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

Date of decision:-15th January, 2024.

+ **CS(COMM) 447/2018, CC 987/2007 & CRL.M.A. 14610/2007**

SMT. HARBANS KAUR Plaintiff

Through: None.
versus

GURMARG APPLIANCES PVT. LTD & OTHERS..... Defendants

Through: Mr. Preet Pal Singh, Adv. (M.
9958555055)

(1)

WITH

C.O. (COMM.IPD-TM) 32/2021

GURMARG APPLIANCES PVT LTD Petitioner

Through: Mr. Preet Pal Singh, Adv. (M.
9958555055)

versus

ASCENT ELECTRONICS

..... Respondent

Through: None.

(3)

AND

C.O. (COMM.IPD-TM) 346/2022

**SMT HARBANS KAUR,
W/O SHRI LIVELEEN SINGH**

..... Petitioner

Through: None.

versus

M/S GURMARG APPLICANCES PVT LTD

..... Respondent

Through: Mr. Preet Pal Singh, Adv. (M.
9958555055)



**CORAM:
JUSTICE PRATHIBA M. SINGH**

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.
2. These are three proceedings in respect of the mark 'TANASHI'. The first proceeding is a suit filed by the Plaintiff against the Defendant and the other two are cancellation petitions filed by both parties against each other seeking cancellation of the other's marks.

CS(COMM) 447/2018

3. The present is a suit filed by the Plaintiff- Smt. Harbans Kaur seeking protection of the mark 'TANASHI' bearing registration no. 1290305 in class 9 against the Defendants- Gurmarg Appliances Pvt. Ltd.
4. During the pendency of the suit Mrs. Harbans Kaur the proprietor passed away on 25th November, 2012, and the suit was continued by her son Mr. Sarabjit Singh Chatwal who has acquired the rights in the mark. The amended memo of parties is on record and the said impleadment of legal heirs was allowed on 11th February, 2015.
5. The case of the Plaintiff is that the trademark 'TANASHI' was adopted by the Plaintiff in the year 1993 in respect of electronic products. The said mark was also registered by the Plaintiff bearing no. 1290305 in class 9 in respect of products like D.C. Micro Motor, VCD, DVD, Television, Telephone, Cordless Telephone, Speakers, Amplifiers, Home Theatre Systems, Music Systems, Deck.
6. The case of the Plaintiff is that it has used the mark 'TANASHI' since



1993 uninterruptedly and was able to achieve sales of more than Rs.1.5 crores in the year 2007. The Plaintiff's predecessor had also applied for the registration of the said mark bearing no.963980 under class 9, however the same is still pending. As per the Plaintiff, it appointed the Defendant No. 2- Gurmarg International in the year 2004 as a distributor for the purpose of marketing and selling its products in the Northern India *i.e.*, Punjab, Haryana, Chandigarh, Himachal Pradesh, Jammu and Kashmir. The Defendant Nos. 3 and 4 were the proprietor/ partners of Defendant Nos. 1 and 2 as the same was being run as a common business. The Plaintiff after giving the distributorship had again applied for another trademark bearing no. 1290305. The second application proceeded to registration.

7. The Plaintiff, in the meantime, obtained assignment of the mark from Reliance Plastic Industries vide assignment deed dated 29th January, 2003, which was the proprietorship firm of the Plaintiff and had used the mark from 1993-2003. Thus, she became the proprietor of the mark in her individual capacity itself later.

8. The Plaintiff is stated to have then received complaints about the Defendants use of the mark 'TANASHI' in an unauthorised manner and caution notices were published in the year 2007 in the newspapers. The said caution notices reads as below:



9. However, on further investigations it was revealed that the Defendants had started retailing the products of the Plaintiff and had even started threatening criminal actions against other retailers of the Plaintiff. This led to a dispute between the Plaintiff and the Defendants on the ground that the Defendants are selling spurious and fake products under the mark 'TANASHI'. The present suit then came to be filed before this Court.

10. In the meantime, the Defendants also obtained registration of the mark 'TANASHI' bearing no. 1274751 in class 9 in the name of Gurmarg Appliances Pvt. Ltd. In the said application, the Defendant claim proprietary rights in respect of the mark and so a cancellation was filed by the Plaintiff before the IPAB as ORA/179/07/TM/DEL against trademark registration no. 1274751.

