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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

NOTICE OF MOTION NO. 3679 OF 2011
IN
SUIT NO. 2727 OF 2011

M/s Siyaram Silk Mills Ltd. ...Plaintiff
vs
Mr Shree Siyaram Fab Pvt. Ltd. & Ors. ...Defendants
.....

Dr Birendra Saraf with Mr Rashmin Khandekar with Mr Minesh Andharia i/b Krishna & Saurastri Associates for the Plaintiff.

Mr Uday Bobade with Mr A.Z.Mookhtiar and Ms Gitika Khanchandani i/b Gordhandas & Fozdar for the Defendants

CORAM : S.C. GUPTE, J.

MARCH 17, 2015

P.C. :

This Motion is taken out in an infringement and passing off suit. This order disposes of an application for interlocutary reliefs pending disposal of rectification proceedings, under Section 124(5) of the Trade Marks Act, 1999, moved in the Motion. Though at the first blush it may seem odd that in a suit filed in 2011, so far the Plaintiff does not have any ad-interim relief in its favour and such relief is being considered only in 2015, the peculiar circumstances of the case, as will be presently noticed, make it imperative for this Court to consider such application now.

2 The Plaintiff, Siyaram Silk Mills Ltd., is popularly known all over the country and abroad by its shortened and abbreviated name, which is also its registered trade mark, namely, 'SIYARAM'. The Plaintiff is one of the largest producers of blended suitings and shirtings in India, with a staggering annual output of more than 60 million meters of fabrics and turnover of Rs.79,623 lacs (as of 2009-10), all its products being sold under its umbrella name and mark 'SIYARAM'. The Defendants, who are called 'Shree Siyaram Fab Private Ltd.',

and who are proprietors of a registered label mark comprising of the device of a circle with a horizontal bar curved at either end below the circle and the letters "SRF" displayed within the horizontal bar and words "SHREE SIYARAM FAB PVT LTD." displayed in the circle. The grievance in the suit is that the Defendants are using a part of their trading name, which is also comprised within their label mark as noted above, namely, 'SIYARAM' in such manner, running the same along the whole length of their suitings and shirtings, so as to cause infringement of the Plaintiff's registered trade mark 'SIYARAM' and also to pass off their goods as goods of the Plaintiff.

3 The Plaintiff carries on business within the jurisdiction of this Court and thus, this Court could be approached in an infringement action under Section 134 of the Trade Marks Act, 1999 (" the Act"). But the Defendants being placed, and also the cause of action for passing off arising, outside the jurisdiction of this Court, the Plaintiff was required to move a petition for leave under clause 14 of the Letters Patent for combining the cause of action of passing off with the cause of action of infringement and then apply for appropriate interim reliefs. When this Court was moved for leave under Clause 14, the Defendants applied for rejection of the plaint under Order 7 Rule 11 of the Code of Civil Procedure. The contention of the Defendants was that the Defendants' mark also being a registered mark, this Court lacked jurisdiction to entertain a suit for infringement and if it so lacked jurisdiction, there was no question of considering any plea for joinder of the cause of action of passing off, because such a plea could only be on the basis of jurisdiction of the Court to entertain an infringement action in the first place. In the face of this objection, this Court could not take up the Plaintiff's ad-interim application without first deciding the Defendants' Motion under Order 7 Rule 11 and the Plaintiff's application for leave under Clause 14. The Defendants' Motion under Order 7 Rule 11 was rejected by a learned Single Judge of this Court on 13 January 2012. On the same day, leave was granted to the Plaintiff under clause 14. This ended the first round of preliminary objections.

4 The Defendants carried both the orders before the Appeal Court. The Appeal Court was of the view that the impugned order passed under Order 7

Rule 11 did not suffer from any infirmity. At that stage, however, the Defendants pleaded before the Appeal Court that since there was a question of territorial jurisdiction involved, the Defendants would like to move a Motion for framing and deciding a preliminary issue concerning it and that Motion could be heard along with the Plaintiff's Notice of Motion for interim reliefs, which was pending since 15 October 2011. In the premises, on 6 February 2012 the Appeal Court passed an order for expeditious hearing of the Plaintiffs' application for interim reliefs and the Defendants' application under Section 9A simultaneously. The Single Judge was requested to hear and decide both applications as expeditiously as possible and preferably within six weeks after the pleadings were completed. This order was passed without expressing any opinion on merits of the controversy between the parties. The Appeal Court was moved again by the Defendants for extension of time to take out a Notice of Motion under Section 9A. At that time, the Appeal Court noted the Plaintiff's submission that the Plaintiff was entitled to press its application for ad-interim reliefs before the trial court. On 22 February 2012, the Appeal Court was pleased to pass the following order:

> "5. In the facts and circumstances of this particular case, we make it clear that our order dated February 6, 2012 was passed to see that at the interlocutory stage there is one comprehensive hearing before the learned Single Judge dealing with both the Notice of Motion and the Application under section 9A of the CPC..
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> 6. Having heard learned counsel for the parties, we request learned Single Judge to hear both, Notice of Motion No.3679 of 2011 and the application under section 9A of the Code as expeditiously as possible and preferably within four weeks from completion of pleadings".

