

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

% **Date of Decision : 20th February, 2023**

+ **CS(COMM) 864/2022**

TTK PRESTIGE LTD

..... Plaintiff

Through: Mr.Hemant Singh, Ms.Mamta Rani
Jha, Mr.Manish Kumar Mishra,
Ms.Akansha Singh, Mr.Srinivas
Venkat Rangan and Ms.Tarushi
Agarwal, Advocates.

versus

K K AND COMPANY DELHI PVT
LTD & ORS.

..... Defendants

Through: Mr.Sanjay Kumar, Advocate for D-1
and D-2.
Mr.Mukesh Thakur and Mr.Dhirendra
Singh, Advocates for D-3.

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

AMIT BANSAL, J. (Oral)

I.A. 20992/2022 (O-XXXIX R-1 & 2 of CPC)

1. By way of the present judgment, I shall decide the application filed on behalf of the plaintiff under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC).

2. Briefly, the case set up in the plaint is that the plaintiff is engaged in the business of manufacturing, marketing and sale of kitchen home appliances, including 'pressure cookers' and 'gas stoves', both electric and non-electric, non-stick cookware, induction cook-tops, mixer grinders, chimneys etc., under the brand/trade mark 'PRESTIGE' since 1955, which

is a house mark of the plaintiff. All the plaintiff's products are sold under its house mark 'PRESTIGE'.


3. Plaintiff also has several registrations of the trademark 'PRESTIGE' in various Classes, details of which are given in paragraph 7 of the plaint. The earliest registration of the trademark 'PRESTIGE' (word *per se*) in Classes 8 and 21 dates back to 14th December, 1949. The trademark 'PRESTIGE' (word *per se*) was registered in favour of the plaintiff in Class 11 on 16th June, 1981 in respect of 'installations for cooking' on a '*proposed to be used basis*'. Subsequently, the trademark 'PRESTIGE' (word *per se*) was registered in favour of the plaintiff on 23rd September, 1999 specifically in respect of 'gas stoves' on a '*proposed to be used basis*'. All the aforesaid trademark registrations are valid and subsistent.

4. The plaintiff has also filed its sales turnover in respect of its products under the trademark 'PRESTIGE' from the financial year 2007-08 to 2020-21. The turnover of the plaintiff in the year 2007-08 was around Rs.339,00,00,000/-, whereas the turnover in the financial year 2020-21 was around Rs. 2,033,00,00,000. The plaintiff has also provided the advertising and promotional expenses incurred by plaintiff in respect of its trademark 'PRESTIGE'. In the year 2007-08, the plaintiff spent around Rs.24,00,00,000/- towards promotional expenses and in the year 2020-21 the plaintiff spent around Rs.98,00,00,000.

5. The plaintiff operates websites, '<http://www.ttkprestige.com/>', '<https://shop.ttkprestige.com/>' and '<http://www.prestigexclusive.in>', which showcases the plaintiff's goods under the said mark. The plaintiff also has its presence on various e-commerce platforms.

6. The defendant no.1 is engaged in the business of manufacturing and sale of 'gas stoves' and its component parts. It is averred in the plaint that the defendant no.2 and 3 are sister concerns of the defendant no.1.

7. In the third week of August 2022, the plaintiff came across the trademark application dated 2nd November, 2018 filed on behalf of the

defendant no.1 for the registration of the device mark  (hereinafter referred to as 'impugned trademark'). The plaintiff opposed the registration of the aforesaid mark by filing opposition on 18th August, 2022. The plaintiff's trademark 'PRESTIGE' in Class 11 was cited as a conflicting mark in the examination report of the Trade Marks Registry. Thereafter, the plaintiff carried out an investigation in which it was revealed that the defendant no.1 has been selling 'gas stoves' in collusion with the defendants no.2 and 3 under the impugned trademark in bulk and on order basis only.

8. Accordingly, the present suit was filed seeking a decree of permanent injunction, passing off along with other ancillary reliefs.

