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IN THE HIGH COURT OF DELHI AT NEW DELHI

**RESERVED ON: 12.10.2009
PRONOUNCED ON: 10.11.2009**

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IA Nos.3296/2009, 9420/2009 & 3299/2009 in CS (OS) 473/2009

M/s SAURABH AGROTCH (P) LTD.

..... Plaintiff

Through : Mr. S.K. Bansal, advocate

versus

M/s MOTIVE AGRO OILS PVT. LTD. & ANR.

..... Defendants

Through: Mr. Vivek Srivastava, Advocate

CORAM:

HON'BLE MR. JUSTICE S. RAVINDRA BHAT

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| 1. | Whether the Reporters of local papers may be allowed to see the judgment? | Yes |
| 2. | To be referred to Reporter or not? | Yes |
| 3. | Whether the judgment should be reported in the Digest? | Yes |

HON'BLE MR. JUSTICE S.RAVINDRA BHAT

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1. The plaintiff in its suit for permanent injunction to restrain the defendants from using the trade mark and lable “Ashoka” seeks an *ad interim* injunction. It is contended that the plaintiff engages itself in the business of manufacturing and marketing a wide range of edible oils i.e. mustard oil etc. The plaintiff claims – through its predecessor, use of the mark “Ashoka” since August 1975 as well as label containing a Lion and wheel (hereinafter referred to as the “device”). According to the plaintiff the word mark and the device are essential and integral components of labels, constituting its distinctive characteristics. It is urged that the device and word trademark were coined by M/s Rohtash Industries, which had applied for its registration

sometime in 1979. The plaintiff states that the permanent registration was obtained under Class 29 by the said M/s Rohtash Industries Limited which was also manufacturing paper, board, cement, asbestos sheets etc. By an agreement, dated 31.07.1984, M/s Rohtash Industries Limited sold or transferred its edible oil business as a going concern (including its proprietorship of the mark “Ashoka” to M/s Raghuwar India Limited. The plaintiff states that the said Raghuwar India Limited using the mark continuously in relation to edible oils till 7th April 2008, when through a written assignment, the plaintiff acquired ownership.

2. The plaintiff contends that it is the exclusive owner of the trademark by virtue of the assignment in relationship to hydrogenated vegetable edible oils in Class 29 for sales in Haryana, Rajasthan and Delhi. It is submitted that due to a communication gap between the plaintiff and its attorney, its renewal application in respect of the registered trademark could not be filed and the mark was stricken off the register; upon becoming aware of these facts, the plaintiff claims to have applied for fresh registration on 07.12.2004. The plaintiff seeks to establish its continuous use of the mark by placing on record a larger number of invoices and submits that these prove usage since 1975. It is submitted that as far as the plaintiff’s use of the mark is concerned, with effect from 07.04.2008, 17 such invoices for the period from July to December, 2008 are placed on record.

3. It is submitted that the defendants are unauthorizedly using the work mark “Ashoka” in relation to their products, which amounts to trading upon the plaintiff’s hard earned reputation. The plaintiff submits that it became aware that the defendants are passing off their goods as its goods and seeking to ride on its reputation, which will harm and cause injury to the market and goodwill.

4. To establish the claim for an ad interim injunction, the plaintiffs rely upon their mark contained in the label. The label is in yellow with a red border. The word “Ashoka” is printed prominently in red with white outline and the “Lion” depiction is within a circle. The “Lion” and “Wheel” are again coloured with yellow and red and placed in light blue background. Variants of all these in different sizes have been placed on record. The defendants’ mark consists of the word “Ashoka” in a different font, the letters being in red with yellow outline. The label is in different hues of red orange, yellow and green background. The word “Ashoka” is framed against a rounded rectangular shape in dark blue with a styled depiction of golden drop. Variants of these in different sizes have also been placed on record.

5. The first defendant - who has filed written statement, says that the plaintiff is dis-entitled to reliefs, since it has no connection with the second defendant who is alleged to be selling the goods. It is contended that the first defendant M/s Ashok Oil and Ginning Mills was established in 1965 by its predecessor and was engaged in mustard oil crushing business. The concern was a family partnership, also involved in a ginning factory which was however, closed down in 1978 and the business was carried on in the name of Ashoka Oil Mills. The first defendant states that due to family distribution in 1987 the said Ashoka Oil Mills was converted into R.R. Oils, consequent upon which the Ashoka Oil Mills fell to the share of Rajiv Agarwal, Proprietor of the said R.R. Oil Mills, which was later incorporated into M/s Motive Agro Oils Pvt. Ltd in 2003-04. It is contended that the defendant has been continuously using the mark in relation to Mustard oil, and selling it in Uttar Pradesh and, after re-organisation of that State, also within Uttarakhand.

6. The defendant disputes the plaintiff’s exclusivity in relation to the impugned mark and contends that it has not disclosed marketing of its goods anywhere other than three States, for

which it was registered. It is also contended that the plaintiff's registration of the mark expired long before the plaintiff acquired it in April 2008. Consequently, there is no question of continuous user as claimed.