11. After the enactment of the Tribunals Reforms Act, 2021 this



cancellation petition has been transferred to this Court and tagged along with the suit. A second cancellation was also filed by the Defendant - Gurmarg Appliances Pvt. Ltd. against the Plaintiff's mark 1290305 in class 9 which was also filed before the IPAB and was, thereafter, transferred to this Court.

12. Thus, there are two cancellation petitions and one suit which are pending before this Court.

13. For the sake of convenience, the Plaintiff- Mrs. Harbans Kaur is referred to as the Plaintiff and Defendant is referred to as Gurmarg. The Plaintiff has sought an injunction on the ground of passing off against the Defendant. The following issues were framed in the suit on 5th September, 2008:

- "1. Who, between the plaintiff and the defendant, is the proprietor of trade mark "TANASHI"? Onus on both parties.*
- 2. Who, between the plaintiffs and the defendant, is guilty of passing of goods and infringing trade mark "TANASHI"? Onus on both parties.*
- 3. Whether the plaintiff is entitled to rendition of accounts, If so, for what period? OPP*
- 4. Whether the plaintiff or the defendant are entitled to damages, if so, for what amount? Onus on both parties.*
- 5. Whether the plaintiff or the defendant? are entitled to interest, if so, at what rate and for what period? Onus on both parties.*
- 6. Relief?"*

14. Mr. Preet Pal Singh, Id. Counsel, has pointed out the fact that the Defendants are the distributors of the Plaintiff which is verifiable through third party evidence in the form of newspaper clippings which were published at the time when the distributorship was given to the Defendants.



He submits on the strength of these press clippings that in the year 2002 itself the publication of these newspaper clippings would show that the Defendants was distributors of the Plaintiff and, thus, they are in effect permissive user of the mark and they are stopped from challenging the Plaintiff's rights.

15. Reliance is placed upon exhibit nos. PW-2/41 to PW-2/51 and the connected press clippings which have all been taken on record. Some of the press clippings are translated into english and read as under:

“Newspaper : - Ajit Punjab

***Chandigarh 16 December, 2000(Madandeep):-
launch at Chandigarh club of Tanashi brand with
their product range of VCD, DVD & TV Tanashi
has opened an office in Sector 22 from where they
will promote and supply their products to Punjab,
Haryana, Chandigarh & Himachal. On this
occasion, Mr. Sarabjit Singh told that we are
launching Maxwatt Series with the International
quality and promise for the best quality and
product in this area.***

***On this occasion, this company also
organized the dealer & distributor meet & Mr. Ajay
Kaushap special guest of honour in his speech ask
the company to always take care of the customer
needs & must supply the best quality product. Mr.
Sunil Sharma told to win the customer confident.
We will supplying better quality material to our
customer. On this occasion, Gur Marg
International's Accountant Mr. Jagjeet Singh,
Branch Manager, Mr. Amrit Gupta promised to
give the customer the best quality product &
services.***

***Mr. Jagjeet Singh is originally as by the
record is owner of Gur Marg International***



whereas he has been presented as chief Accountant of the company and he was also present on the launch ceremony of Tanashi.

Newspaper : - Amar Ujala

Heading : - Launch of TV & VCD by Tanashi

Chandigarh, 10-15 December, 2000, A well Known company launches the electronic product by the name of Tanashi. The product range including colour TV, VCD & DVD players, Mr. Ajay Kaushap inaugurated the product for Chandigarh, Punjab & Haryana.

Company Director Sh. Sarabjit Singh Chatwal, addressed the pressman, we are launching the product of an International quality at a reasonable price to our customer. The moto of the company will be to satisfy the customer. Sh. Sarabjit Singh Chatwal promised that the company will launch many new product in coming new year. Company's Area manager Sunil Sharma promised for best services to the customer."

Copy page 133 and 134

16. The newspaper clippings have been set out below:



17. He further submits that the word 'TANASHI' did not have any



meaning in India and the Plaintiff's witness PW-1-Mrs. Harbans Kaur and PW-2 Mr. Sarabjit Singh have given clear evidence to the manner in which the mark was adopted by them and the Defendants were appointed as a distributor. He further submits that in the invoice of the Defendants themselves it has been recognised that they are the distributors of 'TANASHI'.

18. It has also been observed that none has appeared from the side of Defendants for a long time to contest the above. Therefore, as per the order dated 11th September, 2023 the Defendants were proceeded *ex parte* as no one was appearing on behalf of the Defendants even after Court notices being issued. The relevant portion of the order reads as below:

"PW-1 i.e the Plaintiff had expired in 2012 and PW-2- Slud Sarabjit Singh was present for cross-examination. However, he was partially cross examined and thereafter none appeared for the Defendants.

