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* IN THE HIGH COURT OF DELHI AT NEW DELHI

+ FAO(OS) (COMM) 232/2023 & CM APPL. 55117/2023

VASUNDHRA JEWELLERS PVT. LTD.Appellant
Through: Mr. Sagar Chandra, Mr. Prateek
Kumar, Ms. Aarushi Jain, Mr. Yojit Pareek,
Ms. Shubhie Wahi, Ms. Sanya Kapoor, Ms.
Ankita, Mr. Prassant Kr. Sharma and Mr.
Chetan Charitra, Advs.

versus

M/S VASUNDHARA FASHION JEWELLERY LLP & ANR.

....Respondents

Through: Mr. Shuvasish Sen Gupta, Mr. Kumar Vivek Vibhu, Mr. Pawan Maheshwari and Mr. Bhavesh Garodia Advs.

CORAM:

HON'BLE MR. JUSTICE C. HARI SHANKAR HON'BLE MR. JUSTICE OM PRAKASH SHUKLA

JUDGMENT (ORAL) 18.08.2025

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C. HARI SHANKAR, J.

- 1. This appeal assails order dated 19 July 2023 passed by a learned Single Judge of this Court in IA 4154/2022 in CS (COMM) 161/2022¹.
- 2. The appellant is the plaintiff, and the respondents are the defendants in the suit, which is presently pending before the learned Single Judge.

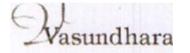
¹ Vasundhra Jewellers Pvt. Ltd. v Vasundhara Fashion Jewelery LLP & Anr., hereinafter referred to as

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3. In the suit, the appellant has sought a decree of permanent injunction, restraining the respondents and all others acting on their behalf from manufacturing, selling, exporting, advertising or in any other manner dealing with jewellery, precious stones, gems and any other allied or cognate goods or services under the marks and domain names VASUNDHARA JEWELLERS, VASUNDHRA,



or



the domain name

www.vasundhara.in or any other mark, label or domain name which is identical or deceptively similar to the appellant's marks

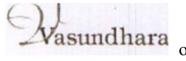


VASUNDHRA, VASUNDHRA JEWELLERS, VASUNDHRA.

or

4. The suit was accompanied by IA 4154/2022, preferred under Order XXXIX Rules 1 and 2 of the CPC, whereby the appellant prayed that, pending disposal of the suit, the respondents be injuncted from using the aforenoted marks VASUNDHARA JEWELLERS,

VASUNDHRA,





for jewellery,

precious stones, gems or any other allied or cognate goods.

5. By the impugned judgment, the learned Single Judge has dismissed IA 4154/2022. Aggrieved thereby, the appellant has filed the present appeal.

"the suit"





Rival Pleadings

Appellant's submissions in the suit

- 6. The appellant was established on 28 October 1999 as Vasundhra Jewellers Private Limited. Since then, the appellant claimed to have been using VASUNDHRA and VASUNDHRA JEWELLERS as its trademarks.
- 7. The appellant is also the proprietor of the following registered trademarks in Class 14 of the Nice classification of trademarks, which has been incorporated in Section 7 of the Trade Marks Act, 1999:

| Trade Mark | Date of Application | User | Class | Specification of Goods and Services |
|------------------------|------------------------|--------------------|-------|--|
| ♥ Vasundhra | 23 May 2023 | 1 January 1999 | 14 | Jewellery in Precious Metal and Gems. |
| VASUNDHRA JEWELLERS | 22 May 2019 | 28 October 1999 | 14 | Precious metals or coated therewith jewellery including imitation jewellery and precious stones. All being goods included in class 14. |
| | 19 December 2017 | 17 October 2016 | 14 | Precious metals or coated therewith jewellery including imitation jewellery and precious stones. All being goods included in class 14. |

8. Since 26 June 2011, the appellant also claims to be the owner of the domain name www.vasundhrajewellers.com and other similar domain names.





9. The appellant also claims the following turnover of its business, which commenced in 1999-20:

| Year | Sale proceeds |
|-----------|------------------|
| 1999-2000 | ₹ 19,80,812/- |
| 2000-2001 | ₹ 2,81,80,175/- |
| 2001-2002 | ₹ 1,97,26,465/- |
| 2002-2003 | ₹ 3,69,36,170/- |
| 2016-2017 | ₹ 44,82,31,111/- |
| 2017-2018 | ₹ 49,36,14,187/- |

