

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT  
CHANDIGARH**

FAO No.4739 of 2016(O&M)  
Date of decision: 22.12.2016

Man Mohan Sharma

... Appellant

Versus

Manjit Singh

... Respondent

**CORAM: HON'BLE MR. JUSTICE ARUN PALLI**

Present: Mr. Gaurav Chopra, Advocate and  
Mr. Mohit Setia, Advocate for the appellant.  
Mr. Kamal Kishore Arora, Advocate;  
Mr. Gaurav Arora, Advocate; and  
Mr. Himanshu Arora, Advocate for the respondent.

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**ARUN PALLI, J.**

Defendant is in appeal arising out of an application for injunction, under Order 39 Rules 1 & 2 of the Code of Civil Procedure (CPC). Vide order being assailed, dated 02.08.2016, rendered by the Additional District Judge, Amritsar, defendant has been enjoined from infringing/imitating plaintiff's registered trade mark " **MOHUN'S** " and from using the impugned identical trade mark " **MOHAN'S** " , as also any other trade mark, which is, in any way, deceptively similar or identical thereto in respect of biscuits, cakes, dry fruit cakes, pastries etc. And, from committing any unlawful acts of infringement and passing off the aforesaid goods as that of the plaintiff. And, has also stayed the suit under Section 124 of the Trade Marks Act, 1999 (for short, 'the Act') till the final disposal of the rectification proceedings, initiated by the defendant, before the

Intellectual Property Appellate Board (IPAB). Thus, the appeal. Parties to the lis, hereinafter, shall be referred to by their original position in the suit.

2. Briefly, the case set out by the plaintiff is that he is the sole proprietor of the firm, namely, **M/S MOHUN'S BAKERY PRODUCTS**. Plaintiff is engaged in the business of manufacturing and selling various kinds of biscuits, cakes, dry fruit cakes, pastries, buns etc. since 1975. Plaintiff firm had adopted a distinctive trade mark "**MOHUN'S**" (in label form) in the year 1975. Subsequently, in the year 1978, plaintiff firm adopted the trade mark "**MOHUN's**" in another distinctive label. Since then, plaintiff has been regularly using the trade mark "**MOHUN'S**" in respect of the aforesaid goods, and has made it popular and distinctive among the members of the trade/business, and public at large. Firm of the plaintiff was/is registered under the Punjab Vat Act, 2005, as also under the Central Sales Tax Act, 1956. Plaintiff's trade mark "**MOHUN'S**" forms a prominent part of his trade name **M/S MOHUN'S BAKERY PRODUCTS**, which are synonymous to each other. On account of prior adoption and extensive use of the said trade mark, plaintiff has gained such an enviable goodwill and reputation, that good of the same kind and/or description, and/or any other cognate/allied goods, bearing the aforesaid trade mark or any identical/deceptively similar trade mark are considered and deem to be belonging to the plaintiff firm. Thus, plaintiff is the first and prior adopter, user, promoter and the lawful proprietor of the trade mark "**MOHUN'S**". And, has thus acquired proprietary rights as regard its usage under the Common Law. Further, with a view to acquire the statutory rights, plaintiff also secured registration (Registered TM No.396139, dated 07.10.1982) of his trade mark "**MOHUN'S**", under the Trade and Merchandise Marks

Act, 1958. And, later in association with his registered trade mark, and in respect of the enlarged specification of the goods, plaintiff moved a fresh application, dated 10.10.2008, seeking registration of his afore-indicated trade mark, claiming user since 01.01.1978, under the Act. Application of the plaintiff was advertised, and for no opposition proceedings were lodged, the Registrar of Trade Marks registered the mark of the plaintiff (Registered TM No.1741875) vide certificate dated 10.10.2008, relating back to the date of his application i.e. 10.10.2008. And, the said registration still persists and is valid. That being so, no one else is authorized to use the plaintiff's registered trade mark " **MOHUN'S** " and/or identical/deceptively similar trade mark in relation to the goods for which plaintiff's trade mark is registered, without leave or consent of the plaintiff. However, in April, 2014, plaintiff came to know that defendant's firm **M/s Salty Food Products** has also commenced business of same kind/description of goods i.e. biscuits, namkeens, variety of packaged snacks etc., falling under Class 30, under an identical/deceptively similar trade mark i.e. " **MOHAN'S** " . That adoption and use of the identical and/or deceptive/similar trade mark by the defendant for the same description of goods, is a slavish imitation of the plaintiff's prior used and registered trade mark, which amounts to infringement under Section 29 of the Act. Further, the defendant by mala fide adoption and use of an identical and/or deceptively similar trade mark, is not only passing off his goods and business as those of the plaintiff, but also diluting plaintiff's goodwill and reputation. Thus, the suit.

3. In defence, it was pleaded, *inter alia*, by the defendant that he was/is trading under the name and style: **M/s Salty Food Products**, a proprietorship concern, which has its office at WZ-413/B, Sri Nagar, Rani

Bagh, Delhi. Defendant is a manufacturer and merchant/trader of packaged bakery food products such as rusks, biscuits, cookies, other confectionery items and namkeen. Defendant is using the mark " **MOHAN'S** " in respect of variety of packaged snacks and products, falling under Class 30, in a very distinct packaging. Defendant had conceived, adopted and applied for its brand/mark " **MOHAN'S** " from his name **Man Mohan Sharma**. Earlier, the defendant had applied for registration of his mark **MOHAN'S** under application No.865401, dated 13.07.1999, claiming user since 01.01.1999, in respect of "*Namkeens of all Kind in class 30*". Since then, his business grew, and now defendant is manufacturer/ trader/ exporter of biscuits, namkeens, rusks, sohan papdi, gulab jamun, rasgulla etc. in India as well as abroad. Defendant has also acquired the mark **MOHAN'S** under trade mark application No.1774982, dated 16.01.2009, in Class 30 by way of assignment deed dated 22.05.2014, claiming user since 17.12.1990. The assignment request of the defendant was granted and the said application has since been advertised in the name of the defendant in the Trade Mark Journal.

Plaintiff has instituted the suit on the purported infringement of his trade mark " **MOHUN'S** " , however, the defendant has challenged the registration of the said mark, vide rectification application No.ORA No.208/2014/TM/DEL, which is pending before the IPAB. Thus, the suit is required to be stayed. The mark/expression " **MOHAN'S** " was/is inherently non-distinctive, and thus there was no question of its acquiring a secondary meaning qua the products of the plaintiff. And, plaintiff was/is not the prior user/adopter of the impugned mark, for the trade mark containing identical expression "MOHUN'S" i.e. MOHUNS PURE MALT VINEGAR

(Registered TM No.262401) and MOHUNS TOMOTO Ketchup (Registered TM No.262402) were applied for the first time, in Class 30, by Mohan Meakin Limited on 05.02.1970, claiming user since September, 1963. The impugned mark was registered in grave contravention of the provisions of the Act, for the restrictions subject to which it was to be advertised were never fulfilled. Further, nothing was placed on record to show that mark " **MOHUN'S** " was ever adopted or put to use by the plaintiff. Therefore, the suit be dismissed with exemplary costs.

4. On an analysis of the material on record, the trial court arrived at a conclusion that establishment of the plaintiff was registered as a Small Scale Industrial Unit by the Department of Industries, Punjab, and a certificate, dated 22.03.1978, was issued in this regard by the Director Industries. To begin with, the plaintiff-firm; MOHUN'S BAKERY PRODUCTS, Amritsar was a partnership firm, and was registered as such by the Registrar of Firms, Punjab on 11.03.1982. Although, subsequently, the firm was dissolved, but in terms of the dissolution deed dated 31.03.1990, the trade mark of the firm was assigned to the plaintiff-Manjit Singh, who thereafter continued the business of the firm, as its sole proprietor. The record showed that, vide letter dated 16.10.1985, permission was granted to the plaintiff by the Northern Railways, for sale of Mohun's Fruit Cakes at railway stations. Copies of invoices on record revealed that plaintiff had supplied its goods to various railway stations in the country under its trade name MOHUN'S BAKERY Products. Earlier, the partnership firm had secured registration, (Registered TM No.396139, dated 07.10.1982), for its trade mark '**MOHUN'S**' **Fruit Cakes**, in class 30, under the then Trade and Merchandise Marks Act, 1958. And, thereafter, the trade

mark " **MOHUN'S** " was registered (Registered TM No.1741875) in the name of plaintiff-Manjit Singh, in class 30, in respect of biscuits, cakes, pastry, dry-fruit cakes, rusks, buns, breads, patties, dry-fruit pastries, and all other bakery products, cereal and edible preparations, claiming user since 01.01.1978, which is valid upto 10.10.2018.

Whereas, the defendant too was/is dealing in the same set of goods i.e. bakery products, under the name and style '**Wah MOHAN'S**'. The bakery items like biscuits, fruit cakes, dry-fruit cakes etc. are used by the public at large, and are identified by the masses from its label, device, and trade name. Whereas, the manner of presentation of plaintiff's as also the defendant's label is such that they almost look alike.

In reference to the decisions of the Hon'ble Supreme Court in **Parle Products (P) Ltd. v. J.P. and Co.** AIR 1972 SC 1359; **Lily ICOS LLC & Another v. Maiden Pharmaceuticals Lim,** 2009 (39) PTC 666; **Kirorimal Kashiram Marketing & Agencies Private Limtied v. Shree Sita Chawal Udyog Mill Tolly Vill.** 2010(44) PTC 293 (Delhi) DB; and **Ruston and Hornby Ltd. v. Zamindara Engineering Co.,** AIR 1970 SC 1649; it observed that in order to come to a conclusion whether one mark is deceptively similar to another, the broad and essential features of the two are to be considered. For, they are not required to be placed side by side to ascertain if indeed there are any differences in their design. It would be enough if the impugned mark bears overall similarity to the registered mark. And a registered trade mark is infringed by a person who, not being a registered proprietor, uses in the course of trade, a mark which is identical or deceptively similar in relation to the goods or services which are identical or

similar to that in respect of which the trade mark is registered without the permission of the trade mark owner [Section 29 of the Act].