Thus ended the second round of preliminary objections.

5 Then started the third round. The Defendants moved their Motion under Section 9A, but this Court could frame preliminary issues only on 7 March 2013. At that stage, the Defendants submitted that they would like to lead evidence on the preliminary issue. The learned Single Judge hearing the matter

gave them two weeks' time to file documents and evidence affidavit. These did not come at the appointed date. The learned Single Judge in his order of 22 March 2013 noted as follows:

> "Despite the Order passed by the Appeal Court dated 22nd February 2012 requesting the Learned Single Judge to hear both, Notice of Motion No.3679 of 2011 and the application under Section 9A of the Code as expeditiously as possible and preferably within four weeks from completion of pleadings, the defendants who have raised the issue of jurisdiction have till date not filed their Affidavit/s of evidence. In view thereof, as a last chance and only by way of indulgence, place the matter on 28th March 2013 to enable the Defendants to file their Affidavit/s of documents and the Compilation/s of Documents."

The trial of the preliminary issues continued to linger on. As of date even documents are not marked, let alone recording of oral evidence.

6 The reason why the trial of preliminary issues could not be concluded is contained in the fourth round of preliminary objections. This time it was the Plaintiff's application for rectification of the Defendants' mark before the Intellectual Property Appellate Board ("IPAB"). Pendency of that application called for a stay of the proceedings in the present suit. Whilst noting this position, on 19 September 2014 a Learned Single Judge of this Court passed the following order:

> "4. …...............The provisions of Section 124(5) cannot be read to mean that while the suit is stayed, interim or interlocutory applications should proceed. That would be incongruous. All that Section 124(5) is to clarify that the statutory stay of the suit does not trammel the Court's power to grant interim relief. That stay should not result in an inequity. Some additional reasons will have to be given making out a case of urgency, and these must be on affidavit. In short, some cause must be shown why the urgent reliefs should be granted in the motion even while rectification proceedings are pending. Though Mr Andharia has argued the point very well and covered all aspects, I am unable to agree with the interpretation he commends.

5. In the present case, I do not think it is possible to conclude that there is any such urgency. The Plaintiffs' date of knowledge is, as Mr. Parikh, learned advocate for the Defendants points out, as far back as June 2007 as can be seen from paragraph 14 of the plaint. The Plaintiffs' Advocates' notice itself is dated 26th June 2007. There is no further affidavit today before me showing any great urgency or apprehended imminent harm or danger to the Plaintiff, such that cannot await outcome of the rectification proceedings.

6. For all these reasons, the Notice of Motion itself can await the disposal of the rectification proceedings. The Plaintiffs are always at liberty to apply for urgent reliefs after making out sufficient cause under Section 124(5) of the Trade Marks Act, 1999."

7 The Plaintiff was aggrieved by this order. It was the Plaintiff's case that all this while the matter was at various stages of preliminary objections and the Plaintiff's application for interim reliefs was never heard. Whatever delay was there was caused by the proceedings adopted in the Court. The Plaintiff accordingly challenged that part of the order of the learned Single Judge by which he deferred the hearing of the interim application. That was round five.

8 When the Plaintiff's Motion (for interlocutory reliefs) next appeared on Board on 9 December 2014, whilst the Plaintiff's appeal referred to above was pending, the Plaintiff proposed to apply for ad-interim reliefs in its Motion and submitted that if that application was heard, the Plaintiff would not press its appeal. This is how I recorded that statement:

"By an order dated 19 September 2014, passed by this Court in Suit No.2727 of 2011, this Court stayed the hearing of the suit in view of the pendency of the rectification application filed by the Plaintiff in respect of the Defendants' mark. While staying the suit, this Court observed that, 'for the reasons mentioned in the order, hearing of the Notice of Motion can await disposal of the rectification proceedings'. At the same time, this Court gave liberty to the Plaintiff to apply for ad-interim reliefs in the Notice of Motion after making out a specific case under Section 124(5) of the Trade Marks Act, 1999. The Plaintiff has challenged this part of the order in an appeal, on the ground that hearing of the

> Notice of Motion cannot be stayed pending the disposal of the rectification proceedings, though the hearing of the suit has been stayed under Section 124 of the Trade Marks Act. The Plaintiff has now instructions to apply for ad-interim reliefs in the present Notice of Motion. Learned Counsel for the Plaintiff states that if the Plaintiff's application for ad-interim reliefs, in the present Notice of Motion, is heard by this Court, the Plaintiff will not press his appeal from the order dated 19 September 2014. The statement is accepted. Place this Motion for hearing of the ad-interim application on 16 December 2014."