10. The appellant had also placed on record its advertisement and promotional expenses incurred by it for the years 1999-2000 till 2021-2022. Of these, the figures for the years 1999-2000 till 2008-2009 may be extracted thus as provided in the plaint:

| Financial Year | Promotional Expenses (₹) |
|---------------------|--------------------------|
| 1999-2000 | 43,254 |
| 2000-2001 | 92,848 |
| 2001-2002 | 29,200 |
| 2002-2003 | 4,35,419 |
| 2003-2004 | 11,45,489 |
| 2004-2005 | 10,22,808 |
| 2005-2006 | 1,70,175 |
| 2006-2007 | 7,14,114 |
| 2007-2008 | 2,19,120 |
| 2008-2009 | 20,43,629 |
| 2009-2010 | 64,58,243 |
| 2010-2011 | 52,62,228 |
| 2011-2012 | 36,87,717 |
| 2012-2013 | 24,98,755 |
| 2013-2014 | 1,78,010 |
| 2014-2015 | 1,06,166 |
| 2015-2016 | 8,58,860 |
| 2016-2017 | 22,37,105 |
| 2017-2018 | 11,59,521 |
| 2018-2019 | 3,45,759 |
| 2019-2020 | 4,31,212 |
| 2020-2021 | 20,92,251 |
| 2021 – 4 March 2022 | 8,65,055 |





- 11. As a result of continuous and uninterrupted user, the appellant submitted that the mark VASUNDHRA had become a source identifier of the appellant.
- 12. Around June 2019, the appellant claimed to have come across the mark VASUNDHARA, used by Respondent 1, which was cited as a rival mark in the First Examination Report² dated 18 June 2019 issued by the Trade Marks Registry by way of response to Application No. 4169987 submitted by the appellant for registration of the mark VASUNDHRA JEWELLERS PRIVATE LIMITED in Class 14. This, it is submitted, alerted the appellant to the fact that the respondents was using the mark VASUNDHARA, for manufacturing and selling goods similar to those in which the appellant dealt under the mark VASUNDHRA. Following this, the appellant claimed to have learnt, in January 2022, that the respondents was also operating a domain https://www.vasundhara.in, and was using "VASUNDHARA" on its social media accounts as well. The records of the Ministry of Corporate Affairs are stated to have revealed that Respondent 1 was incorporated on 21 January 2016.
- 13. In these circumstances, the appellant issued a notice to the respondents on 24 February 2022, calling on the respondents to cease and desist from continuing use the mark VASUNDHARA. Respondent 1 replied on 3 March 2022, claiming that it was using the mark VASUNDHARA since 1 June 2021 and was not therefore, inclined to discontinue the said use.

² "FER", hereinafter





- **14.** It is in these circumstances that the appellant instituted CS (COMM) 161/2022, which, as already noted is presently pending before a learned Single Judge of this Court.
- appellant 15. The contended that the use ofthe mark VASUNDHARA by the respondents infringed the registered trademarks of the appellant of which VASUNDHRA was the prominent and dominant feature. It was submitted that there was every likelihood of the consuming public being mislead into mistaking the respondents VASUNDHARA mark for the appellant's VASUNDHRA mark or presuming an association between the two. For all these reasons, the appellant sought an injunction, restraining the respondents from using the mark VASUNDHARA for jewellery, gold ornaments, gems or any other allied or cognate goods or services.

Pleadings in written statement

16. The respondents, in their written statement before the learned Single Judge, submitted that the mark VASUNDHARA was nothing more than the first name of Vasundhara Mantri, who started the business as a sole proprietorship in 2001. The mark VASUNDHARA was adopted from the first name of the proprietor Vasundhara Mantri.

The mark stands registered in favour of Vasundhara Mantri in Class 14 with effect from 17 June 2003. On 25 February 2005,





Respondent 1 also obtained a copyright registration for the VASUNDHARA logo. The website <u>www.vasundhara.in</u> was launched in 2007.

- 17. On 14 February 2014, Vasundhara Mantri was claimed to have incorporated Vasundhara Creative Jewellery Pvt Ltd³ as a private limited company. The name of the company was subsequently changed to Vasundhara Fashion Jewellery Pvt. Ltd.⁴, which was subsequently converted into a Limited Liability Partnership Vasundhara Fashion Jewellery LLP (Respondent 1) on 21 February 2016.
- 18. Under a Takeover Agreement dated 4 October 2018, it was submitted that Respondent 1 took over the assets, liabilities and intellectual property rights of Vasundhara Mantri's proprietorship. This was followed by an assignment deed dated 28 March 2019, whereunder Vasundhara Mantri assigned all intellectual property rights in the VASUNDHARA mark to Respondent 1.
- **19.** It was further submitted that Respondent 1 is not a fly-by-night operator and its turnover had increased from ₹ 48,200/- p.a. in 2001-2002 to ₹ 1.95 crores in 2018-2019.
- **20.** The respondent disputed the appellant's contention that it was using the VASUNDHRA mark since 1999. It was submitted that no credible evidence of such user was forthcoming.