In further reference to the decision of the Hon'ble Supreme Court in **Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories**, AIR 1965 SC 980 [pages 989-990]; **American Home Products v. Mac Laboratories**, AIR 1986 SC 137: 1986(6) PTC 71 (SC) [para 36]; **National Bell Co. v. Metal Goods Mfg. Co.**, AIR 1971 SC 898: PTC (Suppl) (1) 586 (SC) [page 903]; **M/s Avis International Ltd. v. M/s Avi Footwear Industries and another**, AIR 1991 Delhi 22: PTC (Suppl.) (1) 844 (Del); and **Ruston and Hornby Ltd. v. Zamindara Engineering Co.**, AIR 1970 SC 1649: PTC (Suppl) (1) 175, it observed that when a person gets his trade mark registered, he acquires valuable rights to the use of the trade mark in connection with the goods in respect of which it is registered. And, in the event of any invasion of his rights by any other person using a mark which is identical or deceptively similar to his trade mark, he could protect his mark by an action for infringement and obtain injunction. And, accordingly, concluded:

**“25. The word 'MOHUN'S' and 'MOHAN'S' are phonetically, structurally and visually similar. The label is also of similar type. By simply putting word 'A' in place of 'U' or by putting word 'Wah' before mark 'MOHAN'S' and that too in small font is not going to make any difference. The consumer is going to be deceived by the appearance of trade mark MOHAN'S and confuse the same with goods of the plaintiff with trade mark MOHUN'S. The two marks**

are so deceptively similar that a common man will not be able to make distinction between the two. All these circumstances make the trade mark of the defendant to be deceptively similar to the trade mark, word, label and device of the plaintiff. When plaintiff claims the user of the mark MOHUN'S since 1978 which is also supported by documentary evidence, claim of user by defendant since 1990 does not hold ground and it cannot be said that the trade mark registered in the name of plaintiff is invalid.

26. Accordingly, a good prima-facie case is made out in favour of the plaintiff. The balance of convenience also lies in favour of the plaintiff. The plaintiff will suffer irreparable loss and injury if the defendant is allowed to continue to sell his goods with the trade mark MOHAN'S', which is deceptively similar to the trade mark of the plaintiff. Thus, the application under Order 39 Rules 1 and 2 Civil Procedure Code filed by the plaintiff is allowed...”

5. That is how, as indicated earlier, defendant is in appeal before this court.

6. Mr. Gaurav Chopra, learned counsel for the defendant, in reference to Section 124 of the Act, submits that in a suit for infringement of a trade mark, if the defendant pleads that the registration of the plaintiff's trade mark is invalid or vice-versa, and if before the institution of the suit, the IPAB was already seized of the rectification proceedings, the court shall have to stay the suit. But, in the event, no such proceedings were pending,

but the court is satisfied that the plea of invalidity set up by the defendant or the plaintiff, as the case may be, is *prima facie* tenable, the court shall adjourn the suit for a specified period to enable the party concerned to move the IPAB for rectification of the register. And, if indeed such an application is moved, within the stipulated time, the trial of the suit shall stand stayed in terms of Section 124(2) of the Act. In the matter in hand, he submits that, no rectification proceedings were pending before the institution of the suit, for the defendant indeed moved the IPAB subsequently, and that too without any order of the court under Section 124(1)(ii). But, that is inconsequential, for the right to invoke the jurisdiction of the Board is not dependent upon any *prima facie* determination of the plea of invalidity by the civil court. In reference to paragraph 64(1)(a) of the decision of the Full Bench of Delhi High Court in **Data Infosys Ltd. And Ors. v. Infosys Technologies Ltd.**, 2016(65) PTC 209, he submits that IPAB has the exclusive jurisdiction to decide upon the plea of invalidity of registration of a trade mark, and Section 124 does not control the choice of a litigant to seek rectification of the register. That is how, he asserts, the trial court being cognizant of the plea of invalidity set up in defence, pendency of the rectification proceedings before the IPAB, and on consideration of the specific application, under Section 124, moved by the defendant, stayed the suit, which implies that court found the invalidity plea to be *prima facie* tenable. For, otherwise the suit could never be stayed under Section 124(2) of the Act. Thus, he asserts, once the trial court found the plea of invalidity to be *prima facie* tenable how could, it still hold that there also exists a *prima facie* case in favour of the plaintiff, and grant injunction.

In the alternative, in reference to Section 9 of the Act, he submits that there is an absolute bar to register a mark, which is devoid of any distinctive character, unless it has acquired a secondary meaning, as a result of consistent usage or is a well known trade mark. Whereas, the impugned mark " **MOHUN'S** " is a common name, incapable of acquiring any distinctive character and, therefore, ought not to have been registered. Particularly, for nothing was placed before the registration authorities to show that the said mark had indeed acquired a secondary meaning. Further, prior to its registration, plaintiff's trade mark was ordered to be advertised, but subject, however, to certain restrictions, which were never satisfied, and yet the mark was registered. It is urged that although the plea of invalidity was specifically set out, but the trial court failed to examine the question as regards the invalidity of registration of plaintiff's mark.

Further, the plaintiff was/is not the prior user/adopter of the trade mark " **MOHUN'S** " , for the trade marks containing the identical expression were already registered, in Class 30, in the name of several other entities. Thus, in the given situation, the plaintiff could not claim any exclusivity as regards usage of the mark " **MOHUN'S** " .

Not just that, he submits that there was/is nothing on record to show that the plaintiff ever used the registered trade mark " **MOHUN'S** " to run or to carry out his business activities. Thus, in terms of the provisions of Section 47 of the Act, the said trade mark was rather liable to be taken off the register. He submits that, as envisaged under Section 34 of the Act, the defendant being a prior user of the trade mark " **MOHUN'S** " could never be enjoined from its usage, notwithstanding that the plaintiff happened to be the proprietor of a registered trade mark.

And, yet another aspect which has been lost sight of by trial court is; that apparently the adoption and usage of the trade mark " **MOHAN'S** " by the defendant was/is bona fide, for it forms part of his name i.e. **Man Mohan Sharma**, and Section 35 of the Act prohibits the registered proprietor to cause any interference in the bona fide use of by a person of his own name. To conclude, he submits that injunction granted by the trial court is contrary to the settled principles of law, for none of the three factor, that are mandatory for granting an injunction, existed in the matter in hand. He relied upon the following decision in support of his submissions: **Trinethra Super Retail Private Limited, Hyderabad represented by Company Secretary Vinod K Saraf v. Mee Trinetra Trading Private Limited, Hyderabad, Represented by Director Pilli Guru Prasad Anand**, 2011(4) ALT 692; 2012(8) RCR (Civil) 2887; **Goenka Institute of Education and Research v. Anjani Kumar Goenka and another**, 2009(40) PTC 393; 2010(8) RCR (Civil) 1718; **Bhole Baba Milk Food Industries Ltd. v. Parul Food Specialities (P) Ltd.**, 2011(45) PTC 217; **Skyline Education Institute (India) Private Ltd. v. S.L. Vaswani and another**, 2010 AIR (SC) 3221; **Neon Laboratories Ltd. v. Medical Technologies Ltd. and Ors.**, 2015(4) RCR (Civil) 860; **Asian Paints Limited v. Home Solutions Retail (India)**, 2007(35) PTC 697; **Marico Limited v. Agro Tech Foods Limited**, 2010(43)PTC39(Del); **Nakoda Dairy (P) Ltd. v. Kewal Chand Vinod Kumar and others**, 2009(40) PTC 428; and **Wander Ltd. And another v. Antox India P. Ltd.**, 1990 (Sup) SCC 727.

7. Per contra, Mr. Gaurav Arora, learned counsel for the plaintiff also referred to the provisions of Section 124 of the Act, to narrate its operation and scheme. He too has placed reliance upon the majority view of the Full Bench of Delhi High Court in **Data Infosys Ltd. (supra)**, and a Single Bench decision of the same Court in **Stokely Van Camp Inc and Anr. v. Heinz India Private Ltd., 2012(52) PTC 540**, to contend that there are only two situations in which infringement action can be stayed: **(I)** Under Section 124(1)(i), when rectification proceedings were pending before filing of the suit. **(II)** If no such proceedings were pending at the time of institution of the suit, then only, if the court finds the plea of invalidity to be prima facie tenable in terms of Section 124(1)(ii). Further, if despite opportunity granted by the court a party concerned does not move the IPAB or plea of invalidity is not found to be tenable, then the only consequence that ensues is the deemed abandonment of the invalidity plea. In reference to the matter in hand, he submits that concededly at the time of institution of the suit on 12.05.2014, no rectification proceedings were pending. In fact, after the defendant was served, and he caused appearance in the suit, he on his own, by circumventing the provisions of Section 124(1)(ii) of the Act, moved the IPAB for rectification of the register. And, since the defendant did not opt to follow the procedure set out in Section 124(1)(ii) of the Act, he, on his own, volition abandoned the plea of invalidity. Rather, he submits that, in the given situation, the trial court ought not to have even stayed the suit, and was required to proceed with the matter as regards the other issues. Resultantly, he asserts that the defendant has lost the right to question the validity of registration of plaintiff's trade mark in these proceedings.

Though, even otherwise, the plaintiff on account of prior

adoption and extensive usage of his mark " **MOHUN'S** " since 1978, had gained enviable goodwill and reputation. And, as a result, the mark of the plaintiff had acquired a distinctive character and a secondary meaning. Thus, plaintiff was/is a lawful proprietor of the said mark under the common law. And further, he had even acquired a statutory right of exclusive usage, for he secured registration (Registered TM No.1741875, dated 10.10.2008) of his mark, which is valid and operating. Further, Section 31 of the Act postulates that registration of a trade mark is the *prima facie* evidence of its validity. He relies upon a decision of the Hon'ble Supreme Court in **Mahendra and Mahendra Paper Mills Ltd. v. Mahindra and Mahindra Ltd., 2002 AIR(SC) 117**, wherein the court in reference to the extensive usage of a word "Mahindra" and "Mahindra and Mahindra" for over five decades held that it had acquired a distinctiveness and a secondary meaning in the business. Likewise, reliance is also placed upon a judgment of Bombay High Court in **Lavasa Corporation Ltd. v. Lavasa Visuals Private Ltd., 2013(56) PTC 231**.

And, in any case, he asserts that the defendant lacks locus to question the registration of the plaintiff's trade mark being non-distinctive, for none other than the defendant himself had sought registration of his mark **MOHAN'S**, vide application No.865401, dated 13.07.1999, which he choose to abandon in the face of the objections raised by the Trade Mark registry. Reliance is placed upon **Marvel Tea Estate India Ltd. v. P.M. Batra (Prop) Gurukripa Traders, 2012(49) PTC 82 [para 35]**; and **Marico Limited v. Pratik Goyal & Anr., 2014(60) PTC 185**, to contend that if a party seeks registration of a mark which is similar to the registered

trade mark, it cannot be permitted to question its registration on the ground of it being indistinctive.

Further, in response to the argument that there were pre-existing registered proprietors of an identical/nearly identical or similar trade mark, it is submitted that even if, that is so, it would still not disentitle the plaintiff to seek injunction against the defendant. For, provisions of Section 28(3) of the Act postulate co-existence of more than one registered proprietor of a similar trade mark.

