

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **CS(OS) NO.1505/2003**

% **Date of Decision: 31.03.2009**

Sushil Kumar Jain trading as M/s.Tara Products Plaintiff

Through Mr.V.P.Ghiraiya, Advocate.

Versus

M/s.Keprej Electronics Defendant

Through Mr.Manav Kumar and Mr.Chander
Shekhar, Advocates.

CORAM:

HON'BLE MR. JUSTICE ANIL KUMAR

- | | | |
|----|---|-----|
| 1. | Whether reporters of Local papers may be allowed to see the judgment? | YES |
| 2. | To be referred to the reporter or not? | NO |
| 3. | Whether the judgment should be reported in the Digest? | NO |

ANIL KUMAR, J.

*

1. This judgment shall dispose of the suit of the plaintiff for perpetual injunction seeking restraint against the defendant from using trade mark 'KEPREJ' for his goods, voltage stabilizers, electric current transformers, emergency lights, invertors and electronics and electric goods & other cognate and allied goods and passing off his goods as that of plaintiff's and for rendition of accounts.

2. The plaintiff contended that plaintiff is the proprietor of M/s.Tara products and is carrying on business as manufacturer and merchants of large number of goods including voltage stabilizers, electric current transformers, emergency lights, invertors and electric and electronics goods since the year 1977.

3. Plaintiff contended that he had adopted the trade mark 'CAPRI' for marketing its goods in May 1977 and since then he has been selling goods manufactured by him under the said trade name. The plaintiff is alleged to have said trade mark registered with Registrar of Trade Marks at serial number 363066 on 21st June, 1980 in respect of voltage stabilizers and electric current transformers included in class-9 of the Forth Schedule of Trade and merchandise Marks Rules, 1959. According to the plaintiff, the registration has been renewed from time to time and is still valid and subsisting. The trade mark 'CAPRI' also got registered at serial no.473944 on 19th June, 1987 in respect of scientific and electrical apparatus and instruments included wireless in class-9 of the Forth Schedule of Trade and merchandise Marks Rules, 1959. The said registration has been renewed by the plaintiff from time to time and is still valid and subsisting. The mark of the plaintiff 'CAPRI' is also alleged to be registered at serial No.473945 dated 19th June, 2009 in respect of installations for lighting, heating, steam generating, cooking and refrigerating included in class-11 of the Forth

Schedule of Trade and merchandise Marks Rules, 1959 and is alleged to have been renewed from time to time and is valid and subsisting.

4. According to the plaintiff, he has acquired statutory rights over the trade mark 'CAPRI' in respect of the goods manufactured and marketed by the plaintiff. The plea of the plaintiff is that on account of prior adoption, long and established user of trade mark 'CAPRI' and the vast publicity to the said trade mark, the plaintiff has acquired exclusive rights to use the trade mark 'CAPRI' in respect of voltage stabilizers, electric current transformers, inverters, emergency lights, electrical apparatus, electrical and electronics instruments and other cognate and allied goods.

5. The plaintiff has alleged that he is extremely vigilant in protecting his goodwill and reputation of the trade mark 'CAPRI'. The plaintiff has also detailed the sales figures from 1978 till 2000-2001 in the plaint. The plaintiff also alleged that he had filed various suits in this Court and in other courts against the infringers and duplicators of plaintiff's trade mark and have obtained decrees against the violators of the plaintiff's trade mark. Referring to Suit No.1395 of 1989 against M/s. Shyamsons, Shiva Market, Pitampura, Delhi and M/s.Electronics Traders, Raipur (M.P.), the plaintiff contended that the suit was decreed in favor of the plaintiff and against the said infringers and violators of

plaintiff's trade mark. The plaintiff has also given the details of other suits filed against other alleged violators and infringers. The plaintiff asserted that in June 2003, he came to know through his Sales Representative that the defendant is manufacturing and marking voltage stabilizers and electric current transformers bearing the trade mark 'KEPREJ' and under the corporate name 'KEPREJ' and the goods of the defendants are sold throughout the country. The plaintiff alleged that the goods of the defendants are also sold in clandestine manner in the National Capital of Delhi, however, without issuing any cash memo.