6. Vide order dated 2nd December 2022, PW-2 was discharged unexamined by the Id. Joint Registrar, as there was no appearance on behalf of the Defendants. The said order reads as follows:

"Again in 2021 court notices were issued to the defendants which returned unserved.

On 31.05.2022 Proxy Counsel for defendant no. 3 appeared but thereafter no one had appeared on behalf of defendant no. 3 also. Even no fresh vakalatnama have been filed on behalf of defendant no. 3. The opportunity of defendants to cross examine PW-2 Shri Sarabjit Singh is closed.

7. Considering this position, in terms of Order 9 Rule 6(a) CPC, the Defendants are proceeded against ex-parte.

8. The evidence already recorded on behalf of the PW 2-Shri Sarabjit Singh shall be read, as the Defendants



have partially cross-examined the said witness and have chosen not to appear thereafter.”

19. Thereafter vide order dated 11th October, 2023, Mr. Preet Pal Singh, Ld. Counsel for the Plaintiff was directed to seek instructions as to whether the Defendants are still using the mark ‘TANASHI’ or not.

20. Today, Id. Counsel has returned with instructions from his client Mr. Sarabjit Singh Chatwal, who is the son of late Smt. Harbans Kaur, who submits that the Gurmarg Company or any one claiming on its behalf, are not using the mark ‘TANASHI’ as per the enquiries made in the market.

21. For the last several hearings none has been appearing on behalf of the Petitioner in **C.O. (COMM.IPD-TM) 32/2021** and on behalf of the Respondents and Defendants in **CS(COMM) 447/2018** and **C.O. (COMM.IPD-TM) 346/2022**. The order sheet would show that the last appearance on their behalf was before the Joint Registrar on 31st May, 2022 when the matter was listed for the cross examination of PW-2. Even previous thereto, the Defendants have continuously not appeared for several hearings after 26th February, 2019. It is, therefore, clear that the Defendants have lost interest in the matter as it has also been stated that they have stopped using the mark ‘TANASHI’.

22. In any event, a perusal of the press clippings and the newspaper clippings would show that the Defendant were appointed as a distributor by the Plaintiff and, thus, the Defendant cannot claim any independent rights in the mark ‘TANASHI’. The application for registration and the registration which has been obtained would, therefore, not be sustainable and would be liable to be cancelled inasmuch as the mark of the Plaintiff ‘TANASHI’ was



adopted in the year 1993 and the Defendants' mark was applied for on 24th March, 2004 with user claim for 31st December, 2004.

23. The earliest application of the Plaintiff was of the year 1993 bearing No. 963980. Thereafter, the Plaintiff has also applied for the trademark 'TANASHI' on 15th June, 2004 bearing No. 1290305 and 1274751 on 24th March, 2004. The products of the Plaintiff and the Defendants have also been placed on record. They are for identical marks. The brochure of the Plaintiff is also on record. There are advertisements of the Plaintiff since 2002.

24. The photographs showing the inauguration and the news articles have also been placed on record which would show that the Defendants, clearly, acknowledge that Mr. Sarabjit Singh Chatwal opened the office of Gurmarg International in Chandigarh. The press clippings leaves no manner of doubt that the Defendants were the distributor of the Plaintiff and under such circumstances, it would at best be a permissive user of the mark 'TANASHI' and would not be able to claim any independent rights.

25. Thus, the claim for proprietorship in the mark 'TANASHI' by the Defendants would be completely untenable. The Defendants have by publishing caution notices and issuing legal notices staked competing rights in the mark which is impermissible in law.

26. The Defendants have, in fact, been shown in various newspapers as the regional office of the Plaintiff, where other distributors for different cities such as Amritsar, Fatehgarh, Nangal, Patiala *etc.* have also been mentioned. Defendants have also been shown as a friendly dealer relation centre of the Plaintiff in several newspapers.



27. On the basis of the documents and pleadings placed on record, there can be no doubt that the Defendants were a distributor and also had the regional office of the Plaintiff and could not claim competing rights in the mark 'TANASHI' or challenge the Plaintiff's rights.

28. In any case, Defendants have also stopped appearing in the matter and as per the statement made today under instructions, Defendants have also stopped use of the mark 'TANASHI'.