And, for apparently the plaintiff was/is the prior adopter and user of the registered trade mark " **MOHUN'S** " since 1978, the defendant was/is disentitled to seek any protection under Section 34 of the Act. Likewise, he submits that the defendant is not a bona fide user of the trade mark " **MOHAN'S** " , for despite having failed to secure registration (application No.865401, dated 13.07.1999), of his mark **MOHAN'S**, and to carry out any search of the trade mark register to ascertain if the similar/identical mark was indeed the property of someone else, he took the risk of marketing and selling his products. Thus, adoption and usage of the mark " **MOHAN'S** " by the defendant is apparently mala fide, which disentitles him to set up a defence under Section 35 of the Act as well. In support of his submission, he has placed reliance upon the decisions rendered by the Bombay High Court in **Aristo Pharmaceuticals Pvt. Ltd. v. Innova Cap Tab and another**, 2014(57) PTC 398 and **M/s Himalaya Drug Co. v. Gufic Ltd., and another**, 2004 AIR (Bombay) 278.

8. I have heard learned counsel for the parties and perused the record.

9. For, learned counsel for the defendant submits that once the trial court had found the plea of invalidity to be prima facie tenable in terms of Section 124(1)(ii), and had stayed the suit under Section 124(2), how could it still hold that there exists a prima facie case in favour of the plaintiff, and grant injunction. And, per contra, learned counsel for the plaintiff asserts that since no rectification proceedings were pending before the institution of the suit, the provisions of Section 124(1)(i) were not attracted, and as the defendant did not opt to abide by the provisions of Section 124(1)(ii) either, the plea of invalidity, would be deemed to have been abandoned, in terms of Section 124(3). Thus, the questions that assume significance are: **Whether the plea of invalidity of registration of the plaintiff's trade mark is deemed to have been abandoned, and, if yes, neither do I have to examine the issues raised, as regard the validity of registration of plaintiff's trade mark nor the argument that the trial court found the said plea to be prima facie tenable, would survive. And, if not, whether the trial court, indeed, found the plea of invalidity to be prima facie tenable and stayed the suit?**

10. Ex facie, the answers to these questions squarely lie in the construction and/or interpretation of the provisions of Section 124, which indeed have been debated, and deliberated upon numerous times, in context of different situations emanating from its interpretation and/or understanding.

In **Stokely Van Camp Inc and Anr. v. Heinz India Private Ltd., 2012(52) PTC 540**, that is being relied upon by the learned counsel for the plaintiff, the Court held that if no rectification proceedings are pending at the institution of the suit, it is mandatory to abide by the provisions of

Section 124(1)(ii), to initiate any such proceedings. And, if the party concerned does not adhere to the said procedure, and still moves the IPAB/Registrar on his own, it shall not be entitled to ask for the stay of the suit:

**“29. Hence, keeping the legal principles as discussed above in mind, it is concluded that in a suit for infringement of a trade mark, the applicant cannot ask for a relief of the stay of the suit until he fulfills the conditions stated in 124(1) of the Act. If the rectification proceeding are not pending the institution of the suit, it is obligatory on part of the applicant to follow the provision laid down under section 124(1)(ii) of the Act in order to initiate rectification proceedings before the Appellate Authority. In case he fails to adhere to the same and yet initiates rectification proceedings, then he will not be entitled to the relief of stay of the suit under section 124 of The Trade Mark Act, 1999.”**

And, the Full Bench in Data Infosys Ltd. And Ors. v. Infosys Technologies Ltd., 2016(65) PTC 209, while examining a larger issue; whether a party concerned can access/approach IPAB for rectification/cancellation /removal of a mark under Sections 47 and 57 of the Act, only if the court trying the infringement suit finds the invalidity plea to be prima facie tenable, held that the IPAB has the exclusive jurisdiction to rule upon the validity/invalidity of registration of a trade mark and thus access to IPAB is not subject to any assessment of prima facie tenability of

the invalidity plea by the court. And, in context of the matter in issue, the court by its majority judgment, said that only two eventualities in which the infringement action can be stayed:

**“41 ... (2) The two situations whereby the infringement action is stayed, are when the rectification proceedings are instituted before the filing of the suit (Section 124 (1) (i)) and after the plea of invalidity is held to be prima facie tenable under Section 124 (1) (ii)) to enable the party urging invalidity to approach IPAB.**

**(3) Where the civil court based on its prima facie assessment states the the invalidity plea is not tenable or where the litigant does not approach the IPAB within the time granted (i.e when the court holds the plea to be prima facie tenable) the only consequence is deemed abandonment of the invalidity defense in the infringement suit. However, access to IPAB to invoke its exclusive jurisdiction to test the invalidity of a trademark registration is not precluded or barred in any manner whatsoever.”**

11. Undoubtedly, if the provisions of Section 124(1)(i) of the Act is read, interpreted and construed to say, as in the two cases referred to above, that it would apply, and operate only if the rectification proceedings were already pending before the institution of the suit, then definitely the defendant having moved the IPAB after he had even caused appearance in the proceedings, would find himself in a situation which is catered to only

by Section 124(1)(ii). And, once that is so, it is obligatory for the party concerned to abide by the process envisaged under Section 124(1)(ii), not only to initiate the rectification proceedings, but even to keep the invalidity plea alive. And, in the event of default or even if a party moves the IPAB on his own, proceedings in the suit shall not be stayed. Meaning thereby, the fall out of such a lapse would result in abandonment of invalidity plea. Likewise, if the plea of invalidity is not found to be prima facie tenable or the party concerned does not approach the IPAB, despite opportunity afforded by the court, within the specified time, the said plea would be deemed to have been abandoned. In this back drop, the argument advanced by the learned counsel for the plaintiff, is well in place and has merit; that for concededly no rectification proceedings were pending before the institution of the suit, therefore, to keep the plea of invalidity alive, defendant was required to adhere to the provisions of Section 124(1)(ii), and since he did not opt to abide by the said process the said plea is deemed to have been abandoned.

12. But is it that provisions of Section 124, indeed, postulate only two situations; one each under clause (i) and (ii) of Section 124(1), in which infringement action can be stayed, and consequently the plea of invalidity remains alive? Having read and analyzed each of the clauses of the provision separately and collectively or in conjunction with each other, somehow, I fail to construe clause (i) of Section 124(1) to curtail its application only to a situation where rectification proceedings were instituted before institution of the suit. For, to my mind and understanding, which I seek to elaborate hereafter, clause (i) of Section 124(1) is activated not only when the rectification proceedings were initiated before institution

of the suit, but even post institution of the suit. But I must hasten to add; that does not mean that initiation of rectification proceedings at any stage of the suit, would attract clause (i) of Section 124(1), for it ceases to operate after a specific stage in the proceedings, and is succeeded by clause (ii). Therefore, to that extent, in all humility, I am in respectful disagreement with view expressed by the court in Stokely Van Camp Inc.'s case and the majority judgment of the Full Bench in Data Infosys Ltd.'s case.

13. For, construction of the provisions of Section 124 of the Act is inevitable to determine the questions that have been formulated, the same is set out hitherto below:

**“124. Stay of proceedings where the validity of registration of the trade mark is questioned, etc. - (1) Where in any suit for infringement of a trade mark-**

**(a) the defendant pleads that registration of the plaintiff's trade mark is invalid; or**

**(b) the defendant raises a defence under clause (e) of sub-section (2) of section 30 and the plaintiff pleads the invalidity of registration of the defendant's trade mark,**

**the court trying the suit (hereinafter referred to as the court), shall,-**

**(i) if any proceedings for rectification of the register in relation to the plaintiff's or defendant's trade mark are pending before the Registrar or the Appellate Board, stay the suit pending the final disposal of such proceedings;**

(ii) if no such proceedings are pending and the court is satisfied that the plea regarding the invalidity of the registration of the plaintiff's or defendant's trade mark is prima facie tenable, raise an issue regarding the same and adjourn the case for a period of three months from the date of the framing of the issue in order to enable the party concerned to apply to the Appellate Board for rectification of the register.

(2) If the party concerned proves to the court that he has made any such application as is referred to in clause(b)(ii) of sub-section (1) within the time specified therein or within such extended time as the court may for sufficient cause allow, the trial of the suit shall stand stayed until the final disposal of the rectification proceedings.

(3) If no such application as aforesaid has been made within the time so specified or within such extended time as the court may allow, the issue as to the validity of the registration of the trade mark concerned shall be deemed to have been abandoned and the court shall proceed with the suit in regard to the other issues in the case.

(4) The final order made in any rectification proceedings referred to in sub-section (1) or sub-section (2) shall be binding upon the parties and the court shall dispose of the suit conformably to such order in so far as it relates to the issue as to the validity of the registration of the trade mark.

**(5) The stay of a suit for the infringement of a trade mark under this section shall not preclude the court from making any interlocutory order (including any order granting an injunction, directing account to be kept, appointing a receiver or attaching any property), during the period of the stay of the suit.”**

14. A bare analysis of the provisions of **Section 124(1)(i)** reveals that where in any suit for infringement of a trade mark, *defendant pleads* that registration of the plaintiff's trade mark is invalid or he sets up a defence in terms of clause (e) of sub-section (2) of section 30 of the Act, and the **plaintiff questions the validity of registration of defendant's trade mark**, the court shall stay the suit, if the rectification proceedings are pending before the IPAB, till the final decision is reached in those proceedings. And, in case no such proceedings are pending, and the court finds the plea of invalidity to be prima facie tenable, in terms of **Section 124(1)(ii)**, it would raise an **issue** in this regard, and adjourn the matter for a specified time to enable the party concerned to apply to the Appellate Board for rectification of the register. And, if the rectification proceedings are initiated within the specified time, the court shall stay the suit, in terms of **Section 124(2)** of the Act, to await final decision in the rectification proceedings. However, in the event no such application is moved, **sub-section (3) of Section 124** postulates that the **issue** as to the validity of registration of the trade mark shall be deemed to have been abandoned, and the court shall proceed with the suit in regard to **other issues**. And, under **sub-section (4) of section 124**, the final order made in the rectification

proceedings shall be final and binding upon the parties, and the court shall dispose of the suit in terms thereof, in so far as it relates to the issue as to the validity of registration of the trade mark. **Sub-section (5) of Section 124** suggests that even though the suit is stayed, it shall still not preclude the court from making any interlocutory order during the period of the stay of the suit.