It is important to note that this order was passed in the presence of Counsel for the Defendants, almost with a tacit understanding that an ad-interim application would lie and be considered by this Court.

9 That is how we are hearing the Plaintiff's ad-interim application. But even here, there is a preliminary objection. It is submitted by learned Counsel for the Defendants that unless and until a fresh ground of urgency is made out by the Plaintiff by filing an additional affidavit, no ad-interim application would lie under the liberty reserved by this Court in its order of 19 September 2014.

10 Courts are here to do substantial justice. When an aggrieved party approaches a Court of law, it expects such justice to be done expeditiously. On the other hand, every conceivable effort is made by the wrong doer to thwart this expectation by employing every known legal strategy. It is for the Courts to be vigilant and always attempt to strike a balance. The Courts have to see that the process of speedy justice is not thwarted and at the same time, legal processes are allowed to have their full legitimate play. Consider the fact that in the present case the Plaintiff approached this Court in October 2011. The Plaintiff's case is that it is a registered proprietor of a trade mark since 25 years and has built up an enormous reputation of its mark in the market by spending hundreds of crores of rupees over the last many years; in 2007 it came to know of the Defendants' use of a corporate name consisting of a word identical to the Plaintiff's mark in connection with a similar business and sent a cease and desist notice; since it did not thereafter receive any response from the Defendants claiming any rights or come across any product bearing the Defendants' name, it bona fide believed

that the Defendants had since desisted from the use of the offending mark and did not pursue the matter any further; thereafter in August 2011, it came across the Defendants' advertisement appearing in a news paper titled as 'Textile World'; and in October 2011, it approached this Court for injunctive reliefs. This case is believable. (It is considered in detail below, when I discuss the prima facie case and balance of convenience.) On these facts, at least this much is clear – the Plaintiff was entitled to have its interim application heard pending the trial of the suit. I have explained the circumstances in which the Plaintiff's interim application could not be heard on merits so far. Whereas earlier the application could not be heard, because of the miscellaneous proceedings adopted by the Defendants in the suit, now it is claimed by the Defendants that because of the pendency of the rectification proceedings adopted by the Plaintiff in respect of the Defendants' registered mark, the interim application ought not to be heard. It is the usual experience of Courts that rectification proceedings before the IPAB take a long time, some times even years. That means that after waiting for over three years just to bring its interim application for a hearing, the Plaintiff must now wait for a few more years till its own application before the IPAB is decided and to wit, when that application is on the same grounds as most of those urged in this suit. The Defendants say, this is an inevitable outcome of the legal processes. But is it really so, for it would in that case defeat the principle of substantial justice. The answer is clear and it is to be found in the very law which has prescribed these legal processes. The hearing of the interim application was delayed initially by reason of the Defendants' application under Section 9 A of the CPC and now by reason of the provisions of stay contained in Section 124 of the Act due to pendency of the Plaintiff's own application for rectification. But both Sections 9 A and Section 124 contain provisions which enable the Courts to consider interim reliefs during the interregnum. Sub-section (2) of Section 9 A provides that notwithstanding the pendency of an application for hearing of a preliminary issue, the Court may grant such interim relief as it may consider necessary. So also Sub-section (5) of Section 124 provides that the stay of a suit under that Section does not preclude the Court from making any interlocutory order during the period of the stay. The legislature was very much aware that hearing of a preliminary issue under Section 9 A or of a rectification proceeding covered by Section 124 would take time, whilst it might not be possible await the final outcome of these hearings, before an interim order is passed.

