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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **FAO (COMM) 216/2024 & CM APPL. 65327/2024 (Stay) &
CM APPL. 65329/2024 (Additional Documents)**

SHEOPALS PVT LTDAppellant
Through: Ms. Rima Majumdar, Ms.
Bindra Rana, Mr. Anuj Dhar
and Ms. Ashi Nema, Advs.

versus

SAURABH GUPTARespondent
Through: Mr. Manoj Kumar Sahu, Adv.

CORAM:
HON'BLE MR. JUSTICE YASHWANT VARMA
HON'BLE MR. JUSTICE DHARMESH SHARMA

% **ORDER**
20.11.2024

1. This appeal is directed against the order of the Trial Judge dated 07 September 2024 in terms of which it has proceeded to reject the application referable to Order XXXIX Rule 4 of the Code of Civil Procedure, 1908 [“CPC”] and has confirmed the ex parte ad interim injunction which had come to be granted on 14 August 2014.

2. The suit itself had been instituted by the plaintiff/respondent alleging that the adoption of the mark “SHEOPAL’S” by the defendant/appellant amounted to infringement and was liable to create confusion in the market. It becomes apparent from the assertions which were addressed before the Trial Judge that it was contended the plaintiff/respondent had adopted the mark ‘OPAL’ in 1992. On a preliminary consideration of the stand which was taken in the suit, the Trial Judge had on 14 August 2024 passed an ex parte ad interim



injunction.

3. The defendants upon being placed on notice had entered the following stand:-

“4. Ld. counsel for defendant submitted that defendant is using the trade mark SHEOPAL'S since 2016 and is using the name Sheopal of father of proprietor of defendant firm. Ld. Counsel for defendant further submitted that trade mark of the defendant SHEOPAL'S is phonetically, conceptually or structurally not similar to the trade mark OPAL of the plaintiff. It has been further submitted that even packaging of both the products are different, hence, prudent men can easily distinguish both the products without any confusion. It has been further submitted that plaintiff in the plaint has mentioned that sale of the plaintiff company was around Rs.5,65,21,485.64/- in the financial year 2012-2013 but the plaintiff has pleaded false facts in this respect as a show cause notice was issued to the plaintiff by Commissioner of VAT on the ground that as to why the registration of the plaintiff company should not be cancelled w.e.f. 01.01.2014 as in the return, gross turnover has been mentioned as 'Nil'. On this aspect, it has been further submitted that when gross turnover was mentioned as 'Nil' then how can plaintiff mentioned the sale of its products in the financial year 2012-2013, Rs.5,65,21,485.

It has been further submitted that a per plaint, in the month of February, March 2019, and in the year 2022 the plaintiff came to know that defendant has applied for trade mark SHEOPAL'S and on receipt of this information, the plaintiff has opposed the registration of defendant. It has been further submitted that when the plaintiff has knowledge that defendant is using the trade mark since 2019 then why the plaintiff has not approached the Court immediately thereafter. Hence, there is delay in filing of the present suit for the relief claimed in the present suit. It has been further submitted that turnover of the defendant under class 3 products was around Rs.38,38,63,921/- whereas the total sale of cosmetics products under class 3 of the defendant was 55,35,823. On the basis of these submissions, it is submitted that total sale of defendant is much more than that of plaintiff.

It has been further submitted that plaintiff in the plaint has claimed damages of Rs.3.00 lakh only which itself shows that plaintiff has filed the present false case. Inter alia, on the basis of these submissions, prayer has been made to vacate the interim injunction dated 14.08.2024, otherwise great loss accrue to the defendant. Ld. Counsel for defendant has relied upon judgment in case *Sun Pharma Laboratories Limited vs. Intas Pharmaceuticals Limited*, MANU/DE/0045/2020, in support of his arguments.”



4. The Trial Judge has ultimately proceeded to confirm the ex parte injunction by observing as follows:-

“6. As per record, the trade mark ‘OPAL’ of the plaintiff is duly registered under Class 3 for cosmetics goods and services qua gels, bathing soaps etc., vide application No. 302870, dated 10.08.2015, application no. 871542, dated 17.09.2019 and vide application no. 3028271, dated 10.08.2015. As per application no. 3028270 and 871542, the plaintiff is using the trade mark since 1992.