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³ "VCJPL", hereinafter

⁴ "VFJPL", hereinafter





21. The respondent further relied on a statement made by the appellant, by way of response to the FER dated 18 June 2019, issued by the Trade Marks Registry by way of response to Trade Mark Application 4169987, whereby the appellant sought to register the mark "VASUNDHRA JEWELLERS PRIVATE LIMITED". In the response to the FER, it was submitted that the appellant had contended that the respondent's mark VASUNDHARA was neither identical nor deceptively similar to the appellant's mark VASUNDHRA. Though Application No. 4169987 was subsequently abandoned by the appellant, it was contended that having asserted before the Trade Marks Registry that there was no similarity between the marks VASUNDHRA and VASUNDHARA, the appellant was estopped from contending to the contrary before this Court. As such, the respondent contested the very maintainability of the suit in which the appellant was seeking to canvas a stand contrary to that adopted by it in its response to FER dated 18 June 2019 issued by the Trade Marks Registry.

Rival submissions advanced before the learned Single Judge

Submissions of the appellant

22. Before the learned Single Judge, the appellant contended that it was entitled to an injunction against the respondent as it enjoyed priority both of user and registration. It was further submitted that if the respondent wanted to use the name of the proprietor Vasundhara Mantri, it should have used the full name and not just "Vasundhara".





It was further contended that the respondent could not seek the benefit of Section 35⁵ of the Trade Marks Act which prohibits grant of injunction against use, by a defendant, of its own name. Section 35, it was sought to be contended, applied only to natural persons and not to corporate entities such as Respondent 1. Reliance was placed for this purpose on the judgment of the Supreme Court in *Precious Jewels v Varun Gems*⁶ and of a Division Bench of this Court in *Goenka Institute of Education and Research v Anjani Kumar Goenka*⁷.

23. The appellant further submitted that, as it had abandoned Application No. 4169987 and had not secured any registration of the mark which it sought to register under the said application, the statements made by the appellant by way of response to the FER of the Trade Marks Registry during the course of prosecution of the application were of no relevance.

Submissions of the respondents

24. Before the learned Single Judge, the respondents contended, at the outset, that there could be no question of infringement as the marks of the appellant and respondent were both registered under the Trade Marks Act. The case therefore was only one of passing off.

25. The respondent further contended that the name VASUNDHRA

⁵ **35. Saving for use of name, address or description of goods or services.**—Nothing in this Act shall entitle the proprietor or a registered user of a registered trade mark to interfere with any *bona fide* use by a person of his own name or that of his place of business, or of the name, or of the name of the place of business, of any of his predecessors in business, or the use by any person of any *bona fide* description of the character or quality of his goods or services.

^{6 (2015) 1} SCC 160

⁷ 2009 SCC Online Del 1691





was a common and generic name often used in Indian families and that no party could claim any exclusivity over use of the mark VASUNDHRA. Reliance was placed for this purpose on the observation of a Division Bench of this Court in *Vasundhra Jewellers* (*P*) *Ltd v Kirat Vinodbhai Jadvani*⁸, involving the present appellant itself. The respondent reiterated that the claim of the appellant of 1999 user of the mark VASUNDHRA was without substance and that the invoices submitted by the appellant in that regard were forged.

- **26.** The respondent also claimed the benefit of Section 35 of the Trade Marks Act as the mark VASUNDHARA was adopted by Vasundhara Mantri from her own name in 2001.
- **27.** The respondent also placed on record invoices with effect from 2005, which used the trading name VASUNDHARA.

Submissions of appellant by way of rejoinder

28. In rejoinder, the appellant merely sought to distinguish the decision in *Vasundhra Jewellers* on which the respondent had sought to place reliance. It was submitted that the said case dealt with infringement and not passing off. It was further submitted that the matter had been carried to the Supreme Court in appeal in its order dated 10 April 2023 had clarified that the judgment of the High Court did not deal with the rights of the appellant *vis-à-vis* any third party who was using the mark VASUNDHRA for jewellery.

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^{8 2022} SCC Online Del 3370