11 There is some confusion about whether there should be an 'interim' order or an 'ad-interim' order in the interregnum. These terms, 'interim' and 'ad-interim', are not some special terms of art having an inexorable meaning. They are devised by the legal fraternity for the sake of convenience. An interim order operates during the pendency of the main matter, whereas an ad-interim order operates pending even the consideration of an interim order. The latter order is on the basis that the relief ought to be granted urgently and cannot even await hearing of the interlocutory application. Possibly what is implied is that an ad-interim order may operate for a short while till the interlocutory application (for an interim order) is heard, whilst an interim order would operate for a longer period and thus call for a more elaborate hearing. The interlocutory or interim orders contemplated respectively under Section 9 A(2) and 124 (5) are to operate during the hearing of the preliminary issue and rectification proceedings, respectively. Usually they are to operate for a longer time than an ordinary ad-interim order, say in a Notice of Motion. That puts them virtually on par with an interlocutory or interim order, which is to operate for a rather longer period. Therefore, all considerations, which are usually applied whilst finally considering an interlocutory application would ordinarily apply to the hearing of applications under Sections 9 A(2) and 124 (5).

12 That said, it is quite clear that the Plaintiff's application for interim relief pending its rectification proceedings ought to be heard. It is not correct to say that the Plaintiff has to make out a fresh case for an urgent ad-interim relief by filing of an additional affidavit or otherwise. That is not what the learned single judge meant when he said in his order that the Plaintiff was at “liberty to apply for urgent reliefs after making out sufficient cause under Section 124 (5)” of the Act. If there is a case for grant interim reliefs at all in the suit, the same may well be granted under Section 124 (5) pending the rectification proceedings.

13 Let us now consider the merits of the interim application. The

Plaintiff is admittedly the registered proprietor of the trade mark “SIYARAM” and is entitled to maintain an infringement action. Its application under Clause 14 of the Letters Patent having been granted, the Plaintiff can also prosecute a passing off action against the Defendants in this Court. *Prima facie* there is no merit in the Defendants' objection to the territorial jurisdiction of this Court. The Plaintiff can also be said to have more than fairly established the enormous goodwill and reputation of its mark in the market all over the country. Its annual sales over the last fifteen years range from Rs.24,351 Lacs annually (in 1995-96) to Rs.79,623 Lacs (in 2009-10), and its publicity, promotion and advertising expenses from Rs.646 Lacs (in 1995-96) to Rs.2,030 Lacs (in 2009-10). On these facts, it is the case of the Plaintiff that the Defendants' use of the name 'SIYARAM' on their goods, namely, the suitings and shirtings, constitutes not only an infringement of the Plaintiff's registered trade mark 'SIYARAM', but also amounts to passing off of the Defendants' goods as the goods of the Plaintiff.

14 Defendant No. 1 claims to be incorporated on 11 June 1999 in its corporate name 'Shree Siyaram Fab Pvt. Ltd.' It claims to be a registered proprietor of the device mark described above in Clause 24. For the sake of clarity, the device mark is displayed below.

This registration, granted on 22 February 2008, is claimed to be as of 13 January 2006. (The device mark is for the sake of convenience hereinafter referred to as the SRF mark.) The Defendants claim to have substantial sales of their products under their corporate name ('Shree Siyaram Fab Pvt. Ltd.') and their registered trade mark ('SRF mark'). Though use of the corporate name and mark is claimed from 1999, the sales figures given are between 2003-4 and 2010-11. The sales for these years range from about Rs.28 Lacs (in 2003-4) to the highest of Rs.807 Lacs (in 2008-09). As against these sales, the sales promotion and advertisement expenses over the years range between nil (in 2004) to Rs.7600 (in 2006). The Defendants also rely upon registrations of several companies with 'Siyaram' as part of their name generally and textile companies in particular. The Defendants also rely upon search reports of the trade mark 'Siyaram' in various classes including class 24 and 25.

15 On these facts, the following defences have been urged before this Court by the Defendants.

(i) It is submitted that the rival marks, namely, the 'SRF mark' of the Defendants and 'SIYARAM' of the Plaintiff are not deceptively similar;

(ii) There is no case of infringement since (a) the Defendants are themselves registered proprietors of the SRF mark which contains 'SIYARAM' as its part and (b) the name 'SIYARAM' is common to the trade and also the name of a Hindu deity commonly used by companies and legal entities;

(iii) Having regard to the Defendants' user as part of its trading name and mark since 1999 and the Plaintiff's admitted knowledge of such user as early as in June 2007, the Plaintiff is guilty of acquiescence or at any rate, of delay and laches.

