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O.S.A.(CAD).Nos.122 and 123 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Judgment reserved on : 12.02.2024

Judgment pronounced on : **23.02.2024**

CORAM :

**THE HON'BLE MR.SANJAY V.GANGAPURWALA ,
CHIEF JUSTICE**

AND

THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

O.S.A (CAD).Nos.122 and 123 of 2023

M/s.Maruti Ispat & Energy Private Limited,
5-4-83 Rama Towers,
2nd Floor, M.G.Road,
Secunderabad - 500 003.
Telangana.

.. Appellant
(in both the cases)

Versus

M/s.Chetna Steel Tubes Private Limited
Represented by its Director,
Rishab Mehta

.. Respondent
(in both the cases)

Prayer in O.S.A (CAD).No.122 of 2023 : Original Side Appeal -

Commercial Appellate Division filed under Section XXXVI R 9 of Original



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Side Rules read with Clause 15 of the Letters Patent and Section 13 of the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Act, 2018 to set aside the impugned order, dated 19.07.2023 passed by the learned Single Judge in O.A.No.354 of 2023 in C.S.(Comm. Div.) No.95 of 2023.

Prayer in O.S.A (CAD).No.123 of 2023 : Original Side Appeal - Commercial Appellate Division filed under Section XXXVI R 9 of Original Side Rules read with Clause 15 of the Letters Patent and Section 13 of the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Act, 2018 to set aside the impugned order, dated 19.07.2023 passed by the learned Single Judge in O.A.No.352 of 2023 in C.S.(Comm. Div.) No.95 of 2023.

For Petitioner : Mr.Ashish Jain Lunia
(in both the cases)

For Respondents : Mr.P.V.Balasubramaniam, Senior Counsel
(in both the cases) for Mr.Akhil Bhansali

COMMON JUDGMENT

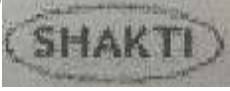
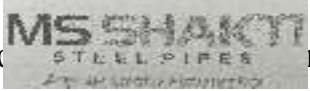
(Judgment made by the Hon'ble Mr.Justice D.Bharatha Chakravarthy)

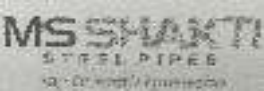


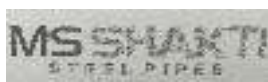
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These Original Side Appeals are filed against the fair and decretal order of the learned Single Judge made in O.A.Nos.352 and 354 of 2023 in C.S.(Comm.Div).No.95 of 2023, in and by which, the applications filed by the respondent / plaintiff, for grant of interim injunctions restraining the appellant / defendant from passing off their business / goods as that of the respondent / plaintiff and from infringing the respondent's / plaintiff's registered trademark by abandoning the trademark pending disposal of the main suit, were allowed by the learned Single Judge. The parties are referred to as per their array in the suit in this order.

2. The plaintiff filed C.S (Comm. Div).No.95 of 2023 with the prayers to restrain the defendant or their agent or any person claiming through the defendant from using the plaintiff's mark / brand  or  or any other mark deceptively similar thereto, including singularly or in conjunction with any other words etc.;

for permanent injunction from  their business as that of the





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plaintiff by using the plaintiff's trademark brand or any other deceptively similar mark ; for permanent injunction restraining the defendant in indulging in unfair competition by use of the impugned branding or any other mark deceptively similar thereto including and deliver up for destruction / erase all infringing materials including packaging catalogues, pamphlets etc.; to pass a preliminary decree for rendition of accounts and for further orders.

3. The case of the plaintiff is that it is in the manufacture of steel and iron products from the year 2009 having an annual turnover of Rs.200 crores. The plaintiff's goods include many types of steel pipes etc. The plaintiff maintains a very high quality and 'SHAKTI ' is a well-known brand of the plaintiff among other marks. The plaintiff has been exploiting the said mark associating to its own products. The plaintiff is the registered proprietor of the said mark under Class 6 bearing Trademark No.1067572. Originally, the mark 'SHAKTI ' belonged to *M/s.Shakti Tubes Ltd.*, and the plaintiff acquired the said mark by an assignment agreement, dated

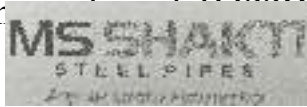


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28.09.2009. As of the year 2022, the turn over is more than Rs.220 crores.