15. Ex facie, to stay the proceedings in an infringement suit, pendency of the rectification proceedings alone is not the pre-requisite, but a plea of invalidity, in sync with Section 124(1)(a) or Section 124(1)(b), as the case may be, must co-exist. Needless to assert that what, indeed, precedes the stage before the defendant sets up a plea of invalidity in defence or plaintiff questions the registration of defendant's trade mark, is the institution of the suit itself, service upon the defendant(s), defendant(s) causing appearance in the proceedings, and filing the written statement. It is at that stage, alone it is feasible for the defendant to set out a plea of invalidity. And, it would be viable, thereafter, for the plaintiff to question the registration of defendant's trade mark, provided the latter has set up a defence in terms of clause (e) of sub-section (2) of Section 30. The precise moment in the suit to ascertain or the necessity to seek an answer to the question; whether any rectification proceedings were/are pending, would arise only when the court trying the suit, on completion of the pleadings of the parties, takes cognizance of the dispute for the first time and applies its mind. Be that for the purpose of framing the issues or deciding an injunction application. And, if at the moment the IPAB is seized of the rectification proceedings the court shall have to stay the suit under Section 124(1)(i),

notwithstanding whether those proceedings were initiated before or post institution of the suit.

Not just that, for clause (ii) of Section 124(1) further supplements this position. Undoubtedly, clause (i) and (ii) of Section 124(1) contemplate two different situations, but the process that runs through these provisions is common till the court is required to determine the prima facie tenability of the invalidity plea. Meaning thereby, having taken cognizance of the pleadings of the parties, and applied its mind to the dispute for the first time, if the court, at that moment, finds that IPAB is seized of the rectification proceedings, it would stay the suit, and if no such proceedings are pending, but the court is satisfied as regards the tenability of the said plea, it would frame an issue in this regard and adjourn the proceedings to enable the party concerned to approach the IPAB.

If, I may also spell out my thought by way of an illustration; assuming in an infringement suit, service of the defendant is yet to be effected, and being oblivious of the institution and pendency of the suit, he moves the IPAB for rectification of the register. And thereafter, upon being served, he causes appearance, and files the written statement setting up a plea of invalidity. To my mind, it is clause (i) of Section 124(1) which would be attracted and come into play. For, where would be the occasion for the court to still determine the prima facie tenability of the said plea, with a view and purpose to enable the party concerned to approach the IPAB, which indeed was already seized of the proceedings.

Explicitly, the provision of Section 124, operates itself to cater to diverse situations, and at no stage, indeed it finds the date of institution of the suit germane and/or necessary to run its full course or operation.

What further complements this perception is; that right of the party concerned to move the Registrar/IPAB under Section 47 or 57, for rectification or removal of the trade mark is independent and indefeasible. Nowhere does the provisions of Section 124(1)(i) indicate that post institution of the suit plaintiff or defendant, as the case may be, would require sanction/ prior permission/approval of the court to move the Registrar/IPAB. And, my understanding and analysis, in this context, finds resonance in the minority view of the court in Data Infosys Ltd. (supra).

16. The matter can be viewed from yet another perspective: what Section 124(1)(i) postulates is; **if any proceedings for rectification of the register in relation to the plaintiff's or defendant's trade mark "are pending" before the Registrar or the Appellate Board.** Nowhere does it say that the court shall stay the suit if the rectification proceedings "**were pending prior to or before or on the date of institution of the suit**". Needless to assert, that neither can the court subtract or add words to a Statute nor read something into it which indeed does not exist. The Hon'ble Supreme Court in Nasiruddin and Ors. v. Sita Ram Agarwal, AIR 2003 SC 1543, observed:

**"The court's jurisdiction to interpret a statute can be invoked when the same is ambiguous. It is well known that in a given case the court can iron out the fabric but it cannot change the texture of the fabric. It cannot enlarge the scope of legislation or intention when the language of provision is plain and unambiguous. It cannot add or**

**subtract words to a statute or read something into it which is not there. It cannot re-write or recast legislation...”**

Likewise, in Nelson Notis v. Union of India, AIR 1992 SC 1981, the Hon’ble Supreme Court held:

**“8. The language of Sub-rule (4) of Rule 10 is absolutely clear and does not permit any artificial rule of interpretation to be applied. It is well established that if the words of a statute are clear and free from any vagueness and are, therefore, reasonably susceptible to only one meaning, it must be construed by giving effect to that meaning, irrespective of consequences. The language of the sub-rule here is precise and unambiguous and, therefore, has to be understood in the natural and ordinary sense. As was observed in innumerable cases in India and in England, the expression used in the statute alone declares the intent of the legislature. In the words used by this Court in State of Uttar Pradesh v. Dr. Vijay Anand Maharaj, when the language is plain and unambiguous and admits of only one meaning, no question of construction of a statute arises, for the act speaks for itself. Reference was also made in the reported judgment to Maxwell stating:**

**To construction must not, of course, be strained to include cases plainly omitted from the natural meaning of the words.”**

Thus, to my mind, Section 124(1)(i) not only takes within its sweep a situation where the rectification proceedings were already pending at the time of institution of the suit, but also, if subsequent to the filing of the suit a party concerned moves the Registrar/IPAB, for rectification of the register, and then set up a plea of invalidity in the written statement or vice-versa. However, the precise moment or stage at which, if the rectification proceedings are pending, the court shall have to stay the suit, in terms of Section 124(1)(i) is: when, post completion of the pleading of the parties, the court takes cognizance of the dispute for the first time, and applies its mind.

17. Having said that, I may now advert to the matter at hands. Undoubtedly, no rectification proceedings were pending at the time of institution of the suit on 12.05.2014. And, in fact, the defendant after having entered appearance in the suit moved the IPAB on 09.07.2014. But, without any analysis, as to the prima facie tenability, of the plea of invalidity by the Court. For, it was thereafter the defendant filed the written statement on 19.12.2014, and questioned the registration of plaintiff's trade mark. However, the fact remains that the moment the trial court took cognizance of the pleadings of the parties and applied its mind to the dispute, the IPAB was in seisin of the rectification proceedings. And, that is how, the court stayed the suit. Significantly, not in terms of Section 124(1)(ii), but in terms of Section 124(1)(i). For the court never passed any order under Section 124(1)(ii).

Therefore, the argument that has been advanced by learned counsel for the plaintiff that the plea of invalidity, set out by the defendant

stood abandoned, cannot be countenanced. Likewise, the submission of the learned counsel for the defendant that the said plea having been found to be tenable, the court could never grant injunction to the plaintiff also pales into insignificance. Thus, the net result is; the plea of invalidity of registration of the plaintiff's trade mark was/is indeed alive.

18. That being so, and for the learned counsel for the defendant has raised serious issues as regards the validity of registration of plaintiff's trade mark, the question would be; **Whether the civil court could go into the validity/invalidity of a registered mark, albeit the exclusive jurisdiction to rule upon the validity/invalidity of registration of a trade mark, under Section 47/57 of the Act rest with the Registrar or the IPAB?** The answer is in the affirmative, and not far to seek, for the proposition is not res intergra.

Registration of a trade mark, in terms of Section 31 of the Act, is only a prima facie evidence of its validity and not a conclusive proof. Which is why, the provisions of Section 28 of the Act suggest, in no uncertain terms, that right of the registered proprietor, for exclusive usage of the registered trade mark, and to obtain appropriate relief in the event of its infringement is subject to **valid registration, and other provisions of the Act**. And, that is how, even Section 124(1) of the Act entitles the party concerned to set up a plea of invalidity of registration of a mark in the infringement suit. And, still further Section 124(5) of the Act, postulates that stay of the infringement suit shall not preclude the civil court from making an interlocutory order or granting ad interim injunction, which needless to assert involves prima facie determination of the dispute, as also the plea of invalidity if set up. Not just that, even in terms of Section 124(1)(ii), the civil

court is required to satisfy itself regarding prima facie tenability of invalidity plea to enable a party concerned to apply to the IPAB. In **Lupin Ltd. and another** v. **Johnson and Johnson and another**, 2015(61) PTC 1, the Full Bench of the Bombay High Court held:

**“59. In a nutshell, our conclusions are as under:**

**(1)&(2)        xxx                    xxx                    xxx**

**(3)        A challenge to the validity of the registration of the trade mark can finally succeed only in rectification proceedings before the Intellectual Property Appellate Board. However, there is no express or implied bar taking away the jurisdiction and power of the Civil Court to consider the challenge to the validity of the trade mark at the interlocutory stage by way of prima facie finding.”**

Likewise, in **Marico Limited** v. **Agro Tech Foods Limited** (supra), the Division Bench of Delhi High Court held:

**“21. The following conclusions thus emerge:-**

**(i) & (ii)        xxx                    xxx                    xxx**

**(iii) A civil court in a suit filed for infringement of a registered trade mark is entitled (if there is no earlier judgment which has achieved finality in cancellation proceedings) to consider the validity of registration for the purpose of passing an interlocutory order including of grant or refusal of an interim injunction- once the objection as to**

**invalidity of registration is taken up in the pleading/written statement.”**

Thus, the civil court has the jurisdiction to examine prima facie, the plea of invalidity of registration of a mark, but only for the purpose of deciding an injunction application.

19. The question, therefore, one confronts is; Did the civil court examine the issue as regards the invalidity of registration of plaintiff's mark while granting the injunction prayed for? The answer is No. Albeit, the trial court did record ***“it cannot be said that the trade mark registered in the name of the plaintiff is invalid”***, however, the said finding is not preceded by any analysis or consideration, least an adjudication of the said plea. And, thus, ex facie, the same is perverse.

20. In the given situation, I had the option to remit the matter to the trial court for re-decision after determining the plea of invalidity. But, as I had heard learned counsel for the parties at length vis-à-vis the questions that have been raised qua the validity/invalidity of registration of plaintiff's mark, I proceed to examine the said plea myself. For, a reference to the provisions of Section 9 of the Act shall be expedient to determine the said plea, the same are set out hereinafter:

**“9. Absolute Grounds for Refusal of Registration. - (1)**

**The trade marks-**

**(a) which are devoid of any distinctive character, that is to say, not capable of distinguishing the goods or services of one person from those of another person;**

**(b) which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or service;**

**(c) which consist exclusively of marks or indications which have become customary in the current language or in the bona fide and established practices of the trade, shall not be registered.”**

Apparently, the provision cast an absolute bar for registration of the trade marks, which are devoid of any distinctive character, unless, before submission of an application for registration, it has acquired distinction or a distinctive character, owing to its consistent, vigorous and un-interpreted long usage or is a well known trade mark.

21. Plaintiff's trade mark “ **MOHUN's** ” (Registered TM No.1741875) was registered in class 30, vide certificate No.924640, dated 04.02.2011 w.e.f. 10.10.2008 (date of the trade mark application), in relation to Biscuits, Cake, Pastry, Dry Fruit Cake, Rusk Baand, Bread, Paties, Dry Fruit Pastry & All Other Bakery Products, Cereal And Edible Preparation. Arguably, MOHUN is a common and/or a household name, and, per se, is inherently incapable of attaining any distinctive character. Learned counsel for the defendant would assert that nothing, least any cogent or credible material, was placed before the Registration Authorities to demonstrate that

the said mark, as a result of its consistent and extensive user, had indeed acquired a secondary meaning. In response, learned counsel for the plaintiff failed to refer to any such material, at least at this stage, which indeed formed basis of the satisfaction of the authorities that the plaintiff's trade mark had actually acquired a secondary significance. Thus, prima facie, there was no question for the mark/expression " **MOHUN'S** " , having lost its primary meaning and acquiring a secondary character.

