

(2001) 04 DEL CK 0034
In the Delhi High Court
Case No : Suit No. 4323 of 1992

Shantaben Karasanbhai Patel and others	APPELLANT
Vs	
S.C. Jain and another	RESPONDENT

Date of Decision : 23-04-2001

Acts Referred:

Citation : (2001) 4 AD 758 : (2001) 92 DLT 757 : (2001) 3 RAJ 277

Hon'ble Judges : A.K. Sikri, J

Bench : Single Bench

Advocate : Mr. Manmohan Singh, for the Appellant;

Judgement

A.K.Sikri,J.

1. This Suit has been filed by the plaintiffs seeking a decree for permanent injunction against the defendants in respect of the plaintiffs trade Marks "NIRMA". plaintiffs 1 and 2 are the trustees of Shri S.K.Patel Family Trust trading under the name and style of M/s. Nirma Chemical Works Limited. plaintiff no.4,namely, Nirma Chemical Works Limited is an incorporated Company under the Indian Companies Act which is engaged in the business of manufacturing and Marketing washing powder, salt, match boxes, etc. for the last so many years. They are carrying on their business under the tradeMarks "NIRMA" which according to them is an invented word and is in use by the plaintiffs since 1969. They also got the tradeMarks "NIRMA" registered under the Trade and Merchandise Markss Act, 1958 in respect of various goods in IVth Schedule of classification of goods as prescribed under the Trade and Merchandise Markss Rules, 1959. The tradeMarks NIRMA is registered under Class III in various forms. According to them, the tradeMarks NIRMA has over the years acquired tremendous reputation among general public and has been exclusively used and advertised for a long time as a result of extensive advertisement and publicity wherein huge expenditure is incurred by them. The preliminary cause for filling the present Suit is the adoption of the word "NIRMA" for tea as the defendants are manufacturing and offering for sale and advertising "Nirma Tiger Tea". The plaintiffs sent legal notice

dated 3rd August, 1990 calling upon the defendants to discontinue the use of tradeMarks "NIRMA" in respect of tea. Another notice dated 28th April,1992 was served but as the defendants did not accede to the plaintiffs demand and continued the use of the trade Marks "NIRMA" in respect of tea, the present Suit for permanent injunction has been filed for restraining the defendants from infringing the plaintiffs registered trade Marks "NIRMA" registered under No. 422851-B and various ancillary, related and consequential reliefs are also sought.

2. Along with the Suit, the plaintiffs had also filed IA.13610/92 under the provisions of Order XXXIX Rules 1 and 2 of the CPC seeking ad-interim injunction. By Order dated 11th November, 1992 ex parte ad interim injunction was granted thereby restraining the defendants from using by themselves or through their servants, agents or stockists the registered trade Marks "NIRMA" in respect of tea. This order has been in operation.

3. After notice of the Suit, the defendants appeared and filed the written statement. The defendants denied the claim of the plaintiffs and contested the prayer. Various submissions are made in the written statement. It may not be necessary to reproduce all these averments made in the written statement inasmuch as reflection thereof can be (sic) from the issues framed. Moreover, defendants stopped appearing and have been proceeded ex-parte. They have not led any evidence and Therefore they have not proved the allegations contained in the written statement.

4. On the basis of the pleadings following issues were framed on 30th October, 1995:-

1. Whether the plaintiff proves that plaintiff is the holder of the registered trade Marks "NIRMA" bearing registration No.422851-B in respect of Coffee, Tea, Cocoa, Sugar, Rice, Tafioda,Sago, Coffee substitutes, Flour and Preparations made from Cereals, Bread, Biscuits Cakes, Pastry and Confectionery, ICES, Honey, Treacle, Yeast, baking powder?

