringement. In the process, valuable court time has been wasted and the plaintiff also had to suffer a litigation which could have been avoided, had the defendant seen sense at least when the plaintiff issued a cease and desist notice to it.

11. This Court, while issuing summons, granted an ex parte injunction against the defendant on 7th October 2022. The order was directed to take effect on 15th November 2022. A reading of the said order discloses that the defendant's contention, in its undated reply to cease and desist notice of the plaintiff, contended that it was not using the mark SADDA PIND but was, instead, using 5ADDA PIND. This Court noted that the contention of the defendant was incorrect, as it was, in fact, using the mark "SADDA PIND". Even in the mark "5ADDA", it was noted that the numeral 5 was so written as to resemble "S". Keeping these facts in mind, this Court injuncted the defendant in the following terms:

"26. The Plaintiff has made out a prima facie case in its favour for grant of an ex-parte interim injunction. Accordingly, till the next date of hearing, the Defendant shall stand restrained from using the mark & name 'SADDA PIND' including the device thereof in respect of any resort/restaurant, accommodation, hotel and entertainment venue or in relation to any other allied or cognate services. The Defendant shall also stand restrained from using any identical or deceptively similar name as that of the Plaintiff, i.e., 'SADDA PIND'.

12. Following the aforesaid injunction, the defendant merely changed its online listing to "5ADDA P1ND", by replacing "I" in "5ADDA PIND" with "1".

13. In these circumstances, the plaintiff moved I.A. 5843/2023 under Order XXXIX Rule 2A of the Code of Civil Procedure, 1908 (CPC) alleging contumacious and wilful non-compliance, by the defendant, of the injunction granted by this Court.

14. While the said application has remained pending, the defendant has now filed an affidavit, stating that it has changed the name of its restaurant to "The Punjab Village".

15. As such, it is submitted that the defendant's mark no longer infringes the plaintiff's.

16. Mr. Jain, learned Counsel for the defendant submits that, given the fact that the defendant has adopted a non-infringing mark, the suit may be disposed of, recording the undertaking of the defendant not to use the infringing mark "SADDA PIND", either in word or device form, or any other mark which is confusingly or deceptively similar to it.

17. Ms. Pokharia, learned Counsel for the plaintiff, however, submits that the defendant should not be let off easily as there has been deliberate infringement of the plaintiff's registered trademark.

18. I am inclined to agree with Ms. Pokharia. This is an extreme case. The defendant clearly, and with obvious intent to ride on the goodwill of the plaintiff, adopted the infringing and logos which was identical to the logo adopted by the plaintiff. When the plaintiff issued a cease and desist notice to the defendant, the defendant, in its reply, misrepresented that it was not using the aforesaid logo but was using the logo 5ADDA PIND. This misrepresentation was also noted by this Court in its order dated 7th October 2022. Even in its written statement filed by way of response to the suit, the defendant contested the plea of infringement and claimed that its mark did not infringe the plaintiff's registered mark. After the order of injunction was passed by this Court, the defendant, instead of discontinuing use of the infringing mark, merely changed it to 5ADDA P1ND. This amounts to no less than cocking a snook at this Court, especially given the observation of this Court, that the mark "5" as used in "5ADDA PIND" is deceptively similar to "S".

19. A defendant who behaves in such a fashion cannot be let off lightly. The

defendant is not merely guilty of initial infringement but of continuous and obdurate insistence on persisting with its infringing activity despite several opportunities to discontinue the same. In the process, the plaintiff has been dragged into an unnecessary litigation and precious court time has been wasted. There has also been contumacious disobedience of the injunction order dated 7th October 2022 which ought, of rights, to expose the defendant to punitive action under Order XXXIX Rule 2A of the CPC.

20. Nonetheless, as the defendant has undertaken not to use the infringing "SADDA PIND" mark either as a word mark or as a device mark or to use any other mark which is deceptively similar thereto, this suit is decreed in the following terms:

(i) There shall be a permanent injunction restraining the defendant from using the word mark or the mark "SADDA PIND" , , or any other such mark which is deceptively similar to the plaintiff's registered word mark or device marks, for any purpose whatsoever. This injunction shall apply to all persons acting on behalf of the defendant as well as its business associates, partners, directors, principal officers, family members, servants, agents, dealers, distributors and franchisees.

(ii) The defendant shall remove, from all its sites and listings, physical as well as virtual, all references to the aforesaid marks "SADDA PIND", and forthwith.

(iii) The defendant is held liable to pay punitive costs of Rs. 2,00,000/-, payable by way of a crossed cheque/demand draft in favour of Shakuntala Poddar Welfare Foundation, Sainik Nagar, Mansa Ram Park, Uttam Nagar ND 110059, an NGO working for underprivileged slum children to be deposited with the Registrar of this Court within a period of eight weeks from today.

(iv) The plaintiff has also undertaken not to continue to prosecute the Application No. 5301187 dated 27th January 2022, filed by it before the Registry of Trademarks. It shall ensure that the said application is withdrawn, for which an application already stands filed with the Registry of Trademarks. The Registry is directed to prosecute the said application and pass orders thereon within a period of eight weeks from today.

21. The suit stands decreed in the aforesaid terms.

22. Let a decree sheet be drawn up by the Registry accordingly.

23. The plaintiff shall be entitled to Court fees, if any, deposited by it.

24. As the suit stands decreed, all further dates fixed in this matter shall stand cancelled.