9. The defence set up by the defendant no.1 in its written statement is that the said defendant no.1 has been using the impugned trademark since 1st January, 1981. The aforesaid date finds mention in the trademark registration application filed on behalf of the defendant no.1 on 1st November 2018. Therefore, it is claimed that the defendant no.1 is a prior user of the impugned trademark in respect of 'gas stoves'. The plaintiff filed its trademark application for the word mark 'PRESTIGE' on 16th June, 1981 on a '*proposed to be used basis*'. The plaintiff was aware of the user of the trademark 'PRESTIGE' by the defendant no.1 since 1981.

10. In order to show its prior user counsel for the defendant no.1 has placed reliance on:

- i. The certificate of registration granted in favour of the defendant no.1 as a Small Scale Industries unit on 21st December, 1982. The application was filed on 16th August, 1980.
- ii. The classification list of excisable goods dated 8th May, 1985 granted in favour of the defendant no.1 wherein the trademark 'PRESTIGE' has been mentioned.
- iii. The Bureau of Indian Standards (BIS) license granted in favour of the defendant no.1 on 22nd April, 1982 in respect of the brand name 'PRESTIGE'.

11. Counsel appearing on behalf of the plaintiff makes the following submissions:

- i. Even though, the defendant no.1 claims to be the user of the impugned trademark from 1st January 1981, the earliest invoice filed by the defendant no.1 is of 29th March, 1982. The registration of the plaintiff's mark 'PRESTIGE' (word *per se*) under Class 11 in respect of 'installations for cooking' on a "*proposed to be used basis*" is of 16th June, 1981, which is prior to the user of the impugned trademark in respect of 'gas stoves' by the defendant no.1. Therefore, the defence under Section 34 of the Trade Marks Act, 1999 (hereinafter referred to as 'the Act') is not available to the defendant no.1.
- ii. Without prejudice to the aforesaid, the defendant no.1 has failed to make out a case of 'continuous user' as envisaged under Section 34 of the Act. The defendant no.1 has placed on record only three invoices showing sales of goods bearing the impugned trademark, which are of

the year 1982. Reliance in this regard is placed on the judgment of a Division Bench of this Court in ***Pioneer Nuts and Bolts Pvt. Ltd. v. Goodwill Enterprises***, 2009 SCC OnLine Del 2851.

- iii. Counsel for the plaintiff has placed reliance on the various invoices showing sale of 'gas stoves' by the plaintiff with effect from 20th September, 2007 (page no.260-300 of the plaintiff's document). Attention of the Court has been drawn to the advertisements taken out by the plaintiff in respect of gas stoves being sold under the trademark 'PRESTIGE'.
 - iv. In view of the tremendous goodwill and reputation attained by the usage of the trademark 'PRESTIGE' in respect of 'pressure cookers' as is evidenced by the sales turnover and promotional expenses, a case of passing off is also made out by the plaintiff. Reliance in this regard is placed on the judgment of ***United Brothers v. Navin Kumar***, 2006 SCC OnLine Del 185.
12. I have heard the counsel for the parties.
13. Though the defendant no.1 vehemently contends that it is a prior user of the trademark 'PRESTIGE' and has been continuously using the said trademark since the year 1981, the defendant no.1 has placed on record only three invoices, all of the year 1982 in support of his contention.
14. A query was put to the counsel for the defendant no.1 that if the defendant no.1 has been continuously using the aforesaid trademark since 1981, why has the defendant no.1 placed on record only three invoices. It was further put to the counsel for the defendant no.1 that whether any sales in respect of the trademark 'PRESTIGE' had been made in the last ten years.

15. Counsel for the defendant no.1 submits that he may be given further time so as to file documents to show the use of the trademark 'PRESTIGE' between the year 1981 till the current date.