16 *Prima facie* the SRF mark of the Defendants cannot be said to be deceptively similar to the Plaintiff's registered word mark 'SIYARAM'. At any rate, any user of their registered mark, namely, the SRF mark, by the Defendants cannot constitute an infringement of the Plaintiff's registered mark 'SIYARAM'. Such user cannot be said to come within the narrow window left open by the Full Bench of our Court in the case of **Lupin Ltd. Vs Johnson and Johnson**[1] where

1 NMSL 2178 of 2012 in SL No.1842 of 2012

the registration of the defendant's trade mark can be contested and disregarded whilst considering the plaintiff's action for infringement. So also, *prima facie* the use of the SRF mark cannot per se be said to be capable of causing any confusion or deception amongst the purchasing public. Such user cannot *prima facie* be called an act of passing off. The real question is whether the Defendants' use of the word 'SIYARAM' on their goods constitutes an infringement and whether the manner of such use, namely, by prominent display of the word 'SIYARAM' along the edge of the fabric constitutes the mischief of passing off. It is pertinent to note that what the Defendants do use as a monogram on the selvage of their suiting or shirting is not the SRF mark, but the word 'SIYARAM' as part of their trading name, which is displayed on the selvage running along the entire length of the fabric in the same manner as does the Plaintiff. For the sake of convenience of reference, the selvages of the Plaintiff's and Defendants' fabrics are shown below.

This user has a clear tendency of causing deception or confusion amongst the purchasing public. Not only is the mark 'SIYARAM', which is used by the Plaintiff as a monogram to run along the selvage of its suitings and shirtings (in the same manner as the Defendants), a registered trade mark of the Plaintiff, but by reason of its extensive use and advertisement, it has in the minds of the purchasing public a definite association with the merchandise of the Plaintiff. It is a common market practice for all manufacturers of fabrics to monogram the selvage of the fabric with the brand name of the product. Such brand name runs along the whole length of the fabric through the selvage. There is no doubt that the name “SIYARAM” written in a likewise manner on the selvage throughout the length of the suiting or shirting, even if it is in the company of other words forming the corporate name of Defendant No. 1, evokes and is likely to evoke an unmistakable association with the Plaintiff and its goods. Such user is clearly likely to cause deception of the retail users or confusion with the Plaintiff's goods. That would amount to infringement of the Plaintiff's registered trade mark and also invite an action for passing off.

17 The Defendants, however, contend that they are registered proprietors of the SRF mark, which contains the word 'SIYARAM' as part of the device mark. In the first place, registration of the mark consisting of several parts does not confer any exclusive right on the proprietor to any matter forming only a part of the whole. Consequently, registration of the mark as a whole cannot constitute a defence against use only of that part. Section 17 of the Act deals with the effect of registration of parts of a mark. The Section provides as follows:

> 17. **Effect of registration of parts of a mark.-**
>
> (1) When a trade mark consists of several matters, its registration shall confer on the proprietor exclusive right to the use of the trade mark taken as a whole.
>
> (2) Notwithstanding anything contained in sub-section (1), when a trade mark-
>
> (a) contains any part-
>
> (I) which is not the subject of a separate application by the proprietor for registration as a trade mark; or
>
> (ii) which is not separately registered by the proprietor as a trade mark; or

(b) contains any matter which is common to the trade or is otherwise of a non-distinctive character,

the registration thereof shall not confer any exclusive right in the matter forming only a part of the whole of the trade mark so registered".

The SRF mark contains the device of a circle with an inner ring and an outer band and letter S in the inner circle and a horizontal bar curved at either end with letters 'SRF' displayed within the bar. These are the most prominent features of the mark. Besides these prominent features it contains the trade name of the Defendants 'SHREE SIYARAM FAB PVT LTD' written within the outer band of the circle. Compared to the overall structure of the device mark and its prominent parts, the words 'SIYARAM' or 'SHREE SIYARAM FAB PVT LTD' contained in the outer band of the circle are merely a minor part of the whole of the device mark. These parts are neither subject of a separate application nor separately registered as trade marks. In that case, the registration of the device mark as a whole cannot confer any exclusive right either in the word 'SIYARAM' or the words 'SHREE SIYARAM FAB PVT LTD' on the Defendants. Consequently, when use of the words 'SIYARAM' or 'SHREE SIYARAM FAB PVT LTD' by the Defendants otherwise than as part of the device mark is objected to by the Plaintiff, the Defendants cannot plead the registration of the whole of the device mark as a defence.