The plaintiff has been extensively advertising the mark '*SHAKTI*' through various media at huge advertising and sales promotional costs. The mark, by virtue of extensive and continuous use and its aggressive promotion and quality, resulted in the product enjoying a high reputation and customers associate the product under the brand name, '*SHAKTI*', with that of the plaintiff.

4. While so, in December, 2022, the plaintiff became aware that the defendant attempted to obtain registration for the mark '*SHAKTI*' in application No.5386311 and the device mark  bearing application No.5461588 under Class 6. The very adoption of the mark by the defendant is dishonest. The mark is phonetically and visually similar to that of the plaintiff. The plaintiff, therefore, issued cease and desist notice to the defendant on 28.12.2022. The defendant caused a reply, dated 27.01.2023. Even though the defendant admitted that it is using the mark

'*MSSHAKTI*' only from the year 2022, claimed itself to be an honest adopter

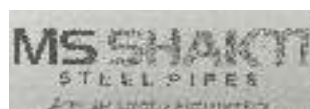


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of the said mark. Any customer with average intelligence and imperfect recollection will definitely get confused between the defendant's offending mark with that of the plaintiff. Merely because the prefix 'MS' is added, it does not change the dominant feature of the mark. The intention of the defendant would be clear from the fact that while registering with Bureau of Indian Standards under the license Nos.IS 4923, IS 3601 and IS 1161 for its product, it had branded its product under the name 'MIEPL', but, however, has chosen to copy the plaintiff's mark so that it can misrepresent its goods as that of the plaintiff and gain undue profit cashing in on the plaintiff's reputation and good will and hence the suit.

5. The suit is resisted by the defendant by filing a written statement. It is the case of the defendant that it forms part of *MS Agarwal Group of Companies*. It manufactures its products in a state of the art facility and spread across 300 acres with a production capacity of 1.3 lakh metric tonnes per annum. The entity '*MS Agarwal Groups*'





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has several brands with the prefix 'MS'. Accordingly, the defendant, while adopting marks such as *MS Life*, *MS Star* etc., in respect of different products, has derived and adopted the mark '*MSSHAKTI*' and the device in respect of its product. The dominant element in the defendant's mark as well as the device is 'MS' denoting the corporate name of the defendant Company. The mark '*MSSHAKTI*' of the defendant is also registered in application No.5386312 and the device is also registered in application No.5461591. The said registrations were made under Class 35 and are valid and subsisting. In respect of Class 6, the defendant has also applied for registration in application Nos.5461588 and 5386311. There are several third party marks in the name of '*SHAKTI*' itself in respect of Class 6 which are enumerated in paragraph No.17 of the written statement. Therefore, the plaintiff is neither exclusive user nor the prior user of the mark '*SHAKTI*' in the market. Therefore, the mark



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is not distinctive. The defendant is an honest and concurrent user in respect of the said word. Furthermore, the prefix 'MS' is the dominant feature in the defendant's mark and therefore, it cannot be said that both the marks are similar in nature. The word '*SHAKTI*' has become generic to the trade. There was no necessity for the defendant to misrepresent its goods as that of the plaintiff.

6. On the above pleadings, the applications for interim injunctions were taken up for hearing and after considering the case of the parties, the learned Single Judge found that the plaintiff is the prior user and that it has registered its mark under Class 6 and the registration is renewed for a further period of 10 years starting from 19.12.2021. On the contrary, the defendant had applied for the word mark and device mark only in March and May, 2023 respectively. Even in the application, it is stated that they are proposing to use the mark. On considering the other point that the word '*SHAKTI*' is common and the mark 'MS' as the dominant element, the learned Single Judge, considering the judgments in *Devi Pesticides Private*



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Limited Vs. Shiv Agro Chemicals Industries¹, Cadbury India Limited and

Ors. Vs. Neeraj Food Products² and Kaviraj Pandit Durga Dutt Sharma

Vs. Navaratna Pharmaceutical Laboratories³, came to the conclusion that

if the defendant's mark is identical and similar to that the plaintiff, then, in

the action for infringement, the injunction should follow and considering the

fact that the defendant has started using the mark recently, granted ad-

interim injunctions, pending the suit. Aggrieved by the same, the present

appeals are filed.