The Impugned Judgment

- 29. Having thus recorded the submission of both sides, the learned Single Judge applied himself to the legal position. The findings of the learned Single Judge, as contained in paras 13 to 19, 21, 22, 27, 29 and 30 of the impugned order, may be reproduced thus:
 - "13. Ms. Vasundhara Mantri started the business of designing jewellery in her own name i.e., 'VASUNDHARA' in the year 2001. The defendant has placed on record copies of invoices from the year 2005 to show that Ms. Vasundhara Mantri was trading in the name of 'VASUNDHARA'. (Page no.152- 248 of the defendant's documents). The jewellery designed by Ms. Mantri has been featured in various Bollywood motion pictures as well as fashion shows such as Rome Fashion Week, 2006 and Wills Lifestyle India Fashion Week, 2007, 2008, 2009 and Couture weeks in 2007, 2008 and 2012. Further, various articles in newspapers and magazines have also been placed on record evidencing reputation in the relevant market sector.
 - 14. As far back on 17th June, 2003, Ms. Vasundhara Mantri obtained registration of the device mark 'VASUNDHARA' with a user of 1st June, 2001. Subsequently, three other registrations in respect of device marks 'VASUNDHARA' were obtained by her, all showing user of 1st June, 2001. Ms. Vasundhara Mantri also had a unique artistic way of writing 'VASUNDHARA' in respect of which she obtained copyright registration as far back on 25th February, 2005. In the year 2007, she launched her website 'www.vasundhara.in' registered by the defendant no.2.
 - 15. From the discussion above, it is evident that right from the beginning, Ms. Vasundhara Mantri has been using only part of her name i.e., 'Vasundhara' as her trading name.
 - 16. On 14th February, 2014, she incorporated a company in the name of 'Vasundhara Creative Jewellery Private Limited', which was later renamed as 'Vasundhara Fashion Jewelery Private Limited' and was subsequently converted into an LLP, i.e., defendant no.1, incorporated on 21st January, 2016. It is an undisputed fact that Ms. Mantri holds 99.09% shareholding in the defendant no.1.
 - 17. All the assets, liabilities as well as intellectual property rights of Ms. Vasundhara Mantri were transferred to the defendant





no.1 vide Takeover Agreement dated 4th October, 2018. Further, various other intellectual property rights, including goodwill in the mark 'VASUNDHARA' was transferred by Ms. Vasundhara Mantri in favour of the defendant no.1 vide Assignment Agreement dated 28th March, 2019.

- 18. In Goenka Institute (supra), the Single Judge granted an interim injunction in favour of the plaintiff restraining the defendant from offering its services in the field of education under the impugned trademark. However, the interim injunction granted by the Single Judge was set aside by the Division Bench. Though the Division Bench made certain observations to the effect that defence under Section 35 of the Act shall apply to a full name and only to a natural person and not a legal entity, yet the Division Bench did not grant interim injunction on the ground that the appellant therein was an honest concurrent user. In the present case also, the discussion above demonstrates that Ms. Vasundhara Mantri was an honest and concurrent user. There is nothing to show that the plaintiff had established goodwill and reputation in the year 2001 when Ms. Vasundhara Mantri started trading in jewellery in her own name.
- 19. In *Precious jewels* (*supra*), the Supreme Court relying upon the provisions of Section 35 of the Act vacated the injunction order restraining the defendant from using the surname 'RAKYAN' in respect of their jewellery shop. The Supreme Court noted that 'RAKYAN' was the surname of the partners of the plaintiff and the defendant firm and therefore, the defendant cannot be restrained from using their common surname in a bona fide manner for the purposes of their business. The observations of the Supreme Court in paragraph 9 of the judgment are set out below:
 - "9. As stated hereinabove, Section 35 of the Act permits anyone to do his business in his own name in a bona fide manner. In the instant case, it is not in dispute that the defendants are doing their business in their own name and their bona fides have not been disputed. It is also not in dispute that the plaintiff and defendants are related to each other and practically all the family members are in the business of jewellery. We have perused the hoardings of the shops where they are doing the business and upon perusal of the hoardings we do not find any similarity between them."

21. From the facts noted above, it is evident that Ms. Vasundhara Mantri has been trading in her own name





'VASUNDHARA' since 2001 in a *bona fide* manner. It is only in the year 2018 that an LLP, the defendant no.1, was incorporated by her, but the fact remains she holds 99.09% share in the defendant no.1 LLP. Accordingly, the defendant no.1 is nothing but an extension or an alter ego of Ms. Vasundhara Mantri. Therefore, in my *prima facie* view, the defendant no.1 will be entitled to the benefit of defence under Section 35 of the Act.

22. Counsel for the defendant no.1 has highlighted that the invoices filed by the plaintiff of the year 1999, which are hand written, show the domain name of the plaintiff i.e., 'www.vasundhra.com', which was unimaginable in the year 1999. He has further drawn attention of the Court to the invoice of the plaintiff dated 17th August, 2016 (Page no.36 of the plaintiff's documents) in which Goods and Services Tax (GST) has been levied, even though the GST came into effect from 1st July, 2017 after the enactment of the 101st Constitution Amendment Act, 2016. All these aspects raise a reasonable doubt with regard to the genuineness of the plaintiff's invoices and these aspects can only be determined in the trial. Therefore, whether the plaintiff is a prior user of the mark 'VASUNDHRA' would be a matter of trial.