Further, as per record, the initial partnership of firm namely M/s Mary John Cosmetics was established in the year 1991, dealing with cosmetics items. But, later on, it was dissolved, re-established and ultimately vide agreement dated 16.03.2006 executed between Smt. Madhu Gupta, Sole proprietor of M/s Mary John Cosmetics in favour of Mr. Saurabh Gupta, plaintiff in the present matter, sole proprietor of plaintiff firm M/s Cosmeden Personal Care. The plaintiff has filed certain invoices of sale of cosmetics, shampoo etc., mostly with the name 'OPAL'. The copies of the invoices are not attached in chronological manner but certain invoices are found to be from the year 1997 onwards. All the invoices reflects that the goods under the trade name 'OPAL' were being sold. The plaintiff has filed details of the sale figures from the financial year 2006-07 to 2023-24. As contended by Ld. Counsel for defendant that for the year 2012-13, a notice was issued to plaintiff for mentioning the sale of the said year as 'nil' is a matter of trial which can be looked into later on. Further, as per plaintiff, the defendant is infringing the registered trade mark ‘OPAL’ of the plaintiff by using deceptively similar trade mark ‘SHEOPAL’S’.

In respect to defendants, it is not disputed fact that the trade name 'SHEOPAL'S' used by the defendant is not registered. It is also not disputed that the defendant is also engaged in manufacturing of cosmetics items etc., as mentioned in Class 3. As per defendant, defendant has registered trade mark under Class 5.

Further, I finds substance in the contention of Ld. Counsel for plaintiff that defendant has filed certain invoices but most the invoices are in respect to the purchase of the goods and not for sale of goods manufactured by the defendant. From perusal of certain invoices, it is found that invoices are in respect to purchase of plastic bottle, coffee bean, coffee powder, CHG Capsule, printers, Samsung mobile phone etc., etc. Why these invoices were filed by the defendant, would be considered later on.

It is also not disputed fact that the defendant has applied for the registration of trade mark 'SHEOPAL'S' with the Registrar of Trade Mark, in the year 2019 and even in the year 2022. As per record, the plaintiff has filed objections to the said requests of



defendant which are still pending consideration before Registrar of Trade Mark, meaning by, the trade name 'SHEOPAL'S' has not yet been registered.

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Reverting to the present matter, if both marks are compared then it is found that word 'SHE' has been pre-fixed to the word 'OPAL' and thereafter apostrophe sign 'S' has been affixed thereafter. It is not disputed that both the parties are engaged in manufacturing of cosmetics products including shampoo, soap etc. Meaning-by, the customers of both the products are same. Even though, from plain reading of both these words, the same are not exactly phonetically same, but with the main word 'OPAL', prima facie, there is every likelihood that confusion might be created in the mind of customer/end user.”

5. We find ourselves unable to sustain the reasoning assigned bearing in mind the well settled principle of “anti-dissection”, which applies. We are also constrained to observe that the order of the Trial Judge is rendered further untenable bearing in mind its own conclusion that on a plain reading, the competing marks were not found to be phonetically similar. If that were the position which was found by the Trial Judge itself, we find ourselves unable to appreciate how the allegations as levelled could have met the test of “likelihood of confusion”. We accordingly find ourselves unable to sustain the order impugned.

6. The appeal is accordingly allowed. The impugned order dated 07 September 2024 is hereby quashed and set aside. The application of the defendant/appellant referable to order XXXIX Rule 4 of the CPC shall consequently be taken up for consideration afresh and bearing in mind the observations made hereinabove.

7. Though needless to state, no observation appearing in this order is liable to be viewed as a definitive conclusion of the case set up by respective sides. Those observations are rendered solely in the context



of examining the present appeal and the order impugned herein. All rights and contentions of respective parties, consequently, shall be open to be addressed before the Trial Judge.

YASHWANT VARMA, J.

DHARMESH SHARMA, J.

NOVEMBER 20, 2024

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