7. Heard *Mr.Ashish Jain Lunia*, learned Counsel for the appellant / defendant and *Mr.P.V.Balasubramaniam*, learned Senior Counsel appearing on behalf of *Mr.Akhil Bhansali*, learned Counsel for the respondent / plaintiff.

8. *Mr.Ashish Jain Lunia*, learned Counsel for the appellant / defendant, firstly, by placing reliance on some additional documents filed in

1 (2006) 32 PTC 434

2 (2007) 35 PTC 95

3 1965 AIR 980





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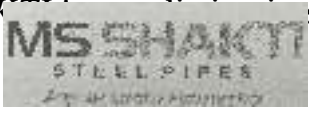
the appeals, would submit that while the plaintiff had claimed that it is continuously using the mark , it can be seen that in the year 2009, it had filed an application in application No.1886591, in which, it had represented that it is using the mark with effect from 28.09.2009. Therefore, the contention that it has been using the trademark 'SHAKTI ' and within the oval device continuously is not true. When it has abandoned the use of its registered mark and has been trying to adopt another mark, then, by virtue of the abandonment, it cannot file a suit for infringement.

9. Secondly, taking this Court through the various marks of third parties, he would contend that the mark has become generic to the trade and when every other person is using the word 'SHAKTI ' with prefixes and suffixes, the defendant alone cannot be enjoined.



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10. Thirdly, he would submit that the marks of the plaintiff and the defendant are not at all similar and 'MSSHAKTI' from the plaintiff's mark and also the defendant's label  is totally different from that of the plaintiff. The plaintiff itself is a reputed Company and the letters 'MS', being part of the corporate name of the group, is very popular and has a reputation and therefore, the customers will only relate to the defendant's product to that of the defendant and as such, there is no question of any infringement or passing off and therefore, the learned Single Judge has erred in granting the interim injunctions.

11. The learned Counsel would also rely upon the judgment of the Hon'ble Supreme Court of India in ***Skyline Education Institute (India) Private Ltd. Vs. S.L.Vaswani and Anr.***, (Civil Appeal Nos.1360-1361 of 2005, dated 05.01.2010) to contend that when the plaintiff abandons its registered mark and embraces some other mark, it cannot thereafter complain an infringement. The learned Counsel would rely upon



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S.M.Dyechem Ltd. Vs Cadbury (India) Ltd.⁴ to contend that the marks of the plaintiff and the defendant are distinctive and the case of a careless customer cannot be adopted as a standard to conclude that there is passing off or infringement. He would rely upon the judgment of the Hon'ble Supreme Court of India in ***Uniply Industries Ltd. Vs. Unicorn Plywood Pvt. Ltd. and Ors.***⁵ to contend that the plaintiff has to establish that the sales which were done by it were under the mark which is claimed in the suit and in the absence of the same, interim injunction ought not to have been granted.

12. The learned Counsel would rely upon the judgment of the Delhi High Court in ***Vasundhra Jewellers Pvt. Ltd. Vs. Kirat Vinodbhai Jadvani and Anr.*** (FAO(OS)(COMM) No.287 of 2022 and C.M.No.43497 of 2022, dated 13.10.2022) to contend that the plaintiff cannot claim the exclusive use of the word like '*SHAKTI*' which is a common name in India. The

⁴ MANU/SC/0407/2000

⁵ (2001) 5 SCC 95



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learned Counsel would rely upon the judgment of the Delhi High Court in

Kewal Krishan Kumar Vs. Rudi Roller Flour Mills (P) Ltd. and Anr.⁶,

whereunder, two different marks namely, 'Shiv Shakti' and 'Shakti Bhog'

were compared and it was held that while 'SHAKTI ' is common to both

marks, in view of the dominant features, there cannot be any confusion

between both the marks.