6. According to the plaintiff, the trade mark 'KEPREJ' is identical with and/or deceptively and confusingly similar to plaintiff's trade mark 'CAPRI'. The plaintiff asserted that the identical and confusingly similarly trade mark 'KEPREJ' has been adopted by the defendant out of greed with a view to take undue advantage and to trade upon the goodwill and reputation of the plaintiff. The plaintiff pleaded that unwary and all classes of purchasers are getting deceived in purchasing defendant's voltage stabilizers, electric current transformers, invertors and other cognate and allied goods under the impression that they are the goods of the plaintiff or that the firm using the trade mark is a sister concern of the plaintiff. The plaintiff contended that the goods sold by the plaintiff as well as defendant are under the same description and under the same trade channels and are sold at the same counters and

the customers are also similar and consequently probabilities of confusion is very high.

7. The plaintiff contended that illegal trade activity of the defendant is causing immense injury to the plaintiff's business and reputation and therefore the present suit for injunction has been filed.

8. The suit is contested by the defendant contending inter alia that the defendant has no dealer, shopkeeper, agents and distributors within the territory of this court nor any other part in India except in Gujarat. Regarding the trade mark 'KEPREJ', it was contended that it is neither identical nor deceptively similar with the trade mark 'CAPRI' of the plaintiff. Regarding the use, it is contended that it is contended that the defendant has been continuously, extensively and uninterruptedly using the trade mark 'KEPREJ' since August 1986 which is a coined word by the defendant himself and, therefore, in the circumstances, it was contended that the suit suffers from delay, acquiescence and laches. The defendant denied the allegation that he has sold his goods in a clandestine manner all over India including the Union Territory of Delhi.

9. Defendant asserted that he is a bonafide adopter of the trade mark/name 'KEPREJ' which is entirely different with the trade mark of the plaintiff. It was contended that defendant has a small business and

in the circumstances the question of trading upon the goodwill and reputation of the plaintiff does not arise. The defendant, however, denied that the plaintiff is using the trade mark 'CAPRI' since 1977 or prior to August, 1986.

10. On the basis of the pleadings and documents of the parties, the following issues were framed:

1. "Whether plaintiff is prior in adoption and use of the Trade mark "CAPRI"? OPD
2. Whether the plaintiff is the registered proprietor of the trade mark "CAPRI" for the goods as mentioned in paras 4,5 and 6 of the plaint, if so, to what effect? OPP
3. Whether defendant is infringing the registered trade mark, if so, to what effect? OPP
4. Whether defendant is passing off the goods as that of the plaintiff? OPP
5. Whether this Hon'ble Court have territorial jurisdiction to try this suit? OPP
6. Whether suit of the plaintiff suffers from delay, laches and acquiescence? OPD
7. Whether defendant is liable to render the accounts of profits? OPP
8. Reliefs."

11. On the issues of the parties, the plaintiff filed the deposition of Shri Sushil Kumar Jain, Proprietor of the plaintiff, on affidavit dated 6th January, 2006. The defendant cross-examined the witness of the plaintiff, PW-1, Shri Sushil Kumar Jain, on 23rd November, 2006. The

deposition on affidavit was tendered which was exhibited. In his statement, the plaintiff exhibited documents PW1/1 to PW1/9 which was objected to by the counsel for the defendant on the ground that the plaintiff has not filed the original documents and merely exhibit numbers have been given on the photocopies of the documents. The objection was also raised regarding the mode of proof of documents. The plaintiff in the cross-examination admitted that he had not brought the books of accounts and he had not brought the original of Exhibit PW1/8 which were the copies of advertisement collectively. The plaintiff admitted that he has not placed any documents to show that defendant had been selling products in Delhi. Regarding the payment of income tax and sales tax during the period 1978 to 1985 he stated that he had paid income tax and sales tax, however, he has not filed any of the assessment orders to show that the income tax and sales tax was paid from 1978 to 1985. The plaintiff in the cross-examination also admitted that he has not produced any invoice prior to 1986 to show that he was using the trade mark 'CAPRI' prior to 1986.

12. On behalf of the defendant the deposition of Shri Rajnikant Kansagra was filed on affidavit dated 3rd March, 2007. The said witness of the defendant was not produced despite repeated opportunities granted to him. The deposition filed by the defendant in his affidavit did not have the correct exhibit numbers and, therefore, an IA NO.10120/2007 was filed seeking permission to file the fresh deposition

CS(OS) No.1505/2003 Page **7** of **14**

with correct exhibit numbers on affidavit which was allowed by order dated 5th September, 2007. Even thereafter despite various opportunities granted to defendant, the said witness was not produced before the Court and consequently the evidence of the defendant was closed on 2nd February, 2009 and the defendant was proceeded ex parte and the matter was listed for arguments on 17th March, 2009.