Rather, I am reminded to point out that; while the defendant had sought registration of his mark **MOHAN'S**, vide application No.865401, dated 13.07.1999 (Annexure P129, Page 559), the trade marks registry, vide examination report dated 31.12.2001, raised objections; that the said mark was not capable of distinguishing the goods, specified in the application, and also for a personal name could never be distinctive:

**“3. The mark submitted for registration is open to objection under paragraphs (a), (b), (c), (d), & (e) of Section 9(1) of the Trade and Merchandise Marks Act, 1958. The mark does not also appear to be capable of distinguishing the goods specified in the Application for registration in part B of the register. The objections arise because personal name is not distinctive.**

**4. The mark submitted for registration is open to objection under Section 11/13/18/72 of the Act because**

**5. The mark submitted for registration is identical with or deceptively similar to the registered trade mark (s)**

**and/or mark (s) in prior pending application. Search Report is enclosed herewith.”**

Resultantly, the said application was refused/abandoned by the authorities.

Not just that, earlier, vide application No.717790, dated 24.09.1996, even the plaintiff had sought to register his mark **MOHUNS** in class 30. But, as the identical/similar mark was already registered in the name of other entities and one of those i.e. M/s Mohan Meakin Ltd., lodged apposition proceedings, the said application was abandoned by the plaintiff.

22. That being so, reliance placed by the learned counsel for the plaintiff upon the decisions of the Hon'ble Supreme Court in **Mahendra and Mahendra Paper Mills Ltd. v. Mahindra and Mahindra Ltd.**, 2002 AIR(SC) 117, and **Lavasa Corporation Ltd. v. Lavasa Visuals Private Ltd.**, 2013(56) PTC 231, would not advance the case of the plaintiff a bit. For, in **Mahendra and Mahendra Paper Mills Ltd.'s case**, the court had found as a fact that the plaintiff therein had been using the word “Mahindra” and “Mahindra and Mahindra” in its companies/business concerns for over five decades and, thus, the name had acquired a distinctiveness and a secondary meaning. Therefore, it was concluded that the trial court has rightly passed an interim injunction restraining the defendant-company, which was yet to commence its business, from using the name “Mahindra” or “Mahindra and Mahindra” for the purpose of its business.

Likewise, in **Lavasa Corporation Ltd.'s case** (supra), plaintiff happened to be a registered proprietor of the trade mark LAVASA in class

16, whereas defendant was a recently incorporated company, which has started using LAVASA as a part of its corporate name. Claim of the defendant, that the expression LAVASA was a common word having generic meaning was rejected by the court, for nothing was brought on record to show that the said expression was a commonly used word in India. Likewise, Coffee chain by the name LAVAZZA coffee and LAVAZZA used as a surname in USA was not sufficient to prove its commonness in India.

Whereas, in the matter in hand, plaintiff has failed to place on record, at least at this stage, the precise material which formed basis of the satisfaction of the authorities and showed that owing to its regular, vigorous and uninterrupted long usage, plaintiff's trade mark had acquired a secondary meaning.

23. Even the argument; that defendant lacks locus to question the registration of the plaintiff, as he had himself sought registration of a similar mark, though unsuccessfully, also lacks conviction. No doubt, in **Marvel Tea Estate India Ltd.** (supra), the court observed that the contention of the defendant that the trade mark 'MARVEL' was not a distinctive trade mark and, therefore, no protection could be given to the plaintiff, was devoid of any substance. For, on the one hand the defendant had questioned the registration of the said mark, and on the other, he himself had sought registration of a mark 'MARVEL TOUCH'. Thus, once a person himself applied for registration of an identical/similar trade mark, he was not entitled to question the registration of the trade mark of the rival party, who has initiated the infringement proceedings. Similar observations are recorded in the case of **Marico Limited v. Agro Tech Foods Limited** (supra).

Indisputably, if a person applies for registration of a trade mark, which falls under any one of the clauses of Section 9(1)(a) to 9(1)(c) of the Act, of course the registration thereof shall be refused, unless it is established that pursuant to its long and uninterrupted commercial usage it has acquired a distinctive character. And, if a trade mark has indeed been registered in contravention to clauses (a) to (c) of Section 9(1) of the Act, and there is no material either to prove that it had gained a distinctive character, a challenge to the registration of the said mark cannot be dismissed only because a person, who questioned its registration, had himself once sought to register an identical or a similar trade mark. If registration of a trade mark is invalid its invalidity or the defect it suffers from does not stand cured just because the person, who has questioned it, had himself sought to secure registration of a similar/identical mark. Need I say that there cannot be any estoppel against law.

24. There is yet another aspect that questions the validity of registration of plaintiff's trade mark; the case set out by the plaintiff himself is that he had secured registration of his mark " **MOHUN'S** " (Registration TM No.396139, dated 07.10.1982), under the then Trade and Merchandize Act, 1958. And, subsequently in association with the said registered trade mark, and in relation to the enlarged specifications of goods, he moved a fresh application (No.1741875, dated 10.10.2008), seeking registration of the impugned mark " **MOHUN's** " under the Trade Marks Act, 1999. Concededly, the mark of the plaintiff was ordered to be advertised, but subject to certain restrictions; **(a)** association of the impugned trade mark application with the other registered trade mark No.396139, **(b)** furnishing NOC by the other partners, for the registered trade mark No.396139 was

obtained by a partnership firm, i.e. MOHUN'S BAKERY PRODUCTS, consisting of Manjit Singh (plaintiff), Harjit Singh and Mohan Singh. The positive case set out by the defendant is that, the conditions indicated above were required to be satisfied by the plaintiff within 30 days from the date of receipt of a communication, dated 12.05.2010, issued by the Examiner/Registrar Trade Marks. But, the plaintiff continues to be in default to date, for those conditions were never complied with. And, yet the Trade Marks Registry not only advertised, but even registered the mark. Significantly, this position is not contravened by the learned counsel for the plaintiff. That being so, the provision that requires a reference in the situation, and would have a bearing on the matter is; Section 132 of the Act:

**“Abandonment.- Where, in the opinion of the Registrar, an applicant is in default in the prosecution of an application filed under this Act or any Act relating to trade marks in force prior to the commencement of this Act, the Registrar may, by notice require the applicant to remedy the default within a time specified and after giving him, if so, desired, an opportunity of being heard, treat the application as abandoned, unless the default is remedied within the time specified in the notice.”**

In conspectus of the above, rather, the questions that shall require determination are: **Whether the trade mark of the plaintiff is an entry that wrongly exists on the register of Trade Marks and is, thus, liable to be removed/rectified/cancelled? And/or trade mark registry ought to have rejected/abandoned the impugned registration?**

25. There is yet another aspect which shall have a decisive bearing on the right of exclusive usage of a mark being claimed by the plaintiff; **the trade mark containing the identical expression/character “MOHUNS”, i.e. ‘MOHUNS PURE MALT VINEGAR (Registered TM No.262401) and MOHUNS TOMOTO Ketchup (Registered TM No.262402) were applied for the first time by Mohan Meakin Limited on 05.02.1970, in Class 30, claiming user since September, 1963. MOHAN’S NEW LIFE (Registered TM No.267271), and MOHUNS NEW LIFE (Registered TM No.267272), were applied in Class 30, by Mohan Meakin Limited on 28.09.1970, claiming user since 01.01.1964. MOHUN’S NEW LIFE (Registered TM No.267274) was applied in Class 30, by Mohan Meakin Limited on 28.09.1970, claiming user since 01.01.1965. Likewise, the trade mark containing identical expression “ MOHUN’S ” (Registered TM No.271833) was applied in Class 30, by Mohan Meakin Limited on 01.05.1971, claiming user since 12.01.1966. And, still further the trade mark MOHUNS PEARL (Registered TM No.272187) was applied in Class 30, by Mohan Beakin Breweries Limited on 21.05.1971, claiming user since 02.02.1965. It would be apposite to point out, before I proceed further, that the trial court did notice this position (in paragraph 11 of its judgment), but yet failed to examine this aspect and its necessary fall out.**

26. Ex facie, the plaintiff is not a prior user/adopter of the mark “ MOHUN’S ” , for before plaintiff purports to have adopted the impugned mark, many trade marks containing the identical expression or character were pre-existing, and registered in the name of other business entities and entrepreneurs. Prima facie, the expression “ MOHUN’S ” appears to be common to trade and in public domain. Thus, no amount of user, if any, can

lead to exclusive appropriation of expression " **MOHUN'S** " as a trade mark in favour of the plaintiff. Rather, the evidence that shall be led by the parties, might show, for numerous business houses, establishments and manufacturers were/are also using the identical word as part of their trade mark or trade name, the word **MOHUN'S** had indeed attained the character of *publici juris*. The expression *publici juris* has been defined, on numerous occasions by the courts, in context of the right of exclusive usage claimed by a registered proprietor. The **Black's Law Dictionary (Tenth Edition)** defines the expression *publici juris*: *Of public right; of importance to or available to the public; words that are in general or common user and that are merely descriptive are publici juris and cannot be appropriated as a trade-mark.*

The Hon'ble Supreme Court in **Skyline Education Institute (India) Private Ltd.** (supra), held:

"18. ... It has not been disputed on behalf of the appellant that the word 'Skyline' is being used as trade name by various companies / organizations / business concerns and also for describing different types of institute/institutions. The voluminous record produced by the respondents before this Court shows that in India as many as 117 companies including computer and software companies and institutions are operating by using word 'Skyline' as part of their name/nomenclature. In United States of America, at least 10 educational/training institutions are operating with different names using 'Skyline' as the first word. In United

**Kingdom also two such institutions are operating. In view of this, it is not possible to agree with the learned counsel for the appellant that the Skyline is not a generic word but is a specific word and his client has right to use that word to the exclusion of others.”**

Similarly, in **Goenka Institute of Education and Research**, the Division Bench concluded:

**“24(iii)... It has been found on record that the following institutions have been operating in different parts of India using the word ‘Goenka’ in their trademark or trade name viz the name of the institution and which are as under:-**

**(a) Goenka College of Commerce, Kolkatta since 1951 (P.388 of appeal)**

**(b) Goenka Vidya Mandir, Pilani, since 1983 (P.397 of appeal), and**

**(c) Goenka Sanskrit Mahavidyalaya, Banaras, since 1957 (P.403/405 of appeal)**

**We, therefore, prima facie find that there is merit in the contention of the appellant that various other institutions have been using the word ‘Goenka’ as part of their trademark and trade name even prior to the use of the word ‘Goenka’ by the respondents as part of their trade mark and, therefore, it cannot be said that ‘Goenka’ has become distinctive or acquired a**

secondary meaning so far as the respondents are concerned. Therefore, neither the appellant nor the respondents can be said to be the first user or prior user for the purposes of becoming exclusive owners of the word 'Goenka' to prevent others from using 'Goenka'. In fact, the number of institutions run by different parties may, after trial, lead to the word 'Goenka' being publici juris. Publici Juris, Para 6(iii) 25."

