
(2023) 03 DEL CK 0088

In the Delhi High Court

Case No : Civil Suit (COMM) No. 833 Of 2022, I.A. No. 20222, 20223 Of 2022

Sukam Systems Private Limited

APPELLANT

Vs

Lithium Power Energy Private Limited

RESPONDENT

Date of Decision : 07-03-2023

Acts Referred:

Citation : (2023) 03 DEL CK 0088

Hon'ble Judges : C.Hari Shankar, J

Bench : Single Bench

Advocate : Dhruv Anand, Udit Patro, Nimrat Singh, Nipun Kumar

Judgement

1. The plaintiff alleges, by the present suit, infringement, by the defendant, of the plaintiff's registered trademarks "Su-Kam", "BIG Conqueror Tubular Battery" and "BIG Warrior Tubular Battery", specifically the marks registered under Registration Nos. 821727, 2213106 and 22103109. Consequently, it is alleged, the defendant is seeking to pass off its goods as those of the plaintiff. A tabular statement of the registrations held by the plaintiff is contained in para 16 of the plaint and may be reproduced thus:

Trademark

Date of

Application

Registration

No.

Class

Status

05-10-1998

821727

Class 9 - Electrical apparatus & instruments

- invertors, CVR -

Constant Voltage Receiver, UPS

Uninterrupt

-ed Power Supply

Registered

09-03-2006

1430351

Class 9 - Electrical apparatus & instruments

- invertors, CVR -

Constant Voltage Receiver, UPS

Uninterrupt- ed Power Supply

Registered

31-01-2012

2274722

Class 9 - Inverter and battery

Registered

29-09-2011

2213106

Class 9 - Inverter and battery

Registered

29-09-2011

2213109

Class 9 - Inverter and battery

Registered

2. The plaint asserts that the mark SU-KAM is owned by the plaintiff and is in use by the plaintiff at least since 1998. The plaint further asserts that the plaintiff company had initially been placed in liquidation on 3rd April 2019 by an order passed by learned National Company Law Tribunal (the learned NCLT), which order stood upheld by the learned National Company Law Appellate Tribunal (the learned NCLAT) on 29th April 2019. Following this, on 31st May 2022, the learned official liquidator issued a certificate of sale of the plaintiff company as a

going concern to the Navraj Mittal Consortium which, therefore, is now the rightful and exclusive owner of the plaintiff company and all its assets including the brand name "Su-Kam".

3. By order dated 30th October 2019 in CS(COMM) 1155/2018, this Court recognised the exclusive ownership of the plaintiff over the "Su-Kam" trademarks. The plaintiff asserts proprietary rights over the aforesaid trademarks in various classes, though the present suit is restricted to its proprietary rights in Class 9.

4. The plaintiff further asserts that the plaintiff has been using the "Su-Kam" trademarks, for inverters, since 1998. The word mark "Su-Kam" is stated to form a dominant part of the corporate name of the plaintiff company. It is also asserted that the "Su-Kam" trademark of the plaintiff is an invented and coined mark which, therefore, is entitled to a higher degree of protection under the Trade Marks Act, 1999.

5. Prima facie, the submission of the plaintiff that the mark "Su-Kam" constitutes a dominant feature of the plaintiff's registered trademarks merits acceptance.

6. The plaintiff further asserts that the word mark "Su-Kam" has been used by the predecessors of the plaintiff in one form or another since 1986. The plaintiff further draws attention to the various other achievements of the plaintiff, including encomiums and certificates of excellence that it has been issued over a period of time. The plaintiff also refers to the expenses incurred by the plaintiff towards advertising and promotional activities as well as the revenue generated by the plaintiff from its operations over the years which, even as on 31st March 2018, prior to the proceedings before the NCLAT, was over ₹ 500 Crores.

7. In these circumstances, the plaintiff asserts that the "Su-Kam" trademarks have attained tremendous goodwill and reputation and form a source identifier for the plaintiff. They are indelibly associated in the minds of the public with the plaintiff's goods.

8. The plaintiff also asserts the marks and which are also registered in favour of the plaintiff since September 2011 in Class 9 for inverters and batteries.

9. In the circumstances, the plaintiff has exclusive proprietary rights in respect of the aforesaid registered trademarks, particularly in their use in inverters and batteries.

10. The plaintiff asserts that the defendant is infringing the plaintiff's afore-registered trademarks and seeking, thereby, to pass off its goods as those of the plaintiff.