27. At this stage, a reference may be made to the plaintiff's reply dated 1st July, 2019 to the Examination Report dated 18th June, 2019 issued by the Trade Mark Registry in connection with the trademark application no.4169987 filed by the plaintiff for registration of the word mark 'VASUNDHRA JEWELLERS PRIVATE LIMITED'. In the said reply, the plaintiff had taken a categorical stand that the spelling of the word 'VASUNDHRA' used by the plaintiff and the word 'VASUNDHARA' used by the defendant no.1 is different and when the mark is read as a whole, it cannot be considered to be similar or identical with that of the defendant no.1. It was further stated that the letter "V" has been used by the defendant no.1 in a stylized form, which is enough to create a distinction between the two marks and hence, there would be no confusion in the mind of the consumers.

29. A comparison of the marks of the plaintiff and the defendant no.1 is given below:

| S.NO. | TRADEMARKS | TRADEMARKS OF |
|-------|--------------|----------------|
| | OF PLAINTIFF | DEFENDANT NO.1 |





1.



Application No.-1200939 Date of Application: 23/05/2003 User Detail: 01/01/1999 [Class: 14] Jewellery In Precious Metal And Gems.

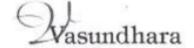


Application No.- 1207102
Date of Application: 17/06/2003
User Detail: 01/06/2001
[Class: 14] Precious Metals or coated
therewith, Jewellery including imitation
Jewellery and Precious Stones all being
goods included in class 14.

2.



Application No.-4183139 Date of Application: 22/05/2019 User Detail:28/10/1999 [Class 14] Precious metals or coated therewith jewellery including imitation jewellery and precious stones. All being goods included in class 14.



Application No.- 1671186
Date of Application: 01/04/2008
User Detail: 01/06/2001
[Class: 14] Goods of precious metals or coated therewith, Jewellery including imitation Jewellery and Precious Stones all being goods included in class 14.





| 3. | Date of Application: 19/12/2017 User Detail: 17/08/2016 [CLASS: 14]: Precious metals or coated therewith jewellery including imitation jewellery and | Application No 2645427 Date of Application: 19/12/2013 User Detail: 01/06/2001 [Class: 14] Precious Metals or coated therewith, Jewellery including imitation Jewellery and Precious Stones. |
|----|--|--|
| | imitation jewellery and precious stones. All being goods included in class 14. | |
| 4. | | Application No 3041398 Date of Application: 22.08.2015 User Detail: 01/06/2001 [Class: 42] Jewellery Designing |

30. The comparison of the above would show that there is a difference in spelling of the marks of the plaintiff and the defendant no.1. The plaintiff uses the mark 'VASUNDHRA', whereas the mark of the defendant no.1 includes an additional 'A' 'VASUNDHARA'. Undoubtedly both the marks are phonetically identical. However, apart from the difference in the spellings of the marks of the plaintiff and the defendant no.1, the manner and style of writing is also completely different. The plaintiff itself in its reply to the Examination Report dated 18th June, 2019 of the Trade Mark Registry, stated that there is no similarity and therefore, the same would not create any confusion in the minds of consumers when read as a whole. In my prima facie view, the marks when compared as a whole bear no deceptive similarity to each other and hence, would not create any confusion in the minds of consumers. Therefore, it cannot be said that the defendant no.1 is passing off its goods as those of the plaintiff."





- **30.** Thus, the learned Single Judge proceeded on the following reasoning:
 - In view of the judgment of the Supreme Court in S. Sved Mohideen v P. Sulochana Bai⁹, there could be no question of infringement, as the marks of the appellant and the respondents were both registered. Reliance was placed for this purpose on Section 28(3)¹⁰ read with Section 30(2)(e)¹¹ of the Trade Marks Act.
 - There could be no dispute about the fact that the marks VASUNDHRA and VASUNDHARA were phonetically identical.
 - (iii) Vasundhara Mantri had started the jewellery business in her own name in 2001. The respondents had placed invoices on record from 2005 which indicated use of the trade name VASUNDHARA. The respondent also featured in various magazines circulated in India during the said period.
 - (iv) The respondents were also the registered proprietor of the

given by registration under this Act.

⁹ (2016) 2 SCC 683

¹⁰ (3) Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons merely by registration of the trade marks but each of those persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor.

^{11 (2)} A registered trade mark is not infringed where-

⁽e) the use of a registered trade mark, being one of two or more trade marks registered under this Act which are identical or nearly resemble each other, in exercise of the right to the use of that trade mark





device mark since 17 June 2003, claiming user from 1 June 2001. In three subsequent registrations, obtained by it, too, the respondents had claimed user of the mark VASUNDHARA with effect from 1 June 2001.

