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

+ **FAO(OS) (COMM) 126/2024, CM APPL. 36619/2024 (Stay)**

JAI PRAKASH SINGHALAppellant

Through: **Mr. Bhuvneshwar Tyagi, Adv.**

versus

TIRUPATI STRUCTURALS LIMITEDRespondent

Through: **Mr. Umesh Mishra, Mr. Satish Kumar, Advs.**

CORAM:

HON'BLE MR. JUSTICE YASHWANT VARMA

HON'BLE MR. JUSTICE RAVINDER DUDEJA

ORDER

% **26.09.2024**

1. The instant appeal is directed against the order dated 21 May 2024 pursuant to which the learned Single Judge has proceeded to frame an order of injunction under Order XXXIX Rule 1 & 2 of the Code of Civil Procedure, 1908 in favor of the respondent-plaintiff. In terms of the injunction as framed, the appellant-defendant has been restrained in the following terms: -

“26. Accordingly, the present application is allowed and the Defendant is restrained from using the trademark “MM TIRUPATI” or any other mark which is deceptively similar to the Plaintiff’s mark “TSL-TIRUPATI”, during the pendency of the present suit.”

2. The record would reflect that the respondent-plaintiff had approached the Court and instituted the suit for injunction seeking to restrain the appellant-defendant from using the words “MM TIRUPATI” on their products. Before us, it is conceded that both parties are engaged in the manufacture and distribution of stainless steel, PVC pipes and other sanitary fittings. It was the case of the



respondent-plaintiff that they had adopted the trademark “TSL-TIRUPATI” in 1994 and had ultimately obtained a registration of “TSL-TIRUPATI” on 21 November 1997.

3. The suit came to be instituted subsequently and upon it being discovered that the appellant-defendant was using the trademark “MM TIRUPATI”. The appellant-defendant is stated to have also obtained registration of its mark under Class 11 and which presently forms the subject matter of a rectification petition under Section 57 of the Trade Marks Act, 1999.

4. One of the defences which appears to have been taken by the appellant-defendant was with respect to the disclaimer which stood inserted by the Trademark Registry while granting registration to the plaintiff-respondent. While dealing with the impact of the aforesaid disclaimer, the learned Single Judge has observed as follows: -

“17. In this regard, the Supreme Court’s exposition in *Registrar of Trademarks v. Ashok Chandra Rakhit Ltd.* clarifies the role and significance of disclaimers in the registration of trademarks, emphasizing that the primary objective is not to benefit competitors or the public directly, but to delineate the rights of the trademark proprietor. By mandating disclaimers, the legal framework seeks to curb proprietors’ tendencies to extend their trademark’s scope beyond legitimate bounds—a practice noted in cases such as *In re Smokeless Powder Co.’s Trade Mark* and *Greers Ltd. v. Pearman and Corder Ltd.*, known as the “Banquet” case. These disclaimers are intended to prevent proprietors from making exaggerated claims about the exclusive use of certain parts of their trademarks that are not inherently distinctive or that are generic, especially those parts they have expressly disclaimed.

18. The Court also recognises that while the disclaimer limits the scope of protection under the trademark registration, it does not impinge upon any other rights the proprietor might hold under different legal statutes. This means that if the proprietor has established rights through long usage of the disclaimed elements associated with their goods or services, these rights remain enforceable outside the ambit of trademark registration. Should there be an infringement or passing off, the proprietor could still



pursue legal remedies to protect their interests. Thus, a disclaimer, while shaping the contours of rights conferred by trademark registration, does not strip the proprietor of any underlying rights obtained through other legal means, such as common law rights acquired through extensive and recognized use in the marketplace.

19. To conclude, in light of the arguments presented and the evidence reviewed, this Court holds that despite a disclaimer, Plaintiff can still rely upon the disclaimed element as part of their composite trademark. The rights to exclusive use of the mark as a whole are not diminished by the disclaimer. However, the protection does not extend to the disclaimed element on its own. This means the Plaintiff could enforce rights against the Defendant using a confusingly similar mark, including the disclaimed element, as the overall impression of the marks is similar enough to cause confusion. The presence of a disclaimer within a trademark registration does not automatically preclude the registrant from enforcing exclusive rights over a disclaimed element, especially in cases where such enforcement is necessary to prevent passing off. This interpretation aligns with established jurisprudence which asserts that a registrant may, under the principles of passing off, restrain others from using a disclaimed word if such use is likely to deceive or cause confusion among the public, thereby damaging the registrant's business interests. The right to protect one's market identity and consumer goodwill, even for elements that are not exclusively enforceable under registration, is critical to maintaining fair business practices and consumer trust. This view is supported by the precedent set in *Charan Dass & Veer Industries (India) v. Bombay Crockery House*, where it was explicitly stated that a disclaimer does not prohibit acquiring a right to exclusive use of a word in the trademark, otherwise than by registration, and that a passing off action can effectively safeguard such rights."

5. It has thus ultimately come to conclude that the plaintiff was not claiming any exclusive right to the use of the word "TIRUPATI" and that the suit itself was based on 'passing off', with it being alleged that the composite trademark of "TSL TIRUPATI" was sought to be taken advantage of by the appellant who subsequently adopted the trade name "MM TIRUPATI". This becomes further evident from the recordal of submissions in paragraph 21 which is extracted hereinbelow.

"21. Mr. Tyagi's submission that the Defendant has not claimed



any proprietary rights over the word “TIRUPATI” also does not align with the registration evidence provided to the Court. Defendant’s registration certificate for “MM TIRUPATI” lacks any indication that the word “TIRUPATI” is disclaimed. This discrepancy also raises questions about the Defendant’s rationale for incorporating “TIRUPATI” into their trademark.”

6. The learned Single Judge has ultimately held against the appellant on the principle of ‘passing off’ and which becomes evident from a reading of paragraph 24 which is extracted hereinbelow: -

“24. The Defendant’s adoption of the Impugned Marks for goods identical or similar to those of the Plaintiff, without providing any credible justification, reflects a calculated strategy on their part. Further, although the Defendant has obtained registration for the word mark “MM TIRUPATI”, their manner of use—which has been depicted above—indicates a deliberate attempt to come close to the Plaintiff’s trademark. This adoption demonstrates a clear attempt at misrepresentation, exhibiting an intent to capitalize on the established goodwill and reputation of the Plaintiff. The Defendant’s actions are not only potentially deceptive but also likely to create confusion among consumers, who may struggle to differentiate between the two brands due to the similarities in the trademarks and the goods offered. This confusion can dilute the Plaintiff’s brand identity and diminish the value of their trademarks, leading to potential harm and a loss of reputation. Such consequences are particularly injurious in markets where brand distinction plays a crucial role in consumer decision-making.”

7. In our considered opinion, the view as expressed and taken by the learned Single Judge is clearly unexceptionable and suffers from no manifest or patent perversity which may warrant interference by us in appeal.

8. The appeal consequently fails and shall stand dismissed.

YASHWANT VARMA, J.

RAVINDER DUDEJA, J.

SEPTEMBER 26, 2024/neh