11. Tabular representations of the plaintiff and the defendant's marks, and of their goods, which underscore the common elements thereof, have been placed in the plaint, thus:

TRADEMARKS OF THE

PLAINTIFF

INFRINGING MARK OF THE

DEFENDANT

(Registered trademark under Trademark Registration Numbers 821727 and 1430351)

(Opposed trademark under the name of the Defendant)

TRADEMARK/PRODUCT OF THE PLAINTIFF

INFRINGING MARK/PRODUCT OF THE DEFENDANT

(Registered trademark under Trademark Registration Numbers 2213106)

(Registered trademark under Trademark Registration Numbers 2213109)

12. It is clear that the defendant's marks, trade dress and logo are imitative of the plaintiff, inter alia because

(i) SNOW-KAM is phonetically similar to SU-KAM,

(ii) the marks and have been nearly completely replicated using the same lettering, font and font size, merely removing the word "CONQUEROR" and "WARRIOR" which are in disproportionately small letters as compared to "BIG",

(iii) the shapes and design of the batteries, including the "check dress" () on the surface, are copied, and

(iv) the labels are deceptively similar in their layout, design (including outer borders) and placement on the batteries.

13. It is obvious that a customer of average intelligence and imperfect recollection, who has earlier seen the plaintiff's batteries, and, later, comes across the defendant's, is bound to presume them to be the same, or, even if his recollection is good enough to register the difference between SU-KAM and SNOW-KAM, to presume an association between the two, especially in view of the near identity of trade dresses between the two batteries. The defendant's label and trade design are substantially similar to the registered marks of the plaintiff, the only real difference being in the colour of the labels, giving rise to a clear possibility of confusion in the mind of an unwary customer of average intelligence and in perfect recollection.

14. The prayer clause, in the present suit, reads thus:

"It is humbly prayed before this Hon'ble Court that it may be pleased to grant:-

(a) A decree of permanent injunction restraining the Defendant, its partners, directors, proprietors, subsidiaries, affiliates, franchisees, officers, servants, agents, affiliates, distributors, stockists, representatives, licensees and/or anyone acting for or on their behalf directly or indirectly, as the case may be,

from selling, offering for sale, advertising, manufacturing, publishing, and dealing in any manner whatsoever, in relation to any goods and services (especially in relation to inverters and batteries), any mark including 'Snow-Kam' and 'BIG Tubular Battery', which would amount to an infringement of the Plaintiff's registered trademarks particularly Trademark registration Nos. 821727, 2213106 and 22103109;

(b) An order of permanent injunction restraining the Defendant, its partners, directors, proprietors, subsidiaries, affiliates, franchisees, officers, servants, agents, affiliates, distributors, stockists, representatives, licensees and/or anyone acting for or on their behalf from using the 'Su-Kam', 'BIG Tubular Battery' and/or 'Snow-Kam' mark as part of its trademark/logo or in any manner whatsoever, including in relation to any goods and services (including inverters and batteries), which would amount to passing off of the Defendant's goods and business as those of the Plaintiff and/or dilution of the Plaintiff's trademarks particularly Trademark registration Nos. 821727, 2213106 and 22103109;

(c) An order of permanent injunction restraining the Defendant, as well any of its partners, affiliates, representatives, licensees and/or anyone acting for or on his behalf, from using any deceptively similar version of the Plaintiff's trademarks as a Corporate name or as a trademark for goods and/or services, including the trademark "Snow-Kam" and/or 'BIG Tubular Battery';

(d) An order for delivery up of all the material in which the deceptively similar mark 'Snow-Kam' and/or 'BIG Tubular Battery' finds mention including without limitation letterheads, brochures, invoices, products list or any other material such as business cards, office stationery cartons, stickers, tickets, blocks, dies, labels, products including batteries and inverters, and any other material bearing the mark 'Snow-Kam' or any mark confusingly/deceptively similar to the Plaintiff's trademarks;

(e) An order for withdrawal of the Defendant's Trademark application bearing number 4886837 for registration of the 'Snow-Kam' mark;

(f) An order of damages to the tune of INR 2,00,01,000/- (rupees two crore one thousand only) in favor of the Plaintiff and against the Defendant on account of losses caused to the Plaintiff by virtue of the Defendant's activities of selling articles bearing the Plaintiff's registered trademarks; or

(g) An order for rendition of accounts of profits illegally earned by the Defendant on account of the use of the impugned infringing marks;

(h) An order declaring the Plaintiff's trademark 'Su-Kam' a well-known trademark;

(i) An order for costs of the proceedings; and

(j) Any further Order(s) as this Hon'ble Court may deem fit and proper in these facts and circumstances of the case in the interest of justice may also be passed."

