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

+ **CS(COMM) 57/2016**

MAHASHIAN DI HATTI PVT LTD Plaintiff

Through: Mr. Manish Singhal, Adv.

versus

VIBRANT GLOBAL SALT PVT LTD & ANR Defendants

Through: Mr. P.C. Arya, Adv. for D-1.
Ms. Ankur Berry. Proxy for Mr.
Pramod Kumar, Adv.

CORAM:

HON'BLE MR. JUSTICE R.K.GAUBA

ORDER

% **06.02.2017**

This civil suit raising a commercial dispute was instituted, in January, 2016 by Mahashian Di Hatti Pvt. Ltd. ("the plaintiff") impleading two parties as defendants, they being Vibrant Global Salt Pvt. Ltd. (defendant No.1) and Akhilesh Mathur (defendant No.2) alleging infringement by the said defendants, by various acts of commission or omission on their part, of its trademark "MDH" it having been coined from its trade name or trading style "*Mahashian Di Hatti*", having been registered as a trademark (in Class 30) in the context of various goods, against various trademark registrations as under:-

TRADE MARK	Number	Class	Date	Goods	STATUS
MDH Chat Masala (Label)	364154	30	23-Jul-80	Chat Masala (Spices)	Registered
MDH Khushbudar Masala (Label)	537400	30	21-Sep-90	Spices & Condiments	Registered
MDH Kasoori Methi (Label)	537401	30	21-Sep-90	Spices & Condiments	Registered
MDH PEACOCK Kasoori Methi (Label)	537405	30	21-Sep-90	Spices & Condiments	Registered

<i>TRADE MARK</i>	<i>Number</i>	<i>Class</i>	<i>Date</i>	<i>Goods</i>	<i>STATUS</i>
<i>MDH DEGCHI Device (Label)</i>	<i>551938</i>	<i>30</i>	<i>31-May-91</i>	<i>Spices (Food) & Condiments</i>	<i>Registered</i>
<i>MDH (LABEL)</i>	<i>551939</i>	<i>30</i>	<i>31-May-91</i>	<i>Spices (Food) & Condiments</i>	<i>Registered</i>
<i>MDH JEERASIP (Label)</i>	<i>568901</i>	<i>30</i>	<i>06-Mar-92</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH CHUNKY Chat Masala (Label)</i>	<i>594282</i>	<i>30</i>	<i>08-Apr-93</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Meat Ka Masala (Label)</i>	<i>773465</i>	<i>30</i>	<i>19-May-97</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Chicken Masala (Label)</i>	<i>812919</i>	<i>30</i>	<i>03-Aug-98</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH CHUNKY Chat Masala (Label)</i>	<i>812920</i>	<i>30</i>	<i>03-Aug-98</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Meat Ka Masala (Label)</i>	<i>812921</i>	<i>30</i>	<i>03-Aug-98</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH KITCHEN KING (Label)</i>	<i>812922</i>	<i>30</i>	<i>03-Aug-98</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Kasoori Methi (Label)</i>	<i>840448</i>	<i>30</i>	<i>09-Feb-99</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Rajma Masala (Label)</i>	<i>1012634</i>	<i>30</i>	<i>29-May-01</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Pani Puri Masala (Label)</i>	<i>1269587</i>	<i>30</i>	<i>01-Mar-04</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH CHUNKY Chat Masala [Label]</i>	<i>1281945</i>	<i>30</i>	<i>05-May-04</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Chana Masala [Label]</i>	<i>1281946</i>	<i>30</i>	<i>05-May-04</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Pav Bhaji Masala [Label]</i>	<i>1281947</i>	<i>30</i>	<i>05-May-04</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Jal Jeera [Label]</i>	<i>1281948</i>	<i>30</i>	<i>05-May-04</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Rajma Masala [Label]</i>	<i>1300826</i>	<i>30</i>	<i>06-Aug-04</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Meat Ka Masala [Label]</i>	<i>1300841</i>	<i>30</i>	<i>06-Aug-04</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Garam Masala [Label]</i>	<i>1300842</i>	<i>30</i>	<i>06-Aug-04</i>	<i>Spices & Condiments</i>	<i>Registered</i>
<i>MDH Kitchen King [Label]</i>	<i>1300843</i>	<i>30</i>	<i>06-Aug-04</i>	<i>Spices &</i>	<i>Registered</i>