2. Whether the plaintiff proves that defendant is misusing their trade bearing registration No.422851-B?

3. Whether plaintiff proves that defendants are passing off their goods as the goods of the plaintiff?

4. Whether this Court has the jurisdiction to entertain the present suit?

5. Whether the suit is bad for misguide of the parties and causes of action?

6. Whether the defendant proves that defendant had already been using the trade Marks "Nirma Tiger" with the device of tiger inside the circle in relation to Tea much prior to the plaintiff's making use of their trade Marks?

7. Whether the plaintiffs are entitled to get a decree for perpetual injunction as claimed for?

8. Whether the plaintiff is entitled to get a decree for rendition of accounts of the profits earned by the defendant in respect of sale of Tea under the trade Marks "Nirma Tiger"?

9. What order and decree?

5. By order dated 2nd August, 1999 the plaintiffs were allowed to lead evidence by way of affidavit which was filed on 6th August, 1999. However, on 6th August, 1999 learned counsel for both the parties appeared and submitted that parties had arrived at a settlement and requested for time to file the formal application. On 6th September, 1999 learned counsel for the plaintiffs informed the Court that application under order 23 Rule 3 of the CPC has been prepared and a copy thereof was given to the defendants. However, nobody appeared on behalf of the defendant. Accordingly the plaintiffs were permitted to file the evidence by way of affidavit. The plaintiffs filed the said evidence and the matter was listed on 16th October, 2000. On this date counsel for the defendants again appeared. At joint request the matter was again adjourned to 6th April, 2001 presumably because of the reason that the defendants wanted to settle the matter. But again on 9th April, 2001 nobody appeared on behalf of the defendants. Since the plaintiffs had already led the evidence the defendants were proceeded ex-parte. Arguments were heard and judgment reserved.

6. The aforesaid narration of the proceedings would indicate that the testimony of the plaintiffs in support of their case has remained unchallenged. There is no cross-examination of the plaintiff's witness nor the defendants have led their own evidence.

7. The plaintiffs have filed the affidavit of Mr. Ambubhai M. Patel, Trustee-Manager of S.K.Patel Family Trust who has deposed in respect of various averments made in the plaint and has also filed supporting documents. The deposition as made by this witness may be stated briefly. The case of the plaintiffs is that:-

8. The trade Marks NIRMA is an invented word having no device or other meaning and thus has a right degree of inherent distinctiveness. The trade Marks NIRMA is also a key portion of their trading style and is registered under the Trade and Merchandise Marks Act, 1958 in respect of various goods. The trade Marks NIRMA is also registered under No.422851-B as of 5th June, 1984 in Class 30 in respect of coffee, tea and other related goods. The plaintiffs are expanding company and they have a scheme to enter cognate and allied goods of the consumer products of all types like tea, rice, coffee, biscuits, cake, agarbatties and pharmaceutical goods etc. The plaintiffs have already introduced match boxes, salt, etc. under the trade Marks NIRMA.

9. The plaintiffs came to know about the offending activities of the defendants in the month of July 1990 i.e. the defendants were manufacturing and offering for sale, advertising NIRMA TIGER TEA of poor quality as compared to the standard quality of the goods manufactured by the plaintiffs. The trade Marks TIGER was

also infringed by the defendants which belongs to M/s. Lipton Ltd, and Brook Bond Ltd. M/s. Lipton Ltd. United Kingdom and M/s. Lipton India Ltd. also filed a Suit against the defendants being Suit No.1857/91 for infringement of trade Marks TIGER in relation to tea. In the said Suit, order is passed restraining the defendants from using the trade Marks TIGER and the Suit has already been decreed. The application of the defendants was also rejected by the Registrar of Trade Markss. By using the identical trade Marks NIRMA the defendants are guilty of infringement of the registered trade Marks of the plaintiffs. The plaintiffs served a notice dated 3rd August, 1990 to the defendants to discontinue the use of the trade Marks NIRMA in respect of tea. Reply dated 5th January, 1991 was received from the defendants. However the defendants failed to comply with the requirements of the plaintiff's notice. Another notice dated 28th April, 1992 was served upon the defendants by the plaintiffs Along with the details of registrations but the defendants did not reply to the same. It is the case of the plaintiffs that the defendants are passing off their goods as the goods of the plaintiffs. Since the plaintiffs have already produced the registration certificate pertaining to the registered trade Marks NIRMA in relation to coffee and tea, etc. Therefore the defendants are guilty of infringement of trade Marks NIRMA under Sections 28 and 29 the Trade and Merchandise Markss Act, 1958. u/s 31 registration is a prima facie evidence. The plaintiffs reject the defense raised by the defendants in the written statement as false and frivolous. The defendants also filed a rectification to the trade Marks NIRMA registered under No.422851-B in Class 30. However, the Rectification has been dismissed by Order dated 20th April, 1993.