15. On 1st December 2022, the summons were issued in the suit and by way of

interim relief, the defendant was restrained from manufacturing, selling, offering for sale, advertising or directly or indirectly dealing in any products or services bearing the impugned trademarks "Snow-Kam" and "Big Tubular Battery", which infringe the plaintiffs registered trademark and trade dress, particularly the Registrations 821727, 1430351, 2274722, 2213106 and 2213109 held by the plaintiff.

16. No written statement has been filed by way of response to the suit.

17. On 20th February 2023, Mr. Nipun Kumar, appearing for the defendant, submitted on instructions that his client was willing to undertake not to use the impugned marks and to withdraw the application filed by the defendant before the Registrar of Trademark for registration of the impugned marks. He was directed to file an affidavit placing its undertaking on record.

18. In compliance with the said direction, an affidavit dated 28th February 2023 is placed on record, which reads thus:

"UNDERTAKING BY WAY OF AFFIDAVIT

Affidavit of Sh. Puneet Jain S/o Rakesh Jain R/o H. No.: G-18, Near Hanuman Mandir, Budh Vihar, Phase-1, Bagampur. North West Delhi, Delh110086, Authorised Representative (AR) of Defendant Company Namely Lithium Power Energy Private Limited having its Registered Office at 131 UGF, Pocket 12, Sector 24, Rohini, Delhi 110085, do hereby solemnly affirm and declare as under:

1. That the deponent is authorized representative (AR) of the Defendant Company and well conversant with the facts and circumstances of the present case and hence competent to swear this affidavit.

2. That the Deponent declares that Defendant Company has been managed by the Board of directors, who are law abiding and peace loving citizens of India.

3. That the Deponent desires to save the precious time of the Hon'ble High Court and maintain the healthy trade relations with the Plaintiff Company.

4. That without prejudice to the rights & contention and admitting the facts of Petition, the Deponent undertakes that the Defendant Company has resolved to not to use the impugned marks without permission of the Registered owner in the same & similar trademark with immediate effect.

5. That the Deponent further undertakes that the Defendant Company has resolved to withdraw the application bearing No. 4886837 in Class 9 filed by the Defendant before the Registry of trademarks with immediate effect.

6. That the Deponent Company further undertakes to neither file any mark, logo, device or work mark similar to the Petitioner's registered trademarks nor oppose the Petitioner's registered trademarks in class 9 of the Trademarks' Classification or goods & services in future.

7. That the deponent further undertakes that the management of the Defendant

Company has further undertakes to cease & desist from using the impugned mark across Petitioner's trade channel, social media platform, website development, e-commerce platform and other forms in connection with the goods & services of the Petitioner in future.

8. That however without prejudice and as a matter of abundant caution, the Defendant Company reserve its right to file Counter Reply/Written Statement, if the present undertaking is not accepted by the Petitioners or this Hon'ble Court.

9. That the Deponent Company declares that the proposal by way of present Undertaking is bona fide and has been drafted on my instructions by my counsel. I have read the Undertaking and have also been explained the contents of the same. I say that the contents of the same are true and correct to my knowledge and also on the basis of the records of the Defendant Company.

Sd

Deponent

Verification:

Verified at Delhi on this 28th day of Feb 2023 that the contents of above affidavit are true and correct to the best of my knowledge, no part of it is false and nothing material has been concealed therefrom.

Sd.

Deponent"

19. Mr. Anand, who appears on behalf of the plaintiff, submits that subject to the suit being decreed in terms of the aforesaid undertaking and in terms of the prayers (a), (b), (c) and (e) of the plaint, his client is willing to give up its claim to costs and damages.

20. In view of the aforesaid stands of the learned Counsel for both sides, the dispute in the suit does not survive for further adjudication.

21. The defendant shall remain bound by the terms of the undertaking given by it as set out in the affidavit as reproduced hereinabove.

22. In terms of the affidavit, Mr. Nipun Kumar, learned Counsel for the defendant undertakes to apply to the Registry of Trademarks for withdrawal of its Application No. 4886837 dated 2nd March 2021, by which the defendant has sought registration of the impugned marks. Mr. Nipun Kumar also undertakes to ensure that the defendant takes down the website www.snow-kam.com. The defendant would also, therefore, be restrained from operating any website using the said ID or any deceptively similar ID. The defendant shall also remain bound by the said statement.

23. The suit shall stand decreed in terms of prayers (a), (b), (c) and (e) of the plaint.

24. There shall be no order with respect to costs and damages.

25. Let the Registry draw up a decree-sheet accordingly. The plaintiff shall be entitled to refund of the court fee, if any, deposited by it. Miscellaneous applications do not survive for consideration and stand disposed of.

26. Let the order be uploaded on the website of this Court within 24 hours.