13. The learned Counsel would rely upon the judgment of the learned

Single Judge of the Bombay High Court in ***Prime Spirits Vs. Master***

Blender Private Limited⁷, to contend that the grant of injunction would only

alter the status *quo* prevalent and therefore, the balance of convenience

would only be in dismissing the application for interim injunction. The

learned Counsel would further rely upon the judgment of a learned Single

Judge of the Delhi High Court in ***Peps Industries Private Limited Vs.***

Kurlon Limited (CS (COMM) No.174 of 2019 with I.A.No.4871 of 2019

⁶ 2007 SCC OnLine Del 1325

⁷ 2016 SCC OnLine Bom 4320



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and I.A.No.6715 of 2019, dated 16.03.2020). Even while passing an interlocutory order, the Civil Court is entitled to consider the validity of the registration of the plaintiff's mark, its distinctiveness and use and if all the same are considered, the plaintiff will not be entitled for injunction.

14. Per *contra*, Mr.P.V.Balasubramaniam, learned Senior Counsel for the respondent / plaintiff would submit that the plaintiff is the registered proprietor of the mark in question in respect of Class 6. Admittedly, the products fall within Class 6. Considering the nature of the products being steel tubes and the mark and the device being embossed in the same, it is bound to cause confusion. The mark of the defendant is absolutely similar to that of the plaintiff. While the defendant is able to give its justification only in respect of the letters 'MS' being part of its device, no explanation whatsoever is given in respect of the adopting the mark 'SHAKTI ' in the year 2009.  the plaintiff has been using the same from the year 2009. It is erroneous that the plaintiff has abandoned the mark. The



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plaintiff though wanted to use the very same mark in yet another style / get

up as and it never abandoned its original mark '*SHAKTI*'.

It is continuously using the same and the plaintiff is entitled to use the word mark '*SHAKTI*'. The attempt itself would not amount to abandonment of the mark. The defendant has started using its mark very recently and therefore, the balance of convenience is in favour of the plaintiff. The contention that the mark '*SHAKTI*' has become generic is denied and in respect of the goods in question namely, the goods under Class 6, the plaintiff has been the prior user having adopted the mark and therefore, merely because some third parties are alleged to use the mark '*SHAKTI*' along with some other prefixes or suffixes, that by itself will not entitle the defendant to infringe the mark of the plaintiff and claim that it is entitled to use the mark.

15. For the proposition that the scope of interference of the Appellate

Court in matters of temporary injunction is very limited, the learned Senior



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Counsel would rely upon the judgment of the Hon'ble Supreme Court of India in *Wander Ltd. and Anr. Vs. Antox India Pvt. Ltd.*⁸ and *Mohd. Mehtab Khan and Ors. Vs. Khushnuma Ibrahim Khan and Ors.*⁹. To contend that the presence of identical marks of other third party users will not absolve the defendant from infringement and passing off actions, he would rely upon the judgment of the Hon'ble Supreme Court of India in *Corn Products Refining Co. Vs. Shangrila Food Products Ltd.*¹⁰. To contend that in the present case, the cardinal rules for granting interim injunction are satisfied, he would rely upon the judgments of this Court in *Devi Pesticides Private Ltd.*'s case (cited *supra*) and *TSI Engineering Industries Pvt. Ltd. and Ors. Vs. C.R.I. Amalgamations Pvt. Ltd.*¹¹; the judgment of the High Court of Delhi in *P.K.Overseas Pvt. Ltd. and Ors. Vs. Bhagwati Lecto Vegetarians Exports Pvt. Ltd. and Ors.*¹². The learned Senior Counsel would rely upon the judgment of the High Court of Bombay

8 1990 (Supp) SCC 727

9 (2013) 9 SCC 221

10 1959 SCC OnLine SC 11

11 MANU/TN/9982/2019

12 MANU/DE/2716/2016



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in **Meher Distilleries Pvt. Ltd. Vs. SG Worldwide Inc. and Ors.**¹³ to contend
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that the mere prefix of the house name and product mark as a sub-brand by itself would not make any difference. For the proposition that the plea as to the honest adopter not a defence to infringement, the learned Senior Counsel would rely upon the judgment of the High Court of Delhi in **KEI Industries Ltd. Vs. Raman Kwatra and Ors.**¹⁴

16. We have considered the rival submissions made on either side and perused the material records of the case.

17. Firstly, there is no quarrel over the fact that the plaintiff is the registered proprietor of the mark '**SHAKTI**' while the defendant is not. Once the plaintiff is the registered proprietor and if there is any similar mark, the plaintiff is entitled to bring the action for infringement. The first defence of the defendant is one of abandonment / non-user. The plaintiff has pleaded

