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

+ **CS(COMM) 704/2023**

M/S TEJ RAM DHARAM PAUL & ANR.Plaintiffs

Through: Mr. Amit Jain and Mr. Vikrant
Malhotra, Advocates.

versus

M/S DHOLAKIA TOBACCO PVT LTD. & ORS.Defendants

Through: Mr. Sarath J Prakash, Advocate.

CORAM:

HON'BLE MR. JUSTICE TUSHAR RAO GEDELA

ORDER

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27.02.2026

I.A. 5570/2026 (Under Order XXIII Rule 3, CPC)

1. This is an application under Order XXIII Rule 3 read with Section 151 of the Code of Civil Procedure, 1908 filed on behalf of the plaintiffs and the defendants.
2. Learned counsel appearing on behalf of the parties submit that parties have been able to amicably resolve their disputes out of Court and the said terms of settlement have been reduced into writing and enumerated in para 7 of the application.
3. For convenience para 7 is extracted hereunder:

“7. That the parties have mutually agreed to settle the matter as per the following terms and conditions:

a. That the Defendants acknowledge that the Plaintiffs are the first and prior adopter and user of the trade mark/ label COOL LIP/



and the same are exclusively with the Plaintiffs.

b. That the Defendants acknowledge the validity of all the registrations of the Plaintiffs' trade marks/labels as mentioned in Paragraph 7 of the Plaint in the Suit bearing no. CS (COMM) 704 of 2023 titled as "M/S TEJ RAM DHARAM PAUL & ANR. Vs. M/S DPIOLKIA TOBACCO PVT LTD."

c. That the Defendants acknowledge the validity of all the pending applications of the trade marks of the Plaintiffs as mentioned in Para 9 of the Plaint in the Suit bearing no. CS (COMM) 704 of 2023 titled as "M/S TEJ RAM DHARAM PAUL & ANR. Vs. M/S DHOLKIA TOBACCO PVT LTD".

d. That the Defendants acknowledge the validity of all the copyright registrations of the Plaintiffs as mentioned in Paragraph 14 of the Plaint in the Suit bearing no. CS (COMM) 704 of 2023 titled as "M/S TEJ RAM DHARAM PAUL & ANR. Vs. M/S DHOLKIA TOBACCO PVT LTD".

e. That the Defendants acknowledge the validity of all the trade mark registrations obtained by the Plaintiffs in various foreign countries as mentioned in Paragraph 12 of the Plaint in the suit titled as "M/S TEJ RAM DHARAM PAUL & ANR. Vs. M/S DHOLKIA TOBACCO PVT LTD".

f. That the Defendants have an existing stock of goods bearing the trade mark COOL LIP with labels and packaging which was seized by the Local



Commissioner. That the Plaintiff agrees and declares that the Defendants are allowed to exhaust the existing stock without packaging i.e. only raw material. All the packaging bearing the Mark CENTRELIP of the Defendants shall be destroyed in the presence of the representatives of the Plaintiffs.

g. That the Defendants undertake that the Defendants, the case may be, their partners, employees, servants, agents, dealers, distributors and all others, acting for and on their behalf are permanently restrained from manufacturing, exporting, selling, offering for sale, exhibiting, advertising, directly or indirectly dealing in goods being all kinds of tobacco, filter tabbaq, khaini, mouth freshener and other cognate and other allied goods under the trade mark/label/packaging CENTRELIP/ Centre Lip or any other identical/ deceptively similar mark to the Plaintiff No. 1's registered Trade Mark/ label /packaging amounting to infringement of the trade marks under no. 1896277 in class 34,



under no. 4436943 in class 34,



under no. 2068635 in class 34, COOL LIP Under

no. 1729888 in class 31,



under no. 1896273 in class

30,



under no. 1896274 in class 31



under no. 1812137 in class 31, and



under no. 2068634 in class 31 etc.



h. That the Defendants undertake that the Defendants, their officers , as the case may be, their servants, agents, dealers , distributors and all others, acting for and on its behalf from manufacturing, exporting, selling , offering for sale, exhibiting, advertising goods being all kinds of tobacco, filter tabbaq, khaini, mouth freshener, pan masalas and other cognate and allied goods under the trade mark/ label/ packaging CENTRELIP / Centre



lip or any other identical/ deceptively similar mark/ packaging to the plaintiff 's trade mark/label/ packaging COOL

LIP/



or from doing any other thing as is likely to lead to confusion or deception thereby resulting in passing off the Defendants goods as those of the plaintiffs.

i. That the defendant undertakes that Defendants, their officers, as the case may be, their servants, agents, dealers, distributors and all others, acting for and on its behalf from manufacturing, exporting, selling, offering for sale, exhibiting, advertising goods being all kinds of tobacco, filter tabbaq, khaini, mouth freshener, pan masalas and other cognate and allied goods bearing the trade mark CENTRELIP/ Centre Lip or any other deceptively similar trade mark/ identical packaging to the Plaintiff No. 1 's Copyright in artistic work COOL LIP under No. A- 118578/2017 and others.

j. That the defendants undertake that the order for delivery up of all material including labels, blocks, dies, strips, packaging, stationery, literature or any other printed matter bearing the impugned mark or packaging or label for the purpose of destruction and / or erasure.



k. That the Defendants undertake that the packaging materials, including labels, wrappers, cartons and any other materials bearing the infringing trademark of Plaintiff shall be destroyed in the presence of the Plaintiff's representative and shall allow the Plaintiff's representative to inspect and verify the destruction of the said packaging materials.

l. That the Defendants agree and undertake that the Defendants will not file any rectification petition qua LIP mark in any form or oppose any trade mark application of the Plaintiffs bearing the mark LIP or COOL."

4. In terms of sub-para (k) of para 7, the defendants have undertaken that the packaging materials, including labels, wrappers, cartons and any other material bearing the infringing trademark of the plaintiff would be destroyed in the presence of the plaintiff's representative who shall be allowed to inspect and verify the said destruction.

5. The condition stipulated in para 7(k) shall be carried out within four weeks from date.

6. This Court has perused the terms of the settlement which appear to be lawful. The said terms enumerated in para 7 appear to be within the contours of Order XXIII Rule 3, CPC. There is no impediment in case the suit is decreed in terms thereof.

7. The parties shall remain bound by the terms of settlement agreement.

8. Let a decree sheet be drawn up in terms of the prayer clauses (a) to (c) in the suit as well the terms of settlement in para 7 of the Settlement Agreement.

9. The suit is decreed in terms thereof and is disposed of along with all the pending applications.

10. The *pro rata* Court fees be refunded in terms of Section 16A of the Court Fees Act, 1870 upon completion of all formalities as per rules.

11. Date already fixed i.e. 07.05.2026 before Court stands cancelled.

TUSHAR RAO GEDELA, J

FEBRUARY 27, 2026/anj

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