Therefore, prima facie, plaintiff cannot claim to be the sole and the absolute owner of the mark " MOHUN'S " , and claim monopoly as regards the right of usage of the said mark to the exclusion of all others.

27. This brings me to an equally crucial phase of the matter; Whether the defendant could be enjoined from using his mark " MOHAN'S " , even if it is assumed that plaintiff's trade mark was validly registered, for he had set up a defence in terms of Sections 34 and 35 of the Act, and claimed himself to be a prior and a bona fide user of his trade mark?:

**"34. Saving for Vested Rights. - Nothing in this Act shall entitle the proprietor or a registered user of registered trade mark to interfere with or restrain the use by any person of a trade mark identical with or nearly resembling it in relation to goods or services in relation to which that person or a predecessor in title of his has continuously used that trade mark from a date prior-**

**(a) to the use of the first mentioned trade mark in relation to those goods or services be the proprietor or a predecessor in title of his; or**

**(b) to the date of registration of the first mentioned trade mark in respect of those goods or services in the name of the proprietor or a predecessor in title of his;**

**whichever is the earlier, and the Registrar shall not refuse (on such use being proved) to register the second mentioned trade mark by reason only of the registration of the first mentioned trade mark.”**

A bare reading of the provision suggests that a proprietor or a registered user of a registered trade mark can neither interfere nor injunct any person from usage of an identical or nearly identical trade mark, provided that user is in relation to the goods or services, in relation to which the said mark has continuously been used by that person or his predecessor in title, from a date prior to the date the user of the first mentioned/registered trade mark commenced or the date of registration of a registered trade mark which ever was/is earlier. Ex facie, the provision not only insulates the right of usage of a prior user, but also prohibits the authorities to decline registration of his mark, owing to the pre-existing first mentioned or registered trade mark. In essence, a prior and a continuous user of a trade mark prevails and/or has a precedence over an identical/nearly identical registered trade mark. The position of law is settled that first user rule is a seminal part of the Act.

28. Let us advert to the case set out by the parties in this context. Plaintiff purports to be the prior adopter and user of the mark " MOHUN'S " ; and his pleaded case is:

"3. That the plaintiff is *inter alia* engaged in the business of manufacturing & selling of various kinds of *biscuits, cakes, dry-fruit cakes, pastries, dry-fruit pastries, rusks, buns, breads, patties and bakery products and cereal & edible preparation and/or such other allied/cognate goods for human consumption*' (hereinafter referred to as the 'plaintiff's aforesaid goods') since 1975.

4. That in the year of 1975, the plaintiff-firm adopted a distinctive Trade Mark ' MOHUN'S ' (in label Form) and subsequently, in the year of 1978, the plaintiff-firm adopted Trade Mark ' MOHUN'S ' in another distinctive label, and thenceafter, the plaintiff has been using a Trade Mark ' MOHAN'S ', in respect of the aforesaid goods, honestly, bonafidely and regularly, and has thus made it popular & distinctive among the members of consuming/trading/general public at large.

XXXX

12. That in proof of sales of the aforesaid goods, *bearing the aforesaid Trade Mark " MOHUN'S "* by the plaintiff, to the buyers including especially of 'Indian Railway' during the past years, the photocopies of few invoices

**and/or such other relevant documents are filed herein, duly marked as Annexures P-45 to P-110.**

**13. That in proof of purchase of raw-materials during the past years, photocopies of some readily-available purchase-bills are filed herein, duly marked as Annexures P-111 to P-116.**

**14. That the aforesaid Trade Mark has extensively been advertised/publicized by the plaintiff by means of calendar, hand bills, pamphlets, stickers, labels and/or by such other media, for which, considerable expenses have been incurred during the past years. The photocopies of some readily-available printing-bills are filed herein, duly marked as Annexures P-117 & P-118.”**

Apparently, as a proof of the business transacted by the plaintiff, in relation to the goods for which his trade mark is registered, in all these years, and uninterrupted long usage of his trade mark " **MOHUN'S** " since 1978, he has brought on record copies of the invoices and/or other relevant documents (Annexure P-45 to P-110). However, none of those invoices and/or material bears the registered trade mark of the plaintiff. Not just that, none of the invoices/bills pertain to the goods in relation to which the said trade mark is registered. In fact, all the invoices are in respect of sale of fruit-cakes alone. Likewise, even the raw material which the plaintiff purport to have purchased vide bills (Annexure P-111 to P-116), is only for preparation of fruit cakes. That is how, even the printing bills (Annexures P-117 & P-118) are/were for polythene packaging for fruit-cakes alone.

Further, the registered trade mark " **MOHUN'S** " is claimed to have been extensively advertised by the plaintiff by means of **calendars, hand bills, pamphlets, stickers, labels and/or by such other media**, for which a considerable expenditure was incurred, but significantly no such material is brought on record. One wonders as to how, all what has been brought on record by the plaintiff is only "**Fruit Cake**" specific/related, and there indeed is no material to show that plaintiff either manufactured any of the items for which his trade mark " **MOHUN'S** " was registered, except fruit cakes, and/or any actual usage of the said mark. The answer is not far to seek, for originally plaintiff had secured registration of a device mark



(MOHUN'S FRUIT CAKE), vide registration No.396139, dated 07.10.1982 i.e. date of Trade Mark application, claiming user since 1975. And, the only product/item in relation to which the said mark was registered was Fruit Cake. So if the plaintiff was actually producing or dealing in any other merchandise, other than fruit cakes, and had indeed adopted the impugned mark " **MOHUN'S** " since 1978, there was no occasion for him to have still sought registration, four years later, in 1982 for a mark, which was Fruit Cake specific and registered exclusively in relation to Fruit Cakes.

On being asked, if there was any material, of any conceivable nature, to show that the registered trade mark " **MOHUN'S** " was in actual usage, and/or the plaintiff ever produced/manufactured any of the products, except Fruit Cakes, for which the said mark was registered, learned counsel for the plaintiff fairly stated, that for the present, there was nothing on

record. Thus, prima facie, it appears that although the plaintiff had subsequently, secured registration of a mark " **MOHUN'S** ", for enlarged specification of goods, vide certificate dated 04.02.2011, w.e.f. 10.10.2008, but neither did he produce those items nor used the registered trade mark.

29. It does not end there. For, not only there was no usage or even a single instance of actual user of a mark " **MOHUN'S** " (Registered TM No.1741875, dated 10.10.2008), in relation to which plaintiff has initiated an infringement action, the said mark is not even a registered trade mark. For, registration i.e. Trade Mark No.1741875, dated 10.10.2008, indeed relates to a device mark i.e.

**“ MOHUN'S ”**

Why did the plaintiff alter the original registered trade mark and predicate his suit on the altered mark i.e. " **MOHUN'S** ", is not difficult to discover either. Perhaps, he knew for, despite registration the registered trade mark remained dormant and in disuse, it may not be possible to prove its actual user. And, whereas the altered mark could jell with the material on record, for the word " **MOHUN'S** " was also a part of plaintiff's trade name i.e. **MOHUN'S BAKERY PRODUCTS**. Which is why, to keep in line with his pleaded case, it appears, there was/is a conscious and calculated misrepresentation in paragraph 20 of the plaint even as regards the first registration plaintiff had secured (Registered TM No.396139 dated 07.10.1982):

**“20. That with a view also to acquire the statutory rights  
to the exclusive use of the aforesaid Trade mark**

“ **MOHUN’S** ” , the firm of the plaintiff previously secure the Registration (No.396139 dated 7-10-1982)...”

Whereas, the actual image of the mark that was registered (Registered TM No.396139, dated 07.10.1982), is:



30. And, on the contrary, defendant purports to be trading as M/s **Salty Food Products**, a proprietorship concern with its office at WZ-413/B, Sri Nagar, Rani Bagh, Delhi, and is a manufacturer and merchant of Packaged Bakery Food Products such as rusks, biscuits, cookies, fans, bread, pastry and confectionary namkeens. And, he is using the mark “ **MOHAN’S** ” in respect of variety of packaged snacks, and products in a very distinct packaging i.e. “***MOHAN’S bikaneri namkeen, MOHAN’S bikaneri Raita Boondi, MOHAN’S Bakery Cookies, MOHAN’S Bakery biscuits, MOHAN’S Special Bikaneri Namkeen and different type of MOHAN’S premium Diet Namkeens etc.*** Earlier, he had sought registration of his mark “ **MOHAN’S** ” , vide application No.865401, claiming user w.e.f. 01.01.1999, in Class 30 in respect of all kinds of namkeens. However, the registration authority declined to register the said mark being non-distinctive. But, since then the business of the defendant has grown, and now he is a manufacturer/trader/exporter of **biscuits, namkeens, rusk, sohan papdi, gulab jamun, rasgulla etc.** Further, defendant has also acquired the mark “**MOHAN’S**” under trade mark application No.1774982, in Class

30, vide an assignment deed dated 22.05.2014, wherein the user is claimed

since 17.12.1990. And, as a successor in title and business, defendant has acquired all rights in the said trade mark including the goodwill since 1990. So much so, the assignment request has since been allowed and the said application has accordingly been advertised in the name of the defendant in the Trade Mark Journal.

31. The records show that the defendant had secured registration as a dealer the under Delhi Sales Tax Act, 1975, as also under the Central Sales Tax Act, 1956, vide two separate certificates of an even date i.e. 05.06.1999, to transact business inter-State, as also within Delhi. As indicated above, the defendant had applied for registration of his mark " **MOHAN'S** ", vide application dated 13.07.1999, claiming user since 01.01.1999, which coincides with the time when he was registered as a dealer under the Delhi and Central Sales Tax Acts. Though, there is no clinching or conclusive material, at this stage, to show the actual user of a mark " **MOHAN'S** " since 1999 by the defendant, however, the packaging material that has been brought on record, for the variety of items that are being produced by the defendant, such as **MOHAN'S Bikaneri Namkeen, MOHAN'S Bakery Cookies, MOHAN'S Bakery Biscuits, MOHAN'S Namkeen, MOHAN'S Bread Toast, MOHAN'S Tea Time Puff, MOHAN'S Magic Delight, MOHAN'S Milk Atta Patti, MOHAN'S Munch Bite**, do show that he is manufacturing and marketing his goods under the mark



. In fact, what can be deciphered from one of the packages of Milk Atta Biscuit, brought on record by none other than the plaintiff, at page 149 of the record (Annexure P124), is the month of

manufacturing of the product i.e. **August 2013**. During the course of hearing, learned counsel for the defendant had also produced a copy of a licence No.13313002000239, dated 22.02.2014 (taken on record as **Mark 'X'**), issued by the Government of NCT of Delhi, under the Food Safety and Standards Act, 2006, to the defendant's firm i.e. Salty Food Products, which purports to be mandatory to mercantile in food items. And, as is made out the packaging material being used by the defendant, also bears the said FSSAI licence number. Further, the case set out by the plaintiff himself is that in April, 2014, plaintiff learnt that defendant too was engaged in a similar business, and was using a mark, which was deceptively similar to the registered trade mark of the plaintiff.