- (v) The intellectual property rights of Vasundhara Mantri in the mark VASUNDHARA had been transferred by her to Respondent 1 *vide* Assignment Agreement dated 28 March 2019.
- (vi) In these circumstances, it was clear that the use of the mark VASUNDHARA, by the respondents, was not *mala fide* as the mark was the first name of Vasundhara Mantri, who was the proprietor of the predecessor-in-interest proprietorship of Respondent 1 and had commenced use of the mark since June 2001. The use of the mark VASUNDHARA by the respondents was, therefore, honest and concurrent.
- (vii) Inasmuch as using of the mark VASUNDHARA by the respondents had commenced in 2001, the appellant, in order to succeed in a claim of passing off, had to establish existence of goodwill in the mark VASUNDHRA in, or prior to, 2001.
- (viii) In so far as the protection of Section 35 was concerned, the decision of the Supreme Court in *Precious Jewels* made it





clear that the protection was not restricted to use of the full name. The Supreme Court had extended the benefit of Section 35 to a case in which the party had used its surname for its goods or services. In as much Vasundhara Mantri's use of the mark VASUNDHARA since 2001 was *bona fide*, Respondent 1 was entitled to the benefit of Section 35 and to the defence available thereunder.

- (ix) There was also substance in the respondents' plea of estoppel against the appellant. Having contended in its reply dated 1 July 2019, to the FER dated 18 June 2019, that there was no similarity between the marks VASUNDHRA and VASUNDHARA, the appellant was estopped from contending to the contrary. Reliance was placed for this purpose on the judgment of the Division Bench of this Court in *Raman Kwatra v KEI Industries Ltd*¹².
- (x) The marks when compared were virtually completely dissimilar. A tabular statement was provided for this purpose by the learned Single Judge, thus:

| S.NO. | TRADEMARKS OF PLAINTIFF | TRADEMARKS OF DEFENDANT NO.1 |
|-------|---------------------------|---------------------------------|
| 1. | ♦ Vasundhra | rasuraham |
| | Application No 1200939 | Application No 1207102 |
| | Date of Application: | Date of Application: |

^{12 (2023) 93} PTC 485

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| | | 回答的特殊 |
|----|--|--|
| | 23/05/2003 User Detail: 01/01/1999 [Class: 14] Jewellery In Precious Metal And Gems. | 17/06/2003 User Detail: 01/06/2001 [Class:14] Precious Metals or coated therewith, Jewellery including imitation Jewellery and Precious Stones all being goods included in class 14. |
| 2. | Application No 4183139 Date of Application: 22/05/2019 User Detail: 28/10/1999 [Class 14] Precious metals or coated therewith jewellery including imitation jewellery and precious stones. All being goods included in class 14. | Application No 1671186 Date of Application: 01/04/2008 User Detail: 01/06/2001 [Class: 14] Goods of precious metals or coated therewith, Jewellery including imitation Jewellery and Precious Stones all being goods included in class 14. |
| 3. | Date of Application: 19/12/2017 User Detail: 17/08/2016 [CLASS: 14]: Precious metals or coated therewith jewellery including imitation jewellery and precious stones. All being goods included in class 14. | Application No 2645427 Date of Application: 19/12/2013 User Detail: 01/06/2001 [Class: 14] Precious Metals or coated therewith, Jewellery including imitation Jewellery and Precious Stones. |
| 4. | | Application No 3041398 |





| | Date of Application: | |
|--|-------------------------|-----------|
| | 22.08.2015 | |
| | User Detail: 01/06/2001 | |
| | [Class:42] | Jewellery |
| | Designing | |

- (xi) Thus, the manner and style of writing of VASUNDHRA by the appellant and VASUNDHARA by the respondents were completely different. Seen as whole marks, there was no similarity between them.
- **31.** Following these findings, the learned Single Judge dismissed IA 4154/2022.

Rival contentions before this Court

32. Learned counsel for both sides broadly reiterated, before us, the contentions which were advanced before the learned Single Judge. Mr. Sagar Chandra, learned counsel for the appellant submitted, additionally, that Section 35 of the Act has no application, as the present case is of passing off, and relates, therefore, to a tort which is outside the purview of the Act. He emphasises the words "nothing in this Act" with which Section 35 commences, to contend that the protection provided to the defendant by Section 35 is only against relief following a finding of infringement, and cannot cover injunctions following a finding of passing off. Besides, Mr. Sagar Chandra relies on the following extract from Venkateswaran on Trade Marks and Passing Off:

