



2024:DHC:9221



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

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Date of decision: 20th November, 2024

+ C.O. (COMM.IPD-TM) 680/2022

PRAKASH PIPES LIMITED

.....Petitioner

Through: Mr. Rishabh Srivastava, Mr. Sahil Gupta and Ms. Yasheswini Sharma,
Advocates.

versus

JAI AMBAY INDUSTRIES AND ANR.

.....Respondents

Through: Nemo.

CORAM:**HON'BLE MR. JUSTICE AMIT BANSAL****AMIT BANSAL, J. (Oral)**

1. The present rectification petition has been filed under Sections 47, 57, and 125 of the Trade Marks Act, 1999 (hereinafter, 'the Act') seeking removal of the trademark 'KIRANPARKASH' bearing trademark registration No.3587350 in Class 17, from the Register of Trade Marks.

PROCEEDINGS IN THE PETITION

2. Notice in the present petition was issued by the erstwhile Intellectual Property Appellate Board (IPAB) on 5th March, 2020. Despite service, the respondent no.1 failed to appear before the IPAB. Thereafter, the present petition was received on transfer after the abolition of the IPAB pursuant to the Tribunal Reforms Act, 2021.

3. Court notice was issued to the respondent no.1 by this Court on 6th



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July, 2022. Counsel for the respondent no.1 entered appearance on 9th November, 2022 and four weeks' time was granted to file reply. However, the counsel for the respondent no.1 did not appear on the next date of hearing, i.e. 15th March, 2023. Accordingly, a default notice was issued to the respondent no.1.

4. It was noted in the order dated 17th July, 2023 that the respondent no.1 has refused service of the default notice and consequently, the respondent no.1 was proceeded against *ex parte*.

5. Neither reply has been filed on behalf of the respondent no.1, nor has the *vakalatnama* been filed on behalf of the counsel for the respondent no.1. It is indicative of the fact that the respondent no.1 has nothing substantial to put forth on merits, by way of a response to the averments made in the petitions. Hence, the averments made in the petition are deemed to be admitted.

BRIEF FACTS

6. Brief facts relevant for adjudicating the present petition are set out below:

6.1. The petitioner, Prakash Pipes Limited, is a company incorporated under the Companies Act, 2013. The predecessor of the petitioner company, Prakash Industries Limited, was demerged *vide* order dated 14th March, 2019 passed by the National Company Law Tribunal, Chandigarh in terms of Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the petitioner herein is the resulting company.

6.2. The predecessor of the petitioner company was established in the year 1980 and started using the trademark 'PRAKASH' in respect of its business



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of trading, retail, wholesale, import, export, marketing, distribution, advertisement related to PVC water storage tanks and containers, PVC pipes and fittings, PVC pipes and tubes and fittings, rubber and PVC. Thereafter, the petitioner company has been introducing new and latest technologies in its manufacturing methods with respect to the aforesaid goods.

6.3. The petitioner through its predecessor-in-interest has several registrations in respect of the trademark 'PRAKASH' and its other formative marks under different classes. The earliest registration of the trademark 'PRAKASH' dates back to the year 1991. The details of the trademark registrations of the petitioner are given below:

<u>Trade Mark No.</u>	<u>Class</u>	<u>Trademark</u>	<u>User Details</u>	<u>Date of Application</u>
812431	17	PRAKASH GOLD	01/04/1986	29/07/1998
562627	17	PRAKASH	01/04/1980	26/11/1991
783208	17		01/04/1986	22/12/1997
796026	17	PRAKASH	01/04/1986	24/03/1998
2692893	17		01/04/1986	06/03/2014
5131414	17		01/04/1986	14/09/2021
1071895	17	PRAYAG	01/04/1996	04/01/2002
2850865	20		01/08/1986	27/11/2014



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5132165	20		01/08/1986	15/09/2021
2850864	35		01/08/1986	27/11/2014
4253765	35		01/04/1986	01/08/2019
5131415	35		01/04/1986	14/09/2021
562626	09		01/08/1986	26/11/1991
595436	09		01/04/1986	23/04/1993
812298	09		01/04/1986	28/07/1998

6.4. Additionally, the petitioner company has a copyright over the artistic work in respect of the mark 'PRAKASH', which is registered under No. A-55155/98 as per the provisions of the Copyright Act, 1957. The said registration remains valid and subsisting throughout India.

6.5. The petitioner's products bearing the mark 'PRAKASH' had annual sales of Rs. 3,587 crores (approx.) in the year 2018-2019 in India. During the period 1985-2019, the sales of the petitioner's products bearing the mark 'PRAKASH' in India are given in paragraph 11 of the petition. Due to long and continuous usage of the mark 'PRAKASH', the petitioner has acquired



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immense goodwill and reputation.

6.6. The aforementioned mark is also publicized by the petitioner on its website <http://www.prakash.com> and <http://www.prakashplastic.in>, providing extensive details of the products and business under the trademark 'PRAKASH'.

6.7. Furthermore, the petitioner has been issuing public caution notices with respect to the other businesses using similar marks in various newspapers to alert the general public and to protect its trademark 'PRAKASH'.

6.8. The respondent no.1, M/s Jai Ambay Industries, is a partnership firm engaged in the business of allied/cognate goods, i.e. PVC Pipes, Plastic Pipes, Non-Metallic Pipe Joints and HDPE Pipes.

6.9. The respondent no.1 has obtained registration of the mark 'KIRANPARKASH' (hereinafter 'impugned mark') in respect of the aforesaid goods bearing trademark registration no.3587350 in Class 17 with effect from 8th July 2017. In its registration application, the respondent no.1 has also claimed user since 1st April, 2011.