18 Delhi High Court in the case of **Subhash Chand Bansal Vs. Khadim's**[2] **,** whilst analysing Section 17 of the Act, explains the law thus:

"A careful analysis of the above referred provision would show that sub section (2) would apply only to a mark which contains more than one parts, which are capable of being separately registered as a trademark. If a trademark does not constitute more than one part capable of separate registration, sub section (2) of section 17 would not apply to such a mark. To take an example, if a registered trademark constitutes of a word mark as well as a logo, the proprietor of the trademark would be entitled to exclusive right to use the trademark taken as a whole, but would not be entitled to protection of the logo and the word mark when they are used separately from each other. To demonstrate it by way of an example, if a registered

2 CS (OS) 2392/2006 decided on 22.08.2012

trademark compromises of the word 'Lotus' and picture of a flower inside a box, he would be entitled to injunction if another person uses the mark as a whole but would not be entitled to an injunction against the use of the word 'Lotus' or the picture of the flower unless he has submitted separate applications for registration of the word 'Lotus' and the picture of the flower. This is so because the flower as also the word 'Lotus' are capable of separate registrations. To take another example, if there is a mark comprising of the word 'Delhi Khata Mitha' inside a box or otherwise, the registered proprietor of the trademark would be entitled to use of the trademark 'Delhi Khata Mitha' as a whole. He would be entitled to protection against use of the trademark 'Delhi Khata Mitha' as a whole and not if the word 'Delhi' is used without the word 'Khatha Mitha' or 'Khatha Mitha' is used without the word 'Delhi', unless the proprietor of the trademark has separately sought registration of the words 'Delhi' and 'Khata Mitha'. This is for the reason that the word 'Delhi' as well as the word 'Khata Mitha' are capable of separate registration."

19 The Madras High Court, in **Aravind Laboratories Vs. Modicare**,[3] was concerned with an injunction application by the registered proprietor of the mark 'EYETEX DAZLLER' to prevent user of the mark 'Daily Dazller' by the defendant. The Court applied the provisions of Section 17 in the following words:

"**20**. Therefore, it is clear that the registration of the trade mark in favour of the Plaintiff was granted as a whole (i.e., as EYETEX DAZLLER) and that one of the constituent parts of the registered mark viz., the word "DAZZLER" is not registered separately. Even the attempt made by others to get the word "DAZZLE" registered, met with stiff resistance from the Registry on the ground that the word was descriptive. Therefore, it is anybody's guess today as to whether the Plaintiff could have obtained registration for the word "DAZZLER" separately, in terms of Section 15(1).

21. Once it is seen that the word "DAZZLER" is not separately registered in favour of the Plaintiff and that even the attempt made by others to appropriate the word 'dazzle' failed, then the prescription in Rule 17(2)(a)(ii) would come into operation. Consequently, the Defendant's use of the word "DAZZLER", as part of the mark "Daily Dazzler" cannot be held to be an act of infringement."

3 O.A.Nos.518 and 519 of 2010 in C.S.No.460 of 2010 decided on 5.7.2011

20 In the light of this law and as observed by me above, registration of the SRF mark does not give any immunity to the Defendants in an infringement action. The Defendants, however, contend that the word 'SIYARAM' is the name of a Hindu deity commonly used by traders giving no exclusive right to the Plaintiff. It hardly lies in the mouth of the Defendants to call the mark 'SIYARAM' as not distinctive of goods when they themselves claim immunity as registered proprietors. *Prima facie* it is neither a descriptive word in connection of the subject goods nor can be said to have become *Publici Juris*. The Defendants have relied upon several marks and applications using the word 'SIYARAM'. In the first place, the marks / applications other than in Classes 24 and 25 are wholly irrelevant. Insofar as Class 24 is concerned, the Defendants have sought to rely upon eighty nine entries (marks/ applications). Out of these, sixty nine are of the Plaintiff. The remaining twenty are either abandoned or withdrawn or objected to, etc., and none shows an existing registration. In class 25, out of twenty six entries relied upon by the Defendants, twenty four are of the Plaintiff, which include twenty three of their registered marks. The balance two applications have been abandoned. There is thus no merit in this defence.

21 When we consider the case of passing off, the position is even clearer. In a passing off action, an injunction can lie even against a registered trade mark if the manner of its use along with other circumstances indicates that such user is likely to deceive the public or cause confusion as to the origin of the goods. That is the necessary effect of the combined play of Section 27(2) and 28(1) of the Act, which are in the following terms:

"**27. No action for infringement of unregistered trade mark**

(1) ….

(2) Nothing in this Act shall be deemed to affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof."

"**28. Rights conferred by registration.-**

(1) Subject to the other provisions of this Act, the registration of a trade mark in Part A or Part B of the register shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods in respect of which the trade mark is registered and to obtain relief in respect of infringement of the trade mark in the manner provided by this Act."