TRADE MARK	Number	Class	Date	Goods	STATUS
				Condiments	
MDH Chicken Masala [Label]	1300844	30	06-Aug-04	Spices & Condiments	Registered
MDH (Label)	1333053	30	19-Jan-05	Spices & Condiments	Registered
MDH Shahi Paneer Masala [Label]	1335524	30	05-Feb-05	Spices & Condiments	Registered
MDH Dal Makhani Masala [Label]	1335525	30	05-Feb-05	Spices & Condiments	Registered
MDH R-PURE Bombay Biryani Masala [Label]	1435434	30	20-Mar-06	Spices & Condiments	Registered
MDH R-pure Karahi Chicken Masala [Label]	1435436	30	20-Mar-06	Spices & Condiments	Registered
MDH R-PURE Arhar Dal [Label]	1435437	30	20-Mar-06	Spices & Condiments	Registered
MDH R-PURE [Label]	1581100	30	20-Jul-07	Spices & Condiments	Registered
MDH (LABEL)	1568869	30	15-Jun-07	Spices & Condiments	Registered
MDH (LABEL)	1568870	30	15-Jun-07	Spices & Condiments	Registered
MDH Lal Mirch Powder [Label]	1827981	30	11-Jun-09	Spices & Condiments	Registered
MDH Haldi Powder [Label]	1827982	30	11-Jun-09	Spices & Condiments	Registered
MDH DEGGI Mirch [Label]	1827983	30	11-Jun-09	Spices & Condiments	Advertised
MDH Black Pepper Powder [Label]	1827984	30	11-Jun-09	Spices & Condiments	Registered
MDH Dhania Powder [Label]	1827985	30	11-Jun-09	Spices & Condiments	Registered
MDH Kashmiri Mirch [Label]	1827986	30	11-Jun-09	Spices & Condiments	Registered

The plaintiff prayed for the following reliefs against the defendants:-

“1) Pass a decree for permanent injunction restraining the defendants by themselves, their respective proprietors/partners/owners, representatives, successors, assign-in-business, dealers, distributors, agents, stockists and all other persons acting for and on their behalf from using the infringing trademark “MDH” and/or any other similar/deceptively similar trademark

thereto in respect of 'salt' & similar/allied & cognate goods which may constitute infringement of the registered and well-known trademark "MDH" of the plaintiff under the Trademarks Act;

II) Pass a decree for permanent injunction restraining the defendants by themselves, their respective proprietors/partners/owners, representatives, successors, assign-in-business, dealers, distributors, agents, stockists and all other persons acting for and on their behalf from using the trademark "MDH" and/or any other similar/deceptively similar trademark thereto in respect of 'salt' & similar/allied & cognate goods which may constitute infringement of common law rights and proprietary rights of the plaintiff with respect to its prior used, well-known, established & reputed trade mark "MDH";

III) Pass a decree for permanent injunction restraining the defendants by themselves, their respective proprietors/partners/owners, representatives, successors, assign-in-business, dealers, distributors, agents, stockists and all other persons acting for and on their behalf from passing off their goods as the goods of the plaintiff;

IV) Pass a decree for destruction and/or delivery-up of all the blocks, dies, packing box/cartons/wrappers, packing material, bills, advertisement material, stationery and other incriminating material of the defendants bearing the infringing trade mark "MDH";

V) Pass a decree for the sum of Rs. 1,00,01,000/- [Rs. One crore one thousand only] in favour of the plaintiff and against the defendants as damages;

VI) An order for cost of the proceedings be also passed in favour of the plaintiff and against the defendants;

VII) Any other relief(s) as this Hon'ble Court may deem fit and proper under the facts and circumstances of the case be also passed in favour of the plaintiff and against the defendants".