13. On 17th March, 2009, the counsel for the defendant, Shri Manav Kumar, appeared on behalf of defendant and sought permission to argue the matter on the ground that even if the defendant had been proceeded ex parte, on subsequent dates the appearance can be put on behalf of the defendant and on the basis of whatever material is available on the record, the matter can be argued and that the defendant could take part in the subsequent proceedings without seeking to set aside the ex-parte order against the defendant.

14. Issue No.1

The plea of the plaintiff is that he had adopted the trade mark 'CAPRI' prior to adoption of the trade mark 'KEPREJ' by the defendant. The defendant has alleged that he is using the trade mark 'KEPREJ' since 1986, however, no evidence is led by the defendant to substantiate his plea that he is using the trade mark 'KEPREJ' since 1986. The plaintiff in his deposition, though he has not produced any document to show that he has been using the trade mark 'KEPREJ'

since 1977, has deposed that he is using it since 1977. A photocopy of the certificate of trade mark registry in respect of the trade mark No.363066 has been filed, however, certified copy of the same has not been produced. The defendant has taken a specific objection that the certified copies regarding the registration of the trade mark has not been produced and on the basis of the photocopies, it cannot be established that the trade mark of the plaintiff was registered under No.363066 dated 26th June, 1980 in Class 9. Therefore, the exhibit P1/1 to the affidavit cannot be relied on. This cannot be disputed that mere marking of a document is not a proof of the document. No case is made out by the plaintiff for leading the secondary evidence for the registration certificates of the trade mark. Therefore, it cannot be held on the basis of Ex.PW1/1 that the trade mark 'CAPRI' was registered under No.363066 on 26th June, 1980. Similarly, for the same reasons, the Exhibit PW1/2, PW1/3 and PW1/4 cannot be accepted having been proved. In the circumstances, it cannot be held on the basis of these documents that the petitioner had adopted the trade mark 'CAPRI' in 1977. The plaintiff, however, deposed in his affidavit that he has been carrying on business under the trade mark 'CAPRI' since 1977. The suggestion given to the plaintiff that he had not carried out any business prior to 1986 was denied, however, the plaintiff has failed to produce anything to show that he had adopted the trade mark 'CAPRI' prior to 1986. The case of the defendant is also that he had adopted the trade mark 'KEPREJ' in August 1986. Since the defendant has also

not led any evidence, it cannot be inferred that defendant has been using the trade mark 'KEPREJ' since 1986. However, since the onus of the issue No.1 was on the plaintiff though the issue stipulates that the onus was on the defendant, however, from the language of the issue, it is apparent that the onus was on the plaintiff and the plaintiff has failed to prove that he has adopted the trade mark 'CAPRI' prior to defendant as the documents produced by the plaintiff are the photocopies and have not been proved, therefore, the issue is decided against the plaintiff.

15. Issue No.2

Issue No.2 is regarding the proprietorship of the trade mark 'CAPRI' of the plaintiff as mentioned in para 4, 5 and 6 of the plaint, if so, to what effect. As discussed in Issue No.1, the plaintiff has filed the photocopies of alleged certificate of registration and merely putting the exhibit mark PW1/1, PW1/2, PW1/3, PW1/4, PW1/5 and PW1/6 on the photocopies of the registration certificate is not the proof of the documents and the plaintiff has not been able to prove the same. No reason has been disclosed by the plaintiff for not filing the certified copies. The exhibiting of documents by the plaintiff has been categorically objected to by the defendant when the plaintiff had filed his deposition and made statement. Therefore, in the circumstances, the plaintiff has failed to establish that his trade mark 'CAPRI' is

registered for the goods as mentioned in para 4, 5 and 6. This issue is decided against the plaintiff.

16. Issue No.3.

This issue is to the effect that whether the defendant is infringing the registered trade mark of the plaintiff and if so to what effect. As decided in Issue No.2, the plaintiff has failed to prove that his trade mark 'CAPRI' is registered. If the trade mark of the plaintiff is not registered as the plaintiff has failed to prove, it cannot be held that the defendant is infringing the registered trade mark of the plaintiff. In the circumstances, even this issue is decided against the plaintiff.