16. Under Sub-Rule 7 of Order XI Rule 1 of the Code of Civil Procedure, 1908 as applicable to commercial suits under the Commercial Courts Act, 2015, a defendant has to file a list of all documents and photocopies of all documents, in its power, possession, control or custody, pertaining to the suit, along with the written statement. Sub-Rule 10 of Order XI Rule 1 of the CPC further provides that the defendant cannot be allowed to rely on documents, which were in the defendant's power, possession, control or custody and not disclosed along with the written statement, except with the leave of Court.

17. What emerges from a reading of the aforesaid provisions is that along with the written statement the defendant has to file all documents in his power and possession and in support of his case. Additional documents can be filed only with a leave of the Court and upon the defendant giving a reasonable explanation for not filing the same with the written statement. Admittedly, no such application has been filed on behalf of the defendant no.1 seeking leave to file additional documents. Therefore, no further time can be granted to the defendant no.1 to place additional documents on record. As the defendant no.1 claims to be 'continuous user' of the trademark 'PRESTIGE' from 1981, it should have filed documents evidencing such 'continuous user'. In the absence of any documents, the Court shall presume that there was no 'continuous user' by the defendant no.1.

18. In this regard reference may be made to the judgment of a Division Bench of this Court in *Pioneer Nuts* (supra). In *Pioneer Nuts* (supra) relying upon the earlier judgments in *Amaravathi Enterprises v. Karaikudi Chettinadu*, 2008 (36) PTC 688 (Madras)(DB) and in *Veerumal Praveen Kumar v. Needle Industries (India) Pvt. Ltd.*, 2001 (21) PTC 668 (Delhi), the Division Bench has observed that a trader has to show that in relation to particular goods, there is a goodwill connecting the trader with the goods on account of the use of trademark. Holding that the defendant in the said case had failed to place evidence on record to show that it had actually sold its goods using the impugned marks other than two newspaper advertisements and a few trade enquiries, the Division Bench was pleased to grant interim injunction in favour of the plaintiff. It was further observed that mere filing of a trademark application and giving an arbitrary date of user would not in itself constitute evidence of use from the said date.

19. The aforesaid dicta is fully applicable to the facts of the present case. In the present case, the trademark application has been filed on behalf of the defendant no.1 only on 2nd November, 2018 claiming user from 1st January, 1981. Other than three invoices of the year 1982 and few statutory registrations in favour of the defendant no.1, no credible evidence in the form of invoices or advertisements or other material has been filed to show that the defendant no.1 has been continuously using the impugned trademark so as to constitute any goodwill or reputation in its favour. Accordingly, I am of the view that the defendant no.1 has at best shown sporadic use of the impugned trademark, which would not qualify it as a 'continuous user' in terms of section 34 of the Act.

20. Counsel for the defendant no.1 vehemently contends that the trademark application filed on behalf of the plaintiff is on a '*proposed to be used*' basis and the plaintiff has not filed any documents to show their user. To claim the defence of section 34 of the Act, defendant no.1 has to show its continuous user prior to (a) user of the plaintiff or (b) date of registration in favour of the plaintiff in respect of the said goods, whichever is earlier.

21. In the present case, the date of registration in favour of the plaintiff in respect of 'installations for cooking' is of 16th June, 1981, which is the earlier date. The phrase 'installations for cooking' would cover within its scope 'gas stoves'. Three invoices filed on behalf of the defendant no.1 are admittedly of a subsequent date. Defendant no.1 has also placed reliance on the Small Scale Industries (SSI) certificate dated 21st December, 1982, BIS license dated 24th April, 1982 as well as excise documents dated 8th May, 1985 in support of his submission that the defendant no.1 is a prior user of the trademark 'PRESTIGE'. The SSI certificate in favour of the defendant no.1 does not mention the trademark 'PRESTIGE'. Both the BIS license as well as excise documents are after the trademark 'PRESTIGE' of the plaintiff was registered in Class 11. Therefore, the defendant no.1 has failed to establish use of the impugned trademark prior to the registration granted in favour of the plaintiff. Admittedly, no defence has been taken in the written statement with regard to validity of the registration granted in favour of the plaintiff.