29. A perusal of the above shows that the Plaintiff has been able to establish a case for injunction and also states that the Defendants have stopped appearing and are also no longer using the mark 'TANASHI'.

30. Under such circumstances, this Court is of the opinion that suit would be liable to be decreed. The Defendants Gurmarg Appliances Pvt. Ltd., Gurmarg International, Brijrnder Singh, Jagjeet Singh and anyone acting for or on their behalf shall stand restrained from using the mark 'TANASHI' or any other identical or deceptively similar mark or name, either as trade mark, trade name, corporate name, trading style or firm name for any electronic goods, including VCRs, televisions or any other cognate and allied products or services.

31. The relief of delivery up is not pressed as the Defendants have discontinued use of the mark. Relief of damages and costs is also not pressed by the Plaintiff.

32. Let the decree sheet be drawn in terms of paragraph 30 above and paragraph 1 of the prayer Clause in the Plaint. The suit is accordingly decreed in the above stated terms.



C.O. (COMM.IPD-TM) 32/2021

33. This is a cancellation petition filed by the Defendant - Petitioner seeking cancellation of the mark 'TANASHI' bearing no. 1290305 in class 9, of the Plaintiff-Respondent. In view of the above discussion, the Defendant-Petitioner has no right to seek cancellation of the Plaintiff's-Respondent's mark as the Petitioner in this petition, who is the Defendant in the suit was merely a distributor of the Respondent/Plaintiff.

34. Accordingly, the Petition is dismissed.

C.O. (COMM.IPD-TM) 346/2022

35. This is a petition filed by the Plaintiff-Petitioner seeking cancellation of the Defendant's-Respondent's mark 'TANASHI' bearing registration no. 1274751 in class 9.

36. The application is dated 24th March, 2004 and it is clear that the user which is claimed in the trademark journal is 31st December, 2004 which is set out below:-

TANASHI	
✓	<i>Advertised before Acceptance under section 20(1) proviso</i> 1274751 - March 24, 2004. GURMARG APPLIANCES PVT.LTD. trading as GURMARG APPLIANCES PVT LTD. SCO 1012-13, OFFICE NO 208, SECTOR 22-B, CHANDIGARH MANUFACTURERS Address for service in India/Agents Address : RAHUL RAJPUT B-336, BHAI RANDHIR SINGH NAGAR, LDH., PUNJAB. Used/claimed since 31/12/2004 (DELHI) ✓ APPARATUS FOR RECORDING, TRANSMISSION OR REPRODUCTION OF SOUNDS.
<i>Advertised before acceptance under section 20(1) Proviso</i> 1274995 - March 26, 2004. OREM S.P.A. (AN ITALIAN JOINT STOCK COMPANY.) trading as OREM S.P.A. 40064 OZZANO EMILIA (BO)-ITALY VIA DELLA LIBERTÀ 3, 4-5 MANUFACTURERS AND MERCHANTS Address for service in India/Agents Address : KAN & KRISHME 805, PLOT NO A - 09, GDITL NORTHEX TOWER, NETAJI SUBHASHI PLACE, PITAMPURA, DELHI - 110 034. Proposed to be used (DELHI) ELECTRIC APPARATUS ARMATURES INDUCTORS VOLTAGE REGULATORS ELECTRIC	



37. Even if the earliest user of the Defendant-Respondent is taken as 24th March, 2004, there are documents on record to show that the Plaintiff-Petitioner has used the mark 'TANASHI' since 2002. It also had a trade mark application which was filed in the year 1993, which however got abandoned. The Defendant-Respondent has been appointed as a distributor for the Petitioner, which is evident from various newspaper clippings. It is the settled position in law that a distributor would merely be a permissive user of the mark and cannot claim rights contrary to the rights of the person from whom the permission is obtained.

38. Accordingly, the mark bearing No. 1274751 is liable to be rectified as the Defendant-Respondent is not the true and lawful proprietor of the mark 'TANASHI' which belongs to the Plaintiff-Petitioner.

39. The Respondent's mark bearing No. 1274751 in Class 9 is cancelled and the same be reflected on the status page of the trademark register. Copy of this order be sent to the office of the Controller General of Patents & Trademarks of India on the e-mail-llc-ipo@gov.in, for compliance of this order.

40. Accordingly, the Petition is dismissed.

PRATHIBA M. SINGH
JUDGE

JANUARY 15, 2024
mr/ks