The position of law as regards the rights of a prior user under the Trade Marks Act is well expounded and settled. The Hon'ble Supreme Court in **N.R.Dongre & others v. Whirlpool Corporation and others**, **AIR 1995 Delhi 300**, dealt with this principle, and the world wide prior usage was accorded preference and pre-eminence over the registered trade mark in India.

Likewise, in **Milmet Oftho Industries v. Allergan Inc.** **2004(12) SCC 624**, the court held that even though the worldwide prior user had not secured registration of its mark in India, whereas its adversaries had done so, yet the court approved the injunction granted in favour of the prior user.

And, in Century Traders v. Roshan Lal Duggar & Co. and others, AIR 1978 Delhi 250, the Division Bench held:

**“14. Thus, the law is pretty well settled that in order to succeed at this stage the appellant had to establish user of the aforesaid mark prior in point of time than the impugned user by the respondents. The registration of the said mark or similar mark prior in point of time to user by the appellant is irrelevant in an action for passing off and the mere presence of the mark in the register maintained by the trade mark registry did not prove its user by the persons in whose names the mark was registered and was irrelevant for the purposes of deciding the application for interim injunction unless evidence had been led or was available of user of the registered trade marks.”**

Thus, the only and the inevitable conclusion one could reach, at this stage, is that there indeed has been no actual usage of the alleged registered trade mark “ **MOHUN’S** ” as also the mark “ **MOHUN’s** ”, which is registered. And, on the contrary, the defendant is concededly manufacturing and selling his merchandise under his trade mark “ **MOHAN’S** ” , at least since August, 2013.

32. Having said that, there is another facet to Section 34, which is required to be addressed; right of usage of a mark by a prior user is saved not only if his user commenced earlier in time than the registered proprietor

but it also preceded the date of registration of the mark. What needs to be noticed is that plaintiff's trade mark was registered on 04.02.2011, relating back to the date of his application i.e. 10.10.2008. Therefore, the question that arises for consideration is: **Whether registration of a mark by itself from a prior date, in the absence of any proof of its actual usage, shall prevail upon the prior and actual user of a trade mark?** Ex facie, the purport and intent of the provision is to protect a **prior user** of a mark from any interference in his right of usage by the registered proprietor. The first in the market test has always enjoyed pre-eminence. Rather Section 47 of the Act postulates the possibility of registered trade mark being taken off the register, if indeed there was no actual use of the mark for a period of five years and three months from the date of its registration.

The Hon'ble Supreme Court in **Neon Laboratories Ltd.** (supra) dealt with a similar situation; Defendant was in appeal before the Supreme Court against an order of injunction granted by the trial court, and affirmed by the High Court. Conceded case of the parties was that predecessor-in-interest of the plaintiff had initiated user of the trade mark PROFOL in the year 1998 and applied for its registration on 24.05.1998. Whereas, the defendant commenced user of its trade mark ROFOL only from 16.10.2004. Albeit, defendant had applied for registration of its mark on 19.10.1992, which was granted on 14.09.2001, relating back to the date of application i.e. 1992. Quite clearly, plaintiff was the prior user, for, though the defendant had secured registration of his mark as early as in the year 1992, but there was no actual usage of the registered trade mark for twelve long years. In this situation, even though the registration of defendant's mark preceded the actual user of the mark by the plaintiff, but

the court observed that intention of the Section, which is to protect the prior user from the proprietor who is not exercising the user of its mark prima facie appears to be in favour of the plaintiff/respondent:

**“...The legal nodus is whether the prior registration would have the effect of obliterating the significance of the goodwill that had meanwhile been established by the Plaintiff-Respondents. Would a deeming provision i.e. relating registration retrospectively prevail on actuality – competing equities oscillate around prior registration and prior user.**

**7 ... While the case of the Plaintiff-Respondents is furthered by the fact that their user commenced prior to that of the Defendant-Appellant, the entirety of the Section needs to be taken into consideration, in that it gives rights to a subsequent user when its user is prior to the user of the proprietor and prior to the date of registration of the proprietor, whichever is earlier. In the facts of the case at hand, the Defendant- Appellant filed for registration in 1992, six years prior to the commencement of user by the Plaintiff-Respondents. The Defendant-Appellant was, thus, not prevented from restraining the Plaintiff-Respondents’ use of the similar mark PROFOL, but the intention of the Section, which is to protect the prior user from the proprietor who is not exercising the user of its mark prima facie appears to be in favour of the Plaintiff- Respondents.**

8       Section 47 of the Act is in the same vein and statutory strain inasmuch as it postulates the possibility of a registered mark being taken off the register on an application being made by any aggrieved person, inter alia, on the ground that for a continuous period of five years and three months from the date on which the trademark was registered, there was no bona fide use thereof. In the case in hand, prima facie, it appears that for over five years after a registration application was made by the Defendant-Appellant, the mark was not used.

9       ... The question to examine, then, would be whether prior user would have to be anterior to the date of application or prior to the user by the Defendant-Appellant. In other words, the question before the Court would remain whether the situation on the date of application for registration alone would be relevant, or whether the developments in the period between this date and the date of grant of registration would have any bearing on the rights of the parties. All these considerations will be cast into a curial cauldron to be appreciated by the Court before which the suit is being contested. In these premises, we cannot conclude that a prima facie case has not been disclosed by the Plaintiff-Respondents.”

Thus, prima facie prior user would prevail and have precedence over mere registration of a mark, which appears to have just existed on the trade mark register and remained dormant.

33. Likewise, provisions of Section 35 of the Act, which are being set out hereafter, postulate that nothing in the Act shall entitle the proprietor or a registered user of a registered trade mark to interfere with the bona fide usage by a person of his own name:

**“35. Saving for use of name, address or description of goods or services. – Nothing in this Act shall entitle the proprietor or a registered user of a registered trade mark to interfere with any bona fide use by a person of his own name or that of his place of business, or of the name, or of the name of the place of business, of any of his predecessors in business, or the use by any person of any bona fide description of the character or quality of his goods or services.”**

Material on record shows that the defendant had set up his business as back as in the year 1999. Significantly, the defendant has drawn adopted, and applied for his brand/mark “ **MOHAN’S** ” from his name i.e. MAN MOHAN SHARMA. Thus, the expression “ **MOHAN’S** ” is an integral and prominent part of the name of the defendant. Further, defendant is operating his business from Delhi, whereas the plaintiff is based in Amritsar. Nothing is brought on record to indicate that as a result of consistent, vigorous and extensive commercial usage of the trade mark “ **MOHAN’S** ”, plaintiff had acquired such an enviable goodwill and

prominence across the States, that adoption of the mark " **MOHAN'S** " by the defendant was purely to encash upon plaintiff's reputation and divert his business. The argument advanced by learned counsel for the plaintiff that the defendant is not a bona fide user of a trade mark " **MOHAN'S** " , for he did not carry out any inspection or search of the trade mark register to ascertain whether the said mark was/is indeed the property of another, and the reliance placed in this regard upon the decisions of the Bombay High Court in **Aristo Pharmaceuticals Pvt. Ltd.** (supra) and **M/s Himalaya Drug Co. v. Gufic Ltd., and another**, 2004 AIR (Bombay) 278, also lacks conviction. For, Section 35 rather prohibits the registered proprietor of a trade mark to cause any interference with the use by a person of his own name provided its adoption and usage is bona fide. The decision in **Aristo Pharmaceuticals Pvt. Ltd.** (supra) does not advance the case of the plaintiff, for the court while determining the plea of delay and acquiescence set up by the defendant, observed that although defendant claimed to have been marketing its products since 2009, but nothing was produced in evidence to show that the defendant ever advertised his products under the said trade mark. Even otherwise, the case of the plaintiff was that the sale figures of respondent No.2 was so minuscule, which could have hardly been noticed by the plaintiff. In the given situation, it was observed that where a party uses a registered trade mark without even bothering to take search in the register, such use is at the defendant's own risk, and it is not open to the defendant to raise a question of delay. Such is not the case in the matter in hand. Likewise, in **M/s Himalaya Drug Co.** (supra) adoption and/or usage of the trade mark "Shallaki", by the defendant, was not found to be bona fide on merits. In fact, paragraph 8 of the said decision reveals that although a

defence, in terms of Section 35 of the Act, was set up by the defendant, but the said plea was not pressed. It was in these circumstances, the court had observed that least the defendant could have done was to verify the trade mark register before choosing the name “Shallaki”, for “Shallaki” had been registered in the name of the plaintiff for over twenty years.

Rather, in Goenka Institute of Education and Research (supra), the Court pronounced upon the doctrine of honest concurrent user and concluded:

**“13. Taking up the aspect of honesty in adoption we are clearly of the view that the adoption by the appellant by the word ‘Goenka’ in the name of its institution is honest. This is because the Trust Deed is of 1990, well before the ‘G.D. Goenka Public School’ was started in 1994 and that the name of the trustees of the trust have their surnames ‘Goenka’. The institution ‘Mohini Devi Goenka Mahila Mahavidyalaya’ was started in 1995, in the District of Sikar in Rajasthan (well away from Delhi) just one year after the respondents started ‘G.D. Goenka Public School’. In one year it is not possible that ‘G.D. Goenka Public School’ became so famous that its name and fame spread well beyond Delhi into Sikar District of Rajasthan, that it can be said that appellant would have liked to copy the same to pass off its institute as that of the respondents. Nothing so categorical and clinching has been placed on record by the respondents to this effect. Also as stated above the appellant**

had a valid reason to us ‘Goenka’ in their institution in 1995 as the trustees were Goenkas themselves. So far as use of ‘Goenka’ in the name ‘Goenka Public School’ in the year 2000 is concerned the arguments as stated in favour of the appellant as stated above will hold good and additionally also that the respondents had till 2000 admittedly called their school ‘G.D. Goenka Public School’ and had never used ‘Goenka’ in itself/per se. Therefore, we have no reason to hold that adoption of ‘Goenka’ per se by the appellant in the year 2000 was in any manner mala fide.”