22. On the basis of the sales turnover as well as the promotional expenses placed on record by the plaintiff, the plaintiff has also established, at a *prima facie* stage, immense goodwill and reputation of its trademark 'PRESTIGE', albeit in respect of 'pressure cookers'. The plaintiff has been selling its

products under the trademark 'PRESTIGE' since 1955 and the earliest registration of the plaintiff's mark is of 14th December, 1949. Further, the plaintiff has placed on record various invoices from the year 2007 to show sales of 'gas stoves' and advertisements of the year 2019 to show that it was in the business of selling 'gas stoves' under the trademark 'PRESTIGE'. Even the defendant no.1 does not dispute the position that the plaintiff has been selling 'pressure cookers' under the trademark 'PRESTIGE' much before the defendant no.1. The only defence put forth by the defendant no.1 is that 'pressure cookers' and 'gas stoves' are different products and therefore, there would be no confusion in the market.


23. In this regard, counsel for the plaintiff has correctly placed reliance on the judgment of a Co-ordinate Bench of this Court in *United Brothers* (supra), which dealt with the passing off claim in respect of the same products that are subject matter of the present suit viz. 'LPG stoves' and 'pressure cookers' being sold under the same trademark, 'United'. While granting injunction in favour of the plaintiff, the Co-ordinate Bench observed that the goods of the plaintiff as well as the defendants are both used as kitchen appliances and therefore, there would be confusion for the consumer using both the products. Further, in view of the sales turnover as well as advertising expenses filed by the plaintiff, the plaintiff was able to establish that its trademark had acquired distinctiveness and goodwill in the market. Accordingly, it was observed that confusion is likely to be caused in the mind of public and hence, the interim injunction granted in favour of the plaintiff was confirmed.

24. The aforesaid judgment is clearly applicable to the facts and circumstances of the present case as the two goods in question in the said

case and case at hand are identical. The use of the trademark 'PRESTIGE' by the defendant no.1 in respect of 'gas stoves' is likely to cause confusion in the market as the public at large would associate the said products of the defendant no.1 with the plaintiff.

25. In view of the discussion above, a *prima facie* case of infringement as well as passing off is made out on behalf of the plaintiff. Balance of convenience is also in favour of plaintiff and against the defendant no.1. The plaintiff shall continue to suffer irreparable injury to its goodwill and reputation if the defendant no.1 is permitted to manufacture and sell goods bearing the impugned trademark.

26. Accordingly, the present application is allowed and the defendant no.1, its directors, sister concerns, assigns in business, distributors, stockists, dealers and agents are enjoined from manufacturing, selling, offering for sale, exporting, advertising in any manner including on the internet and websites, directly or indirectly dealing in gas stoves or in any kitchenware,

cookware and/or cognate/allied/related goods under the mark  or any other mark which is identical or deceptively similar to the plaintiff's 'PRESTIGE' trademarks.

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27. Counsels for the defendants no.2 and 3 submit that they are not the sister concerns of the defendant no.1 and do not manufacture or sell any product using the impugned trademark.

28. Hence, without going into the merits, the defendants no.2 and 3 have no objection if a decree of permanent injunction is passed against them

restraining them from using the trademark 'PRESTIGE' or any other mark which is identical or deceptively similar to that of the plaintiff.

29. Accordingly, the suit is decreed against the defendants no.2 and 3 in terms of prayer clauses (i) and (ii) of the plaint.

30. Counsel for the plaintiff does not press for reliefs sought in prayer clauses (iii), (iv), (v), (vi) and (vii) against the defendants no.2 and 3.

31. Let the decree sheet be drawn up.

32. The suit shall continue to proceed against the defendant no.1.

33. List before the Joint Registrar on 3rd May, 2023 for further proceedings.

I.A. 1139/2023 (O-I R-10 of CPC) and I.A. 2624/2023 (O-I R-10 of CPC)

34. In view of the above, the present applications have become infructuous and are disposed of as such.

FEBRUARY 20, 2023

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AMIT BANSAL, J