SUBMISSIONS OF THE PETITIONER

7. Mr. Rishabh Srivastava, counsel appearing on behalf of the petitioner submits that the registration of the aforesaid mark has been obtained by the respondent no.1 in a fraudulent manner. He submits that in the user affidavit dated 3rd July, 2017 filed on behalf of the said respondent, even though the user date is shown as 2011, no invoices have been filed along with the affidavit. In this regard, counsel for the petitioner relied upon the judgment of the Division Bench of this Court in *Suresh Kumar Jain v. Union of India and Ors.*, 2012 SCC OnLine Del 12 [LPA 676/2010, decided on



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02.01.2012].

8. He further submits that on one hand, the respondent no.1 has given its turnover for the year 2014-2015 as Rs. 8.12 crores. But on the other hand, the respondent no.1 claims to be a micro enterprise as per the 'Udyog Aadhaar' certificate dated 23rd June, 2017 of the respondent no.1. It is pertinent to note that in terms of the Government Notification dated 1st June 2020, the maximum permissible annual turnover in respect of a micro enterprise is Rs.5 crores.

9. It is further submitted that the use of the impugned mark in relation to the similar goods is likely to cause confusion in the market and among the members of trade and is bound to cause erosion of the distinctive character of the petitioner's mark 'PRAKASH'. The impugned mark is neither distinctive, nor capable of distinguishing the goods of the respondent no.1 from that of the petitioner.

10. Furthermore, the petitioner is the prior user and owner of the mark 'PRAKASH' since 1980 through its predecessor-in-interest and the impugned mark has been wrongly entered in the Register and therefore, is liable to be cancelled in terms of Section 57 of the Act.

11. Accordingly, the petitioner has filed the present petition.

ANALYSIS AND FINDINGS

12. I have heard the counsel for the petitioner and perused the record of the case.

13. In **Suresh Kumar Jain** (*supra*), the Division Bench of this Court held as follows:

"7. The aforesaid finding of the IPAB is based on evidence on record which has been accepted by the learned Single Judge. In this appeal, that too, which arises from the order passed in the writ



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*petition by the learned Single Judge in exercise of his power under Article 226 of the Constitution of India, this Court is not supposed to go into the factual findings recorded by the IPAB which is a fact finding authority. **Once we accept that the appellant has not been able to place on record any evidence to show that the appellant had been using the trademark since April, 1995 which was the basis of seeking the registration, the conclusion would be that the registration was obtained on the basis of false statement and would amount to fraud.***

8. We thus find that the order of the learned Single Judge is perfectly valid and without any blemish and we do not find any merit in this appeal which is accordingly dismissed. We may also record that the appellant had even filed a suit for infringement of the trademark against JDPL in the Court of learned Senior Civil Judge, Delhi which was ultimately dismissed as withdrawn.”

(emphasis supplied)

14. The respondent no.1 has taken a contradictory stand with respect to its usage of the impugned trademark. In the user affidavit dated 3rd July, 2017, the respondent no.1 claims a turnover of Rs.8.12. crores, Rs.7.50 crores and Rs.8.75 crores for the years 2014-2015, 2015-2016 and 2016-2017 respectively. However, in the ‘Udyog Aadhaar’ certificate dated 23rd June, 2017 issued to the respondent no.1 by the Ministry of Micro, Small and Medium Enterprise, Government of India, the respondent no.1 is shown to be a micro enterprise. As per the notification issued by the Ministry of Micro, Small and Medium Enterprise dated 1st July, 2020, an enterprise classified as a micro enterprise cannot have an annual turnover of more than Rs.5 crores. In light of the above, clearly the aforesaid statement made by the respondent no.1 in its user affidavit is false.

15. Furthermore, the respondent no.1 has failed to rebut the contention of the petitioner that the impugned mark was registered without any *bonafide*



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intention on the part of the registered proprietor to use the same in relation to the products covered by the registration. Hence, the impugned mark is liable to be removed from the Register in terms of Sections 47(1)(a) of the Act.

16. From the averments made in the petition and the evidence on record, the petitioner has established that it is the prior registered proprietor and a prior user of the mark 'PRAKASH' and its other formative marks since the year 1980 through its predecessor.

17. The adoption and the use of the impugned trademark 'KIRANPARKASH' by the respondent no.1, which is very similar to the trademark 'PRAKASH' of the petitioner, is likely to create confusion in the market. Not only is the trademark of the respondent no.1 confusingly/deceptively similar to the petitioner's prior adopted, registered trademark 'PRAKASH' or its formative marks but the nature of the goods of the petitioner and the respondent no.1 are identical, i.e. PVC pipes and fittings falling in Class 17.

18. In view of the discussion above, it is clear that the impugned trademark has been adopted by the respondent no.1 dishonestly to trade upon the established goodwill and reputation of the petitioner and to project itself to be associated with the petitioner. Therefore, the continuation of the impugned registration on the Register of Trade Marks is in contravention of the provisions of Section 11 of the Act and is liable to be cancelled under Section 57 of the Act.

19. Accordingly, the present petition is allowed and the Trade Mark Registry is directed to remove the impugned registered trademark "KIRANPARKASH" bearing trademark registration No. 3587350 in Class



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17 from the Register of Trade Marks.

20. The Registry is directed to send a copy of the present order to the Trade Mark Registry at e-mail - llc-ipo@gov.in for compliance.

AMIT BANSAL, J

NOVEMBER 20, 2024

Vivek/-

Signature Not Verified

Digitally Signed
By: DHARMENDER SINGH
Signing Date: 28.11.2024
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