"Right of a person to trade under his own name





A person has a prima facie right to use his personal name for trading purposes, even though it is the same as that of his better known rival. The law relating to the right of a person to trade in his own name was stated by Lord Greene MR, thus: "A man may sell goods under his own name as his own goods. If he does so, he is doing no more than telling the truth. If there happens to be already on the market another trader of that name, with a goodwill in a name known exclusively as referring to his goods, that is just his misfortune if somebody else having the right to trade in his own name cuts into his business. That is one of the cases where, so to speak, two conflicting rights have to co-exist together if justice is to be done, and it has been laid down as clearly as can be that, provided that a man keeps within the limit of using his own name and does so honestly and does not go beyond that, nobody can stop him, even if the result of his doing so leads to confusion." These observations were regarded "as incomplete" by Lord Morris in PARKER-KNOLL case, having regard to Lord Simonds following remarks in Marengo v Daily Sketch and Sunday Graphic Ltd¹³ said that:

It is an unassailable general proposition that the interests alike of honest traders and of the public require that the goods of A should not be confused with the goods of B. But that proposition is subject to the qualification that a man must be allowed to trade in his own name and, if some confusion results, that is a lesser evil than that a man should be deprived of what would appear to be a natural and inherent night. But it is a fantastic gloss upon this well-established qualification to say that it justifies a trader in placing up-on his goods a mark which, however much he may intend it to signify his name, is yet liable to suggest to reasonable men the name of another.

The Master of the Rolls after citing *Turton v Turton*¹⁴ proceeded to say: "If a man uses his own name, and uses it honestly and fairly, and is doing nothing more, he cannot be restrained, even if confusion results. Once he oversteps the line and confusion results or is calculated to result, the fact that he is using something approaching his own name is no justification." Thus "a man may so use even his own name in connection with the sale of goods so as to make a false representation." Although fraud was once considered sine qua non in such an action. it is now recognised that there is no difference in principle between an action for passing off where the trade name complained of is the personal name of the defendant and other cases of passing off. The law has been stated by Lord Halsbury thus: "If in point of user a particular

¹³ Marengo v Daily Sketch and Sunday Graphic Ltd, (1948) 65 RPC 242, 251 (HL).

¹⁴ (1889) 42 Ch D 128 CA





thing had become so identified with the proper name of a person who carried on business under his own name that he could establish, as a matter of fact, that the name had become associated with the particular manufacture, I do not deny that another person who set up in business under that name, although it might be that person's own proper name, might be restrained from carrying on business under that name. But these are all questions of fact. It is, however, difficult to show that a person's use of his own name in the course of trade is likely to deceive by reason of the prior use of the same name by another trader. Where, however, the defendant's motive is fraudulent, an injunction will be granted more readily.

Only two cases would seem to lend support to the suggestion that this right of a man bona fide to use his own name is confined to his using it as the name of his business (as a trade name) and does not extend to his using it to describe or mark his goods (as a trade mark). There is however, no ground for the distinction. The defendants were held to be entitled to use their own name bona fide in relation to their goods, both in the law of trade marks and in the law of passing off, there being no valid difference in principle between them."

33. Mr. Sagar Chandra submits, relying on the above extract from Venkateswaran on Trade Marks and Passing off that the protection under Section 35 is available only where the defendant is using her, or his, full name. It cannot, therefore, apply to use only of the first name "Vasundhara" in the case of Vasundhara Mantri.

<u>Analysis</u>

- 34. Having heard learned counsel for both sides and perused the material on record, we are of the opinion that the appellant has not been able to make out a case for interference with the impugned judgment of the learned Single Judge.
- **35.** It is well settled that appeals against interlocutory orders passed by a learned Single Judge under Order XXXIX Rules 1 and 2 of the





CPC are appeals on principle. They are governed by the following exordium contained in the judgment of the Supreme Court in *Wander Ltd v Antox India Pvt Ltd*¹⁵:

"14. The appeals before the Division Bench were against the exercise of discretion by the Single Judge. In such appeals, the appellate court will not interfere with the exercise of discretion of the court of first instance and substitute its own discretion except where the discretion has been shown to have been exercised arbitrarily, or capriciously or perversely or where the court had ignored the settled principles of law regulating grant or refusal of interlocutory injunctions. An appeal against exercise of discretion is said to be an appeal on principle. Appellate court will not reassess the material and seek to reach a conclusion different from the one reached by the court below if the one reached by that court was reasonably possible on the material. The appellate court would normally not be justified in interfering with the exercise of discretion under appeal solely on the ground that if it had considered the matter at the trial stage it would have come to a contrary conclusion. If the discretion has been exercised by the trial court reasonably and in a judicial manner the fact that the appellate court would have taken a different view may not justify interference with the trial court's exercise of discretion. After referring to these principles Gajendragadkar, J. in *Printers* (Mysore) Private Ltd. v Pothan Joseph 16:

"... These principles are well established, but as has been observed by Viscount Simon in *Charles Osenton & Co. v Jhanaton*¹⁷ "...the law as to the reversal by a court of appeal of an order made by a judge below in the exercise of his discretion is well established, and any difficulty that arises is due only to the application of well settled principles in an individual case"."