Upon being served, both the defendants entered into negotiations for amicable resolution of the dispute and the prayer for an adjournment on that ground was granted on 25.5.2016. The said negotiations resulted in a settlement being arrived at and the parties joined together in moving the joint application it being IA No. 12804/2016 under Order 23 Rule 3 CPC.

The said application (IA No. 12804/2016) came up before the Court on 18.10.2016 when the second defendant, then represented by Mr. Tuhin Batra, Advocate submitted that the consent to the compromise set out in the said application may be treated as withdrawn and the application may not be considered as an application filed on its behalf. Subsequently, however, when the proceedings were taken up again before the Joint Registrar on 19.1.2017, the second defendant now represented by another advocate Mr. Pramod Kr. Singh, Advocate, with second defendant present in person, submitted that the terms of settlement as incorporated in the application had not been earlier properly explained which is what impelled him to make submissions to above effect on 18.10.2016. The second defendant further submitted before the Joint Registrar on 19.1.2017, that he had since understood the terms of settlement from his advocate and wanted to abide by the same. The Joint Registrar recorded a formal statement of the second defendant to such effect on 19.1.2017. The said statement confirming the readiness and willingness of the second defendant to abide by the settlement has been reiterated by him in a fresh affidavit sworn on 20.1.2017 which was filed on record pursuant to the liberty taken from the Joint Registrar for such purposes on 19.1.2017.

The application under Order 23 Rule 3 CPC has been considered against the backdrop of the above noted facts. As per the application, the parties including the plaintiff on one hand and each of the two defendants on the other, have arrived at a compromise on the following terms and conditions:-

“1. That the defendants unconditionally and irrevocably acknowledges and admits the sole and exclusive proprietary rights of the plaintiff over the trade mark “MDH” in respect of all goods

and services as well as over the registered/unregistered trademarks as mentioned in Para 10 of the plaint and the defendants undertake not to challenge the use and /or registration of the same by the plaintiff in any manner whatsoever at any point of time either directly or indirectly. The defendants also undertake that it shall not file any objection /opposition to the use and registration of the trademark/label “MDH” in respect of any goods and services at any point of time either directly or indirectly.

2. That the defendants also acknowledge the fact that the said trade mark “MDH” of the plaintiff is a well-known mark under section 11(6) of the Trademarks Act and the defendants undertake not to challenge the said factum at any point of time either directly or indirectly.

3. That the defendants undertakes not to use the trade mark “MDH” and/or any other trade mark having the word ‘MDH’ either with any prefix or suffix therein and/or any other similar/deceptively similar trade mark thereto-either as a trade mark or as part of the trade name/trading style or in any infringing manner in respect of any goods and services in future.

4. That the defendants have undertaken that they have no stocks of any finished goods, packing wrappers / boxes / labels / pouches / advertisement material/ pamphlets/brochures and other incriminating/infringing material bearing the infringing trade mark “MDH” and the defendants have provided an authenticated copy of the stock register regarding the same.

5. That the defendants hereby undertakes that they shall withdraw and cause to withdraw the following applications for registration of the trademark “MDH” and/or other similar/deceptively similar trademarks thereto filed under the Trademarks Act by them and/or their sister / associate concerns in which defendants have business interest, which are being detailed as under:

Trademark	Application number	Class	Status
SATGURU MDH SALT	2795406	30	Pending
SATGURU MDH IODIZED SALT	2801078	30	Pending
MDH SALT	2801192	30	Pending
MATHR DI HATTI MDH	2851820	30	Pending
MDH NAMAK	2956615	30	Pending

MDH SALT (Label)	2959338	30	Pending
MBH	3002424	30	Pending
MBH	3035392	30	Pending
MVH	3035393	30	Pending

The defendants undertake to provide a duly authenticated copy of such withdrawal letters as well as receipt of filing such withdrawal letters issued by the appropriate office of the Trademarks Registry to the plaintiff within a period of fifteen days from execution of the present agreement. The defendants further undertake that they have not filed any other application for registration of the trade mark "MDH" and/or any other similar/deceptively similar trademark thereto in respect of any goods and services under the Trademarks Act and/or any application for registration of art-work/label "MDH" or any similar art-work/label under the Copyright Act. The defendants further undertake that they shall not file any application for registration of trade mark "MDH" and/or any other similar /deceptively similar trade mark thereto in respect of any goods and services in future either directly or indirectly.