7. In support of its submissions about continuous user, the defendant relies upon the challans issued by the Prevention of Food Adulteration Department, certain statutory orders as well as Sales Tax Assessment order in 1981-82.

8. It is submitted that the fields of activities of parties i.e. sales of Vanaspati (by the plaintiff) and Mustard Oil (by the defendant) being dis-similar, the Court should also keep in mind that the markets are different as well as the locales. In these circumstances the plaintiff should not be granted the *ad interim* injunction, as sought for.

9. It is contended in addition that the plaintiff has nowhere mentioned that the assigning of the trademark made in its favour on 07.04.2008 was ever sought to be registered in terms of Section 39 read with Section 42 of The Trade Marks Act, 1999. The said provision reads as follows :

“39. Notice of withdrawal of application for registration - A notice of withdrawal of an application for the registration of a trade mark under sub-section (2) of Section 133, or sub-rule (2) of rule 24, for the purpose of obtaining repayment of any fee paid on the filing of the application, shall be given in writing within one month from the date of the receipt of communication mentioned in sub-rule(4) of rule 38.”

10. The above discussion would reveal that certain essential facts emerge from the pleadings and submissions. The plaintiff claims that its predecessor had coined the “Ashoka” trademark and “Lion” device in 1975 and was continuously using it till 2008. Concededly the original trademark registration issued in 1979 lapsed for lack of renewal in 2004. The deed of assignment of the trademark is part of the record. Its recitals mention about the original

registration, dated 05.10.1979 (No.354173), in Class 29. It is not disputed that the said registration had lapsed. The deed of assignment also mentions two other applications for registration – (1) in Class 29 and another Class 35. The plaintiff's continuous use of the said trade mark is premised upon 17 invoices placed on record for the period from July – December, 2008. Concededly also the plaintiff's registration relates to Delhi, Haryana and Rajasthan. The defendant on the other hand contends to using the trademark "Ashoka" and the label since 1965; it is relying upon certain orders and statutory returns and challans etc.

11. The present action is one for passing off. The authorities in this regard are Kamraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories, AIR 1965 SC 980, Cadila Healthcare Ltd. Vs. Cadila Pharmaceuticals Ltd. (2001) 5 SCC 73 and Amritdhara Pharmacy vs. Satyadeo Gupta, AIR 1963 SC 449, which clarify that the following broad parameters are to be considered by the Court to determine whether the impugned mark infringes the plaintiff's trademarks. The judgments have observed that "*Courts have to adopt the common sense test whether the mark complained off is likely to confuse or deceive an unwary customer having regard to overall features; it should not consider dissimilarities feature by feature, as that would not reveal a correct picture*".

12. Keeping the above parameters in mind, in this case the plaintiff's mark contains two distinctive features - the word "Ashoka" and the "Lion" device. The lay out of the plaintiff's label primarily uses the colour scheme of yellow and red. As far as the defendant mark is concerned the word "Ashoka" is undoubtedly used; however the font is entirely different from the plaintiff's though it is in red. The label is set in hues of red with liberal use of yellow and green at the end (signifying mustard fields). The term "Ashoka" is not descriptive in relation to

hydrogenated oil or vansaspati oil or mustard oil – which is arbitrary one. However this word has achieved widespread popularity with its historical association and its use within the country in diverse manner. The plaintiff's claim of exclusive use is dependent on invoices filed for the period 1979-2008 – of which only 17 relate to the period when it has been the owner of un-registered mark. No sales figures, return or other objective material to disclose widespread usage or acquisition of any resemblance in relation to the word "Ashoka" or in relation to the label as a holder, are levelled.

13. In these circumstances having regard to the overall characteristics of both the marks, this Court concludes that the plaintiff has been unable to establish *prima facie* that this mark acquired degree of distinction in relation to its product – i.e. hydrogenated oil, so as to entitle it to a restraint order against the defendant for use of their word mark "Ashoka" which is dis-similar in relation to mustard oil. Concededly the plaintiff has not been marketing mustard oil in Delhi, Haryana and Rajasthan or in U.P or Uttarakhand.

14. Apart from the above, the Court is also of the opinion that the suit does not contain any averment that the plaintiff sought for registration of the assignment of the mark in terms of Section 39 and 42 of the Act within the time specified. It was not disputed in the hearing that the registration lapsed sometime in 2004 and that fresh application for registration was filed, the same is pending. In these circumstances, it is clear that at the time when the assigning took place, the trade mark was an unregistered one and therefore the plaintiff had to apply in terms of Section 39. The plaintiff's title to the mark therefore itself is in doubt.

15. In view of the above reasons, the Court is of the opinion that the interim injunction sought for cannot be granted. I.A. No. 3296/2009 is, therefore accordingly dismissed.

16. In view of the orders in the said application i.e. IA No.3296/2009, I.A. 9420/09 is disposed of

IA No.3299/2009

Since the orders were made on this application on 3rd March, 2009 nothing survives consideration, I.A. No.3299/2009 is disposed of in terms of the previous order dated 3rd March, 2009.

CS(OS)No.473/2009

List for directions on 17th December, 2009.

**S. RAVINDRA BHAT
(JUDGE)**

NOVEMBER 10, 2009