17. The next issue, issue No.4 is regarding whether the defendant is passing off his goods as that of plaintiff. The plaintiff has categorically contended in his affidavit that defendant is passing off his goods as that of plaintiff, however, the plaintiff has not produced any of the labels, cartons to show that various factors associated with his trade mark 'CAPRI' are identical or deceptively or confusingly similar to the plaintiff's trade mark 'CAPRI'. The plaintiff has also not been able to establish as to how the phonetics of 'KEPREJ' and 'CAPRI' are similar. 'KEPREJ' is a distinct coined word having different pronouncement than the 'CAPRI'. There does not seem to be any such phonetic similarity which will show that the trade mark 'KEPREJ' is similar to the plaintiff trade mark 'CAPRI'. In absence of any other evidence to

show that the colour scheme, fonts and other characteristic of trade mark 'KEPREJ' are similar to that of plaintiff's trade mark 'CAPRI', it cannot be held that the defendant is passing off his goods as that of plaintiff's as has been alleged by the plaintiff. Thus, the said issue is also decided against the plaintiff holding that the defendant is not passing off his goods as that of plaintiff.

18. Issue No.5 is about the territorial jurisdiction of the suit. Learned counsel for the defendant has contended that this court does not have jurisdiction to try the suit as the suit of the plaintiff is not covered under the Trade Marks Act, 1999 but is covered by the Trade and Merchandise Marks Act, 1958. It is contended the suit was filed on 31st July, 2003 and the Trade Marks Act, 1999 has come into force on 15th September, 2003. Relying on Section 159(4), it is contended that since the suit was filed under the Trade and Merchandise Marks Act, 1958, the suit which was filed at the commencement of the Act shall deem to continue as if the Trade Marks Act, 1999 had not come into force. It is contended that consequently the plaintiff cannot contend that this court will have jurisdiction under Section 134 (2) of Trade Marks Act, 1999 for the purpose of jurisdiction.

The plaintiff has pleaded that the defendant is selling the goods in the National Capital Territory of India in clandestine manner without issuing cash memos within the jurisdiction of this court. In the

CS(OS) No.1505/2003 Page **12** of **14**

circumstances it was pleaded that the Courts at Delhi have Jurisdiction to try the suit. The witness of the plaintiff also deposed about these facts. The defendant has not led any evidence. The plaintiff in the circumstances has been able establish that the defendant is carrying on business in the National capital Territory of Delhi and the courts at New Delhi will have jurisdiction. The allegation of the plaintiff against the defendant is of continuous violation of plaintiff's trademark. Since the cause of action of plaintiff is continuous, on coming into force the Trade Marks Act, 1999 the Courts at Delhi will have jurisdiction as the plaintiff carries on business at New Delhi and under section 134 (2) of the Trade Marks Act, 1999, the Courts where the plaintiff carries on business or personally works for gain will have jurisdiction. Therefore, it has to be held that the Courts at New Delhi have jurisdiction. Issue is accordingly decided against the defendant and in favor of plaintiff.

19. The issue No.6 is whether the suit of the plaintiff suffers from delay, laches and acquiescence. The defendant has not led any evidence and has failed to establish that the suit suffers from delay, laches and acquiescence as the defendant has not established that his trade mark was registered in August, 1986 and he has been using the said trade mark since 1986 and the plaintiff had been aware of the use of defendant's trade mark 'KEPREJ'. Consequently, the issue is decided against the defendant.

20. This issue No.7 is whether the defendant is liable to render the accounts of profits. The plaintiff has failed to establish that the defendant is infringing the trade mark of the plaintiff or passing off his goods as that of plaintiff. If there is no violation of trade mark and if the defendant is not passing off his goods as that of plaintiff, the plaintiff shall not be entitled to seek rendering of accounts of profits from the defendant. Consequently, even this issue is decided against the plaintiff.

21. In the circumstances, the plaintiff has not been able to establish his pleas and contentions and he is not entitled for any relief. The suit of the plaintiff is therefore, dismissed. However, parties are left to bear their own costs.

March 31, 2009
'Dev'

ANIL KUMAR, J.