10. From the aforesaid unrebutted testimony of the plaintiffs it is amply proved that the plaintiffs are the registered owner of the trade Marks NIRMA in respect of various goods including coffee, tea and other related goods. The plaintiffs have also been able to demonstrate that NIRMA is their invented word. It has acquired great reputation. The plaintiffs have been spending huge amount on the advertisement in relation to the trade Marks NIRMA. Sales in relation to their various goods i.e. soap and detergent cakes etc. are mounting every year by leaps and bounds. The plaintiffs are extending their company and they have a scheme to enter into cognate and allied of the consumer products of all types like tea, rice, coffee, biscuits, cake, agarbatties and pharmaceutical goods etc. Since the plaintiffs are the registered trade Marks owner of NIRMA in relation to coffee, tea as well, use by the defendants of the trade Marks NIRMA TIGER TEA in respect of their product is clear infringement of the plaintiffs trade Marks under Sections 28 and 29 of the Trade and Merchandise Markss Act. The primary defense of the defendants raised in the written statement was that defendants had applied for rectification of the plaintiffs trade Marks NIRMA registered under No.422915-B in class 30. However, by Order dated 20th April,1993 the said Rectification application was dismissed. Therefore, the defendants have no defense whatsoever in the face of the plaintiffs registered trade Marks in respect of the goods in question namely, tea itself. (Ref : Bharat Overseas Construction

(P) Ltd. Vs. University Teachers Co-operative Housing Society Ltd.,).

11. In fact, the plaintiffs have also been able to establish the case of passing off. Goods manufactured by them are allied and cognate and in the facts of the present case, allowing the defendants to use the tradeMarks NIRMA in respect of tea also will create confusion and deception in the Market, once it is established that the plaintiffs have proprietary right in the Marks "NIRMA" (Ref : Daimler Benz Aktiengesellschaft and another Vs. Hybo Hindustan, , Surjit Singh Vs. Alembic Glass Industries Ltd., and Sunder Parmanand Lalwani and Others Vs. Caltex (India) Ltd.,

12. The plaintiffs are Therefore entitled to the reliefs prayed in the Suit. A decree of permanent injunction is accordingly passed restraining the defendants, their servants, agents, stockists and all other persons on their behalf from using or infringing the registered trade Marks of the plaintiffs - NIRMA under No.422815-B either in respect of tea or other cognate or allied goods. They are also restrained from passing off and enabling others to pass off their goods as the goods of the plaintiffs. The defendants are directed to deliver the offending trade Marks, its plates, blocks, stationery and advertising and printing material, if any in their possession bearing trade Marks NIRMA for the purpose of distribution or obliteration. Since the defendants have not been using the trade Marks NIRMA in respect of tea, since 11th November, 1992 in view of the restraining Order passed in the Suit, the decree for rendition of accounts is passed for a period of three years from the date of filing of the Suit. Since the Suit was filed on 5th November, 1992, the decree for rendition of account is passed for the period w.e.f. 6th November, 1989 till 11th November, 1992 when the interim injunction was passed. The plaintiff shall also be entitled to cost. Decree sheet be prepared accordingly.