The opening words "subject to the other provisions of this Act" in Section 28(1) make it clear that the exclusive right granted to the registered proprietor of the trade mark is subject to other provisions, which include section 27(2). In fact, Section 27(2) opens with the words "Nothing in this Act shall be deemed to affect" and thus overrides other provisions of the Act including the protection of Section 28. The Delhi High Court in **Whirlpool Co. Vs. N.R.Dongre**[4] held as follows:

"24. Sub Section (2) of Section 27 though forming part of Section 27 its overriding effect is not confined to merely on the provision of sub section (1). It has an overriding effect on all the other provisions of the Act. It clearly provides that in so far as the common law action for passing off is concerned, the provisions of this Act do not have any effect on the right or the remedy. P. Narayanan in his Law of Trade marks and Passing-Off (Fourth Edition) sums up the law vide para 22.03 (at pp 410-411 in the following words :-

"**Registration does not confer immunity against passing off**

The provisions of the Act including those or registration do not affect rights of action against any person for passing off goods as the goods of another or the remedies in respect thereof. Thus in an action for passing off the defendant cannot plead that the mark he is using, which has resulted in passing off, is registered. This would appear to follow from the use of the words "subject to the other provisions of this Act" in the opening part of Section 28(1) defining the rights conferred by registration. The 'other provisions of the Act" would obviously include S. 27(2) dealing with the rights of action for passing off. S. 27(2) overrides the provisions of S.28/".

25. So is the view taken in *Wali vs Badal Khan, AIR 1967 Allahabad, 268, Dr. Ganga Prashad Gupta & Sons vs S.C.Gudimani, AIR 1986 DELHI 329, M/s Rightway vs. Rightways Foot Wear – AIR 1986 J & K 71, M/s Dolphin Lab vs Capital Pharmaceuticals, AIR 1976 Calcutta 76* (all Single Bench Decisions) And A Division Bench Decision In Delco Engineering Works V. General Motor Corporation, 1974 (1) ILR P & H 502 (paras 7 and 31)."

4 1995(32) DRJ 318

The Judgment was approved by the Supreme Court in **N.R.Dongre & Ors. Vs Whirlpool Corp & Anr.**[5] where it was conceded at the outset by the Appellants' counsel that a passing off action is maintainable in law even against a registered owner of the trade mark.

22 If we see the facts of our case, the Defendants are not using their registered device mark, but their trade name, which contains the word 'SIYARAM' as the essential feature, as their monogram on the selvage of the fabric. Considering the manner of such user, the adoption of the trade name as a monogram to run along the length of the fabric rather than the registered device mark does not *prima facie* appear to be honest. Adoption apart, such user also has a clear tendency to cause deception or confusion, as noted above. There is a clear case for preventing such user in a passing off action. That would be so even if the part were separately registered as a mark by the Defendants. Considering the fact that they have no such registration, there is even a stronger case for preventing such user.

23 It is trite law that delay *per se* is never a ground to defeat an otherwise maintainable infringement or passing off action. If any authority is needed, we may quote the following passage from **Midas Hygiene Industries Pvt. Ltd. Vs. Subhir Bhatia & Ors**[6]**:**

> "The law on the subject is well settled. In cases of infringement either of trade mark or of copyright, normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the mark was itself dishonest."

The Plaintiff's case is that it came to know of the Defendants' trading name only in June 2007. This is believable. Considering the device mark of the Defendants, which contains the word 'SIYARAM' as only a minuscule part, and

5 1996(67) ECR 232 (SC)
6 (2004) 3 SCC 90

the sales of the Defendants' products, which are negligible when compared with the massive turnover of the textile industry in the country, it is quite believable that the Defendant's sales in a localized territory were not noticed by the Plaintiff earlier. After knowing about the Defendants, the Plaintiff gave a cease and desist notice in June 2007. There was no reply from the Defendants claiming any rights to the mark. No doubt the Defendants deny receipt of this notice. But then the Plaintiff has shown evidence of delivery of the notice to the Defendants. At this *prima facie* stage, the Plaintiff must be believed when it says that the notice was sent and the Plaintiff carried an impression that there was no reply from the Defendants despite notice. This coupled with the fact that the Plaintiff also did not notice any offending goods, lulled the Plaintiff into a belief that the Defendants had in fact desisted user. This again is believable. On these facts, it cannot be suggested that there is acquiescence on the part of the Plaintiff or that any equities have arisen in favour of the Defendants as a result of the Plaintiff's inaction. At any rate, any use by the Defendants after the cease and desist notice is at their own risk. In that view of the matter, the delay, if any, does not disentitle the Plaintiff to the relief of injunction.