6. *That the Defendants further unconditionally and irrevocably agrees, admits and undertake that in case any of the said Defendants is found to be in breach of the aforesaid undertakings and agreement at any future date, it shall be liable to pay forthwith a sum of Rs. 10,00,000/- (Rupees Ten lakhs only) as liquidated damages to the Plaintiff without the Plaintiff being forced to take recourse to legal action to recover the same. The Plaintiff shall also have the right to initiate civil/criminal proceeding against the Defendants including, but not limited to, seeking execution of the Decree passed in the present suit, contempt of court, etc. The Plaintiff will further be fully entitled to recover all costs and expenses incurred by them against the defendants in this regard.*

7. *That the term 'defendants' for the purpose of present application shall mean and include the defendants, their successors, assigns-in-business, representatives and any other legal entity in which any of the defendants is a partner/director or has business interest and the present undertakings shall be binding henceforth on the respective Defendants, their representatives, successors and assigns in business or any other person/concern acting under or through them directly or indirectly.*

8. *The present undertaking on behalf of the defendant no. 1 has been signed and executed by Ajay Kumar Garg-director & Constituted Attorney of the defendant no. 1 who has been duly authorized by virtue of the resolution of the Board of Directors dated 16/08/2016 to sign & execute the present application & the said resolution is marked as Annexure-A' to this application. The present undertaking on behalf of the defendant no. 1 has been signed and executed by Sh. Akhilesh Mathur-defendant no. 2 in person. The compromise application on behalf of plaintiff has been signed*

by Sh. Sanjeev Kumar Bhardwaj-who is the constituted attorney of the plaintiff in the present matter.

9. That the defendants have also agreed to submit to an order & decree in terms of Paragraph 32(I), (II), (III) & (IV) as mentioned in Prayer clause of the plaint.

10. That in view of the above admissions & undertakings given by the defendants, the plaintiff gives up its reliefs mentioned in Prayer clause vide Para 32(V), (VI) & (VII) of the plaint against the defendants.

11. That the parties have also agreed to bear their own costs in the proceedings”.

In view of the admissions made by the defendants in the compromise application, there is a prayer made to the effect that prayer clauses para 32 (V), (VI) and (VII) of the plaint may be treated as given up. The learned counsel for the plaintiff at the hearing submitted that having regard to the assurances held out in para 4 of the application to the effect that the defendants do not hold any stocks of infringing goods, packing material etc., the plaintiff also gives up prayer clause 32 (IV) in the plaint and presses only for reliefs in the nature of permanent injunction in terms of prayer clauses para (I), (II) and (III).

Having heard both sides and having gone through the affidavits which have been filed on behalf of the parties, in view of the admissions made by the defendants acknowledging the rights of the plaintiff in terms of the registered trademark, the prayer in the application made voluntarily to the satisfaction of the Court, without any undue influence or coercion, is granted.

The suit is, therefore, decreed in favour of the plaintiff and against the defendants to the following effect that permanent injunction is granted restraining the defendants, their respective proprietors/partners/owners, representatives, successors, assign-in-business, dealers, distributors, agents, stockists and all other persons acting for and on their behalf from:-

(i) using the infringing trademark “MDH” and/or any other

similar/deceptively similar trademark thereto in respect of 'salt' & similar/allied & cognate goods which may constitute infringement of the registered and well-known trademark "MDH" of the plaintiff under the Trademarks Act;

- (ii) using the trademark "MDH" and/or any other similar/deceptively similar trademark thereto in respect of 'salt' & similar/allied & cognate goods which may constitute infringement of common law rights and proprietary rights of the plaintiff with respect to its prior user, well-known, established & reputed trade mark "MDH";*
- (iii) passing off their goods as the goods of the plaintiff*

All parties shall remain bound by their respective undertakings in the application. They are left to bear their own respective costs.

Decree sheet shall be drawn up accordingly.

R.K.GAUBA, J

FEBRUARY 06, 2017

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