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IN THE HIGH COURT OF DELHI AT NEW DELHI

Date of Decision: August 24, 2016

+ FAO 406/2016

M/S R G OSWAL HOSIERY INDUSTRIES & ANRAppellants

Through: Mr. S.K. Bansal, Mr. Ajay
Amitabh Suman, Mr. Virendra
Sinha and Mr. Rahul Sharma,
Advocates

versus

DINDAYAL GUPTA & ANR

.....Respondents

Through: Nemo

CORAM:

HON'BLE MR. JUSTICE SUNIL GAUR

JUDGMENT

(ORAL)

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C.M.No.30558/2016 (Exemption)

Allowed subject to all just exceptions.

C.M.No.30559/2016 (Delay)

There is one day's delay in filing the accompanying appeal.

For the reasons stated in the application, it is allowed and the delay of one day is condoned.

The application stands disposed of.

FAO 406/2016 & C.Ms.30556/2016 (Stay), 30557/2016

Impugned order of 2nd May, 2016 declines appellant's application for interim relief in a case of '*passing off*' by observing that the trademark of appellant-plaintiff was removed by Intellectual Property Appellate Board (IPAB) in December, 2009 and that the continuous user is not established. It is also observed in the impugned order that the sales of respondent-defendant are higher and there is delay of six years as despite legal notice served upon appellant in the year 1994, no steps were taken by the appellant to protect its trademark. It is also noted in the impugned order that in the instant suit, which is pending for the last 16 years, there is no interim relief in favour of appellant and that appellant-plaintiff has failed to establish the reputation and the goodwill of its trademark '*Dollar*' in the market in hosiery goods.

The challenge to the impugned order in this appeal by learned counsel for appellant is on the ground that trademark of appellant-plaintiff was removed by the IPAB because the renewal application was filed by the licensee as appellant No.1 had given licence to appellant No.2 in the year 1989 and since then, appellant No.2 is using the trademark '*Dollar*' and has established the reputation and that the adoption of the trademark '*Dollar*' by the respondent-defendant is dishonest. Reliance is placed upon a Single Bench decision of this Court in *Ansul Industries v. Shiva Tobacco Company* 2007 (34) PTC 392 (Del.) to submit that prior user of the trademark is entitled to injunction as dishonest adoption of the trademark by the defendant is unacceptable. Reliance is also placed upon another Single Bench decision of Calcutta High Court in *Hybo Hindusthan and Anr. v. Sethia Hosiery Mills* 2002

(24) PTC 65 (Cal) to submit that defendant was using the trademark of the plaintiff with the knowledge that he is violating plaintiff's right and so, the delay should not defeat the prayer for injunction. Thus, it is submitted on behalf of appellants that the impugned order deserves to be set aside and appellants' application for interim relief ought to be allowed.

Upon hearing and on perusal of the impugned order, the material on record and the decisions cited, I find that to establish prior user, learned counsel for appellants-plaintiffs have not shown any material to evaluate market pre-dominance and sales prior to the year 1989. Pertinently, there are only few bills from the year 1967-72 in respect of trademark 'Dollor'. Whereas, on the other hand, respondents-defendants have placed on record their bills/invoices from the year 1975 till the date of filing of the suit as well as copy of the advertisements and labels from late 1970s upto 1987-88 and as per the sale figures of respondents-defendants for the year 1990-2000, the sale of their product under the trademark 'Dollar' was to the tune of about ₹20 crores, which shows its heavy presence and recognition in the market in Kolkata and its vicinity.

Appellants are stationed in Delhi and the sale figures of respondents-defendants is much ahead than that of appellants. There is nothing on record to *prima facie* show that appellants are the prior user of the trademark in question. Reliance placed upon *Ansul Industries (supra)* is of no avail to appellants as it cannot be *prima facie* said that there is dishonest adoption of the trademark by the respondents-defendants or that appellants are the prior user of the trademark in question. Similarly, the decision in *Hybo Hindusthan (supra)* is of no avail to the appellants as

use of the trademark in question by the respondents cannot *prima facie* said to be unauthorized. Even the reputation and goodwill of appellants' trademark is not *prima facie* established.

It was not explained during the course of hearing as to why appellants had kept silent from the year 1994 till the year 2000 when 'notice to cease and desist' was issued to them. Undisputedly, appellants' suit is pending trial for the last 16 years with no interim relief and rightly so, as *prima facie* case to obtain interim relief is not made out.

Finding no infirmity in the impugned order, this appeal and the applications are dismissed while making it clear that any observation shall have no bearing on merits at trial.

This appeal and the applications are accordingly disposed of.

(SUNIL GAUR)
JUDGE

AUGUST 22, 2016

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