Thus, prima facie, conception, adoption, and usage of the trade mark “ MOHUN’S ” by the defendant appears to be innocuous, honest and bona fide.

34. There is yet another aspect which would have a decisive bearing on the matter. As indicated earlier, the plaintiff had secured registration (Registered TM No.1741875) of a device mark:

**“ MOHUN’S ”**

And, the mark which purport to have been infringed, and in relation to which the injunction is being claimed, is a word mark: “ MOHUN’S ” , and is thus only a fragment of the registered trade mark. In this context, the provisions that have an immediate relevance are Sections 15 and 17 of the Act:

**“15. Registration of parts of trade marks and of trade marks as a series. –(1) Where the proprietor of a trade**

**mark claims to be entitled to the exclusive use of any part thereof separately, he may apply to register the whole and the part as separate trade marks.**

**(2) Each such separate trade mark shall satisfy all the conditions applying to and have all the incidents of, an independent trade mark.**

**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.”**

35. Explicitly, section 15 postulates that if a proprietor of a trade mark claims a right of exclusive usage of any part thereof separately, he

shall apply to register not only the whole, but even the part as separate trade mark. So much so, each of such separate trade mark shall have to satisfy all the conditions applying, and have all the incidents of an independent trade mark. And, in terms of Section 17, if a trade mark consists of several matters its registration shall vest in its proprietor a right of exclusive usage of the trade mark **as a whole**. But, in case the trade mark contains only a part of the registered trade mark, which is not the subject matter of separate application by the proprietor or is not separately registered, as envisaged under Section 15 of the Act, no exclusivity in terms of its usage can be claimed. Notwithstanding, the registration of the trade mark as a whole.

Faced with this, learned counsel for the plaintiff refers to the provisions of Section 55 of the Act, which postulates, that if an actual usage of a trade mark is required to be proved under the Act, the tribunal may, if and, so far as it shall think right, accept use of a registered associated trade mark, or of the trade mark with additions or alterations but not substantially affecting its identity, as an equivalent for the use required to be proved. It appears that what is sought to be urged is that even if there was no actual usage of the registered trade mark “ **MOHUN’S** ”, user of a mark “ **MOHUN’S** ”, which is substantially the same, be taken as an equivalent user. But, that too would not advance the case of the plaintiff. Concededly, the registration of the associated trade mark No.396139, dated 07.10.1982, lapsed on account of non-payment of the renewal fee, and, prima facie, plaintiff has even failed to show the actual usage of the altered mark i.e. “ **MOHUN’S** ”.

Concededly, " **MOHUN'S** " is only a part of the registered trade mark, and is not separately registered, so, *prima facie*, plaintiff cannot claim monopoly as regards user thereof.

36. Another crucial aspect which, by itself, vitiates the order that has been impugned is: apparently the trial court failed to determine as to where does the balance of convenience lie.

In Wander Ltd. And another v. Antox India P. Ltd., 1990 (supra) SCC 727, the Hon'ble Supreme Court observed that the object of interlocutory injunction was/is to protect the plaintiff against injury by violation of his rights for which he could not adequately be compensated in damages. However, the need for such protection **must** be weighed against the corresponding need of the defendant to be protected against injury resulting from his having been prevented from exercising his own legal rights for which he could not be adequately compensated. Thus, the court must weigh one need against another and determine where does the balance of convenience lie. Further, the factor that, indeed, be of an immense relevance is; whether defendant is yet to commission his business or he has a running business establishment. And, in the latter case, the considerations would be somewhat different than those that apply when the defendant is yet to commence his venture/enterprise:

**"9. ...The interlocutory remedy is intended to preserve in status quo, the rights of parties which may appear on a *prima facie* case. The court also, in restraining a defendant from exercising what he considers his legal right but what the plaintiff would like to be prevented, puts into the scales,**

**as a relevant consideration whether the defendant has yet to commence his enterprise or whether he has already been doing so in which latter case considerations somewhat different from those that apply to a case where the defendant is yet to commence his enterprise, are attracted.”**

What has clearly been overlooked by the trial court is that, prima facie, there was no usage or even single instance of actual user of a mark “ **MOHUN’S** ”, in relation to which plaintiff has initiated an infringement action. Likewise, even the trade mark which indeed is registered (TM No.1741875, dated 10.10.2008), remained dormant despite registration.

Whereas, the defendant was/is running an established business. He purports to have drawn, adopted and applied for his brand/mark “ **MOHAN’S** ” from his name i.e. **Man Mohan Sharma**. He had secured registration as a dealer under Delhi Sales Tax Act, 1975, as also under the Central Sales Tax Act, 1956, as back as on 05.06.1999. A copy of the licence, dated 22.02.2014, issued by the Government of NCT Delhi, under the Food Safety and Standards Act, 2006, has also been placed on record. The packaging material, for variety of items that are being produced by the defendant such as **MOHAN’S Bikaneri Namkeen, MOHAN’S Bakery Cookies, MOHAN’S Bakery Biscuits, MOHAN’S Namkeen, MOHAN’S Bread Toast, MOHAN’S Tea Time Puff, MOHAN’S Magic Delight, MOHAN’S Milk Atta Patti, MOHAN’S Munch Bite**, brought on record show that he is manufacturing and marketing his goods under the mark



. Concededly, since August 2013. Further, defendant is operating his business from Delhi, whereas the plaintiff is based in Amritsar.

Now that is what, in the given situation, the court failed to weigh; whether the plaintiff needed to be protected by way of injunction or defendant was required to be insulated against an injury that would result if the injunction prayed for is granted. And also that defendant was running an established business. Thus, quite clearly the balance of convenience lay in favour of the defendant.

37. Before I conclude I may record that I have been conscious of the principles laid down by the Hon'ble Supreme Court in Wander Ltd. (supra) as regards the scope of interference in appeal against the exercise of discretion by the subordinate court:

**“14 ...Appellate court will not reassess the material and seek to reach a conclusion different from the one reached by the court below if the one reached by that court was reasonably possible on the material. The appellate court would normally not be justified in the interfering with the exercise of discretion under appeal solely on the ground that if it had considered the matter at the trial stage it would have come to a contrary conclusion.”**

Ex facie, all what is considered, and has weighed with the trial court is that plaintiff happened to be the proprietor of a registered trade

mark, and there was a deceptive similarity between the two marks i.e. " **MOHUN'S** " and " **MOHAN'S** " , for they were phonetically, structurally, and visually similar. Further, it could not be said that registration of the plaintiff's mark was invalid, and rather the documents on record proved its actual usage since 1978.

However, the trial court failed to determine the invalidity plea, as also the defence set out by the defendant in terms of Sections 34 & 35 of the Act, for he claimed to be a prior and bona fide user of his mark. Finding rendered by the court *that registration of plaintiff's mark could not be said to be invalid, and evidence on record proved its actual user since 1978*, is palpably erroneous and against record. The trial court despite having noticed that trade marks containing identical expression were already registered in the name of many business enterprises or entrepreneurs, much before the purported adoption and usage of the mark by the plaintiff, yet failed to examine if the plaintiff could still seek a right of exclusive usage of a mark to the exclusion of all others. Further that plaintiff had initiated an infringement action in relation to a mark " **MOHUN'S** " , which is only a fragment or a part of the registered trade mark.

Thus, I feel impelled to interfere with the discretion exercised by the trial court.

38. In conspectus of the above, the impugned order dated 02.08.2016, is set aside. For,

(1) Registration of plaintiff's trade mark (TM No.1741875, dated 10.10.2008) is prima facie invalid:

(a) MOHUN is a common and/or a household name, and, per se, is inherently incapable of attaining any distinctive character.

Nothing is brought on record, at least at this stage, which indeed formed basis of the satisfaction of the authorities that the plaintiff's trade mark, owing to its consistent, extensive, and long commercial usage, had acquired a secondary significance. Thus, prima facie, there was no question for the mark/expression " **MOHUN'S** ", having lost its primary meaning; and

(b) Concededly, the mark of the plaintiff was ordered to be advertised, but subject to certain restrictions; (a) association of the impugned trade mark application with the other registered trade mark No.396139, (b) furnishing NOC by the other partners, for the registered trade mark No.396139 was obtained by a partnership firm. But, the plaintiff continues to be in default to date, for those conditions were never complied with. And, yet the Trade Marks Registry not only advertised, but even registered the mark;

(2) Plaintiff is not a prior user/adopter of the mark " **MOHUN'S** ", for before plaintiff purports to have adopted the impugned mark, many trade marks containing the identical expression or character were pre-existing, and registered in the name of other business entities and entrepreneurs. Prima facie, the expression " **MOHUN'S** " appears to be common to trade and in public domain. Thus, no amount of user, if any, can lead to exclusive appropriation of expression " **MOHUN'S** " as a trade mark in favour of the plaintiff;

(3) Plaintiff had secured registration (Registered TM No.1741875) of a device mark:

**“ MOHUN’S ”**

And, the mark which purport to have been infringed, and in relation to which the injunction is being claimed, is a word mark: “ **MOHUN’S** ” , and is thus only a fragment of the registered trade mark, which is not separately registered. So, *prima facie*, in terms of Section 17, plaintiff cannot claim a right of exclusive usage vis-à-vis a part of the registered trade mark;

(4) Prima facie, there has been no actual usage of the alleged registered trade mark “ **MOHUN’S** ” as also the mark “ **MOHUN’S** ”, which despite registration remained dormant and in disuse;

(5) On the contrary, the defendant is concededly manufacturing and selling his merchandise under his trade mark “ **MOHAN’S** ” , concededly since August, 2013;

(6) The defendant has drawn, adopted, and applied for his brand/mark “ **MOHAN’S** ” from his name i.e. **MAN MOHAN SHARMA**. The expression “ **MOHAN’S** ” is an integral and prominent part of the name of the defendant. Thus, prima facie, conception, adoption, and usage of the trade mark “ **MOHAN’S** ” by the defendant appears to be innocuous, honest and bona fide. So, even if, the registration of a trade mark of the plaintiff is assumed to be valid, no interference could be caused in the usage of the defendant of his own name;

(7) As demonstrated in paragraph 36, the balance of convenience clearly lay in favour of the defendant; and

(8) The infringement suit has been instituted in relation to a mark which is not separately registered, thus, prima facie, there was no occasion for infringement of a registered trade mark.

Accordingly, the appeal is allowed in the above terms.

Defendant shall, however, maintain true accounts of his income and expenditure, and shall furnish a statement in this regard with the trial court after every three months. And, an undertaking to bear the damages/costs, if any, that may be granted in the suit, in case the plaintiff succeeds shall also be submitted.

December 22 , 2016  
Rajan

**( Arun Palli )**  
**Judge**

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| <b>Reportable</b> |
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