24 That leaves one last contention of the Defendants to be considered. It is submitted by learned Counsel for the Defendants that it is mandatory in the textile trade to mention the name of the manufacturer on the goods. He relies upon Section 81 of the Act and also a public notice issued by the Ministry of Textiles in this behalf. Learned Counsel submits that though Section 81 is repealed in 2010, the provision is now contained in the Standards of Weights and Measures (Packaged Commodities) Rules, 1977. Section 81(1) of the Act was in the following terms:

> "**81. Stamping of place goods, cotton yarn and thread.- (1)** Piece goods, such as are ordinarily sold by length or by the place, which have been manufactured, bleached, dyed, printed or finished in premises which are a factory, as defined in the Factories Act, 1948 (63 of 1948), shall not be removed for sale from the last of such premises in which they underwent any of the said processes without having conspicuously stamped in international form of Indian numerals on each piece the length thereof in standard yards, or in standard

> yards and a fraction of such a yard, or in standard metres or in standard metres and a fraction of such a metre, according to the real length of the piece, and, except when the goods are sold from the factory for export from India, without being conspicuously marked on each piece with the name of the manufacturer or of the occupier of the premises in which the piece was finally processed or of the wholesale purchaser in India of the piece."

The Weights and Measures (Packaged Commodities) Rules, 1977 have since been repealed in 2011 by the Legal Metrology (Packaged Commodities) Rules, 2011 (published in the Gazette of India on 9 March 2011). These new Rules do not provide for any stamping of piece goods themselves. Learned Counsel for the Defendants, however, submits that this was at any rate the requirement at the relevant time. It is true that this was the requirement earlier and that the Ministry of Textiles of the Union Government has issued a public notice in this behalf. The notice *inter alia* deals with markings to be made on cloth. It requires certain markings such as description of the cloth, its sort number, length etc. on the face plait of each piece of non-controlled variety of cloth. These include 'the name and address of manufacturer and the person who causes such manufacture, if any'. It is clear from the foregoing provisions that piece goods including suitings and shirtings which are sold by length have to be conspicuously stamped with the particulars required by law which include the name of the manufacturer. The law requires them to be stamped at one conspicuous place in the whole of the fabric. Suiting and shirting fabrics come in long lengths which are folded in wraps of plaits. The last or the face plait of the fabric is required to be stamped with these markings including the name of the manufacturer, etc. It would be one thing for the Defendants to show the markings including their name, as required by the Law and particularized by the Ministry, on the face plait of the fabric, and quite another to run the name including the word 'SIYARAM' along the whole length of the selvage of the fabric by monogramming it. The monogramming of the cloth thus clearly amounts to infringement and passing off, as discussed above, and the same is certainly not the requirement of law.

25 In that view of the matter, the Plaintiff has made out a *prima facie* case of both infringement and passing off. The balance of convenience is clearly

in favour of the Plaintiff. The Defendants appear to be clearly trading on the goodwill and reputation of the Plaintiff. This is clear from the fact that without spending significant sum on advertisement and promotional expenses, the Defendants have achieved fairly large sales turnovers over the last few years. For example, with advertisement expenses of a mere Rs.2500, the Defendants have achieved a sales turnover of over Rs.8 crores in the year 2008-09. If the Defendants are not restrained from using the word SIYARAM on their goods as indicated in this order, there is a clear likelihood of not only deception and confusion of the purchasing public, but a dilution of the Plaintiff's valuable trade mark. On the other hand, the Defendants can very well market their goods by displaying their registered SRF trade mark on the goods, as I am inclined to permit them to do.

26 Accordingly, pending the final disposal of the rectification proceedings in respect of the Defendants' mark, the Defendants are restrained from using the name 'SIYARAM' or 'SHREE SIYARAM FAB PVT LTD' on their goods including suitings, shirtings or other clothes or any textile piece goods as monogram or otherwise. This injunction would exclude the use of the name 'SHREE SIYARAM FAB PVT LTD' once on the face plait of the fabric/cloth. It is also clarified that this injunction will not prevent the Defendants from using the SRF mark, described above and for which the Defendants hold a trade mark registration, anywhere on their goods. This injunction shall operate during the pendency of the rectification proceedings and thereafter till the preliminary issues framed in the suits are determined and the Motion is heard and disposed of finally. The observations made in this order shall not come in the way of the Defendants' defence in the rectification proceedings, which shall be decided by the IPAB on their own merits.

27 Learned Counsel for the Defendants seeks a stay of this order for a limited period. Since this is a preventative relief granted after hearing the parties at length, I am not inclined to stay the order. However, the Defendants will have a six weeks' period within which to recall their goods already available in the market with their distributors. The existence of these goods in the market for a

period of six weeks accordingly shall not be treated as breach of the injunction order granted herein.

(S.C.GUPTE J.)