¹³ MANU/MH/2259/2021

¹⁴ MANU/DE/1724/2022



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and produced invoices that right from the inception and adoption of the mark in the year 2009, it has been using the mark and selling its product under the said name. Merely because in between, it had attempted to use the mark



that by itself does not prove that during the relevant period, it had not used the mark in the original style



Secondly, merely by applying for a different style, it cannot be deemed that the plaintiff has abandoned its original mark. The non-use / abandonment of a registered mark has its consequences as per Section 47 of the *Trade Marks Act, 1999*. The plea can also be set up in a suit for infringement in accordance with Section 124 of the *Act*. It must be seen that the clear intention to abandon the mark and the non-use thereof has to be pleaded and proved by the person alleging the same. In this case, neither any pleading so as to satisfy the ingredients as per Section 47 of the *Act* is made, nor any



is taken to establish the same. On the contrary, the plaintiff, being the registered user, has pleaded and *prima facie* proved that it never intended and as a matter of fact, never abandoned or stopped using the mark



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. Therefore, we are unable to accept the contention that the plaintiff has abandoned the mark.

18. The second contention of the defendant is that the mark in question has become generic and common to trade. In order to claim so, the defendant has to prove that (i) the name is relatable to the trade as such; (ii) it has been commonly used by all the suppliers in the market; (iii) the plaintiff has willfully not taken action or questioned the other persons from being used. In this regard, useful reference can be made to the judgment of the Hon'ble Supreme Court of India in ***T.V.Venugopal Vs. Ushodaya Enterprises Ltd. and Anr.***¹⁵, more specifically, to paragraph Nos.86, 87 and 92 of the said judgment. *Prima facie*, it is difficult to accept that the word 'SHAKTI' is relatable to the trade of steel pipes etc., or that in any manner it describes the said trade. There is no *prima facie* material to show that it is commonly used by all the suppliers in the market. The only thing which is pleaded that there are other persons who use similar mark as plaintiff has not

¹⁵ (2011) 4 SCC 85



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taken any action against them. That by itself would not establish that the mark is generic in nature. Whether the plaintiff has acquiesced its right to maintain the distinctiveness of its mark has to be proved by the defendant only in the course of the trial. At this stage, there is no *prima facie* material to hold that the mark '*SHAKTI*' is generic to the trade.

19. Coming to the question of distinctiveness and difference between the marks, we are unable to accept the contention of the appellant that the prefix '*MS*' is the dominant feature of the mark. The question as to the similarity or the dissimilarity of the mark has to be considered by taking into account the particular product in question, nature of business etc. The product in question is steel pipes. The person who normally purchases and picks up the same would be skilled labour. The embossment of the mark would be on the pipes. The packaging material would not be covering entire length of the pipe. Thus, considering the nature of the trade, it cannot be said that the products of the plaintiff and the defendant are distinctive and



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reasonable customer can identify the difference. There is likelihood of confusion between both the marks.

20. On the question of balance of convenience, it can be seen that the defendant has proposed to use the mark in the applications made in the months of March and May, 2023. Even in the B.I.S License applications, different brand description is given by the defendant. When the defendant is now only starting its business and when the plaintiff has promptly filed the suit, the balance of convenience would only be in favour of granting the injunction. Refusal would only alter status *quo* and allowing things to go *fait accompli*. The defence raised by the defendant can only be gone into at the time of trial. Under these circumstances, when the learned Single Judge has considered all the relevant factors and has exercised her discretion and arrived at a finding of *prima facie* case and balance of convenience in favour of the plaintiff and had granted interim injunction, this Court, as Appellate Court, will not interfere with the same merely because an alternative view is



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possible, unless and otherwise, the findings of the learned Single Judge are
perverse in nature and cannot stand scrutiny of law.

21. Thus, finding no grounds to interfere, these Original Side Appeals
stand dismissed. There shall be no order as to costs. Consequently,
C.M.P.Nos.20416 and 20407 of 2023 are closed.

(S.V.G., CJ.)

(D.B.C., J.)

23.02.2024

Index : yes

Speaking order

Neutral Citation : yes

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**THE HON'BLE CHIEF JUSTICE
AND
D.BHARATHA CHAKRAVARTHY, J.**

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