36. The Court is, therefore, concerned, while dealing with an appeal against an interim order, with the issue of whether the learned Single Judge has erred on principle. If the principles applied by the learned Single Judge are correct, we would not interfere with the decision merely because, applying the same principles, we may arrive at a

^{15 1990} Supp SCC 727

¹⁶ AIR 1960 SC 1156

¹⁷ 1942 AC 130





different conclusion. In other words, we would not substitute our subjective opinion for the subjective opinion of the learned Single Judge.

37. We proceed to deal with the various issues arising for consideration, which would also demonstrate why we are not inclined to interfere with the impugned order of the learned Single Judge, as under:

Applicability of Section 35

38. The respondents seek the benefit of Section 35 of the Act. It is contended that, as the mark VASUNDHARA was adopted as the name of Vasundhara Mantri, who was the original proprietor of the proprietorship in whose name the registration of the device mark

was obtained on 17 June 2003 claiming user from 1 June 2001, Section 35 operates as a proscription against the appellant injuncting use by the respondents of the said mark.

- **39.** The appellant has advanced three submissions by way of response.
- **40.** The first is that Section 35 of the Act is applicable only to infringement actions. The words "nothing *in this Act*", with which Section 35 commences, it is contended, would proscribe any





injunction being granted, against the use by the defendants of her, or his, own name as a trademark, on the ground of infringement. It would not, however, operate as a defence against grant of injunction against the defendant if a case of passing off is found to be made out.

- **41.** The second submission of the appellant is that the benefit of Section 35 is available only to natural persons, and not to corporate entities such as Respondent 1.
- 42. The third submission is that the benefit of Section 35 is available only to a defendant who uses her, or his, full name as the mark under which she, or he, transacts business, and not where a part of the name is used as the mark. The appellant submits, therefore, that it would have no objection if the respondents were to use "Vasundhara Mantri" as its mark instead of "Vasundhara" *per se*. As "Vasundhara" constitutes only part of the proprietor of Respondent 1's predecessor-in-interest, it is submitted that Section 35 would not operate as a proscription against grant of injunction restraining such use.
- **43.** We deal with each of the submissions of Mr. Sagar Chandra seriatim.

Does Section 35 apply in passing off cases?

44. The submission that Section 35 applies only in cases of infringement, though facially attractive, is not acceptable on a deeper study of the statute.





- 45. Section 35 states that "nothing in this Act" i.e. nothing in the Trade Marks Act, would entitle a proprietor or a registered user of a trademark to interfere with the *bona fide* use by another person of his own name or of his place of business or the name or place of business of his predecessor in business. The proscription operates, therefore, as an exception to *any* action which can be taken, and any relief which can be obtained, under the Trade Marks Act.
- 46. Section 135¹⁸ of the Trade Marks Act deals with the reliefs which are available thereunder. Section 135(1), in its very opening words, clarifies that it applies to suits for infringement as well as passing off. In other words, grant of injunction in a case where the defendant is found to have passed off his goods or services as those of the plaintiff is also a relief which is available under the Trade Marks Act. The words "nothing in this Act" in Section 35 would, therefore, cover all reliefs available under Section 135 of the Act, which includes injunction both in the case of infringement as well as passing off.
- 47. In other words, no injunction can be granted even in the case of passing off against a defendant, restraining the use by her, or him, of

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^{18 135.} Relief in suits for infringement or for passing off.—(1) The relief which a court may grant in any suit for infringement or for passing off referred to in Section 134 includes injunction (subject to such terms, if any, as the court thinks fit) and at the option of the plaintiff, either damages or an account of profits, together with or without any order for the delivery-up of the infringing labels and marks for destruction or erasure.

⁽²⁾ The order of injunction under sub-section (1) may include and *ex parte* injunction or any interlocutory order for any of the following matters, namely:—

⁽a) for discovery of documents;

⁽b) preserving of infringing goods, documents or other evidence which are related to the subject-matter of the suit;

⁽c) restraining the defendant from disposing of or dealing with his assets in a manner which may adversely affect plaintiff's ability to recover damages, costs or other pecuniary remedies which may be finally awarded to the plaintiff.





her, or his, own name.

48. The submission of Mr. Sagar Chandra that Section 35 does not apply where injunction is being sought on the ground of passing off, is, therefore, not acceptable and is accordingly rejected.

Re. contention that Section 35 is available only to natural persons and not corporate entities

- **49.** Mr. Sagar Chandra's second contention, even if it were to be accepted, would not make any difference to the present case. Mr. Sagar Chandra's contention is that Section 35 gives protection only to the use by a person of her, or his, own name. It does not, therefore, apply to corporate entities and would only apply only to natural persons.
- 50. We are not required to enter into the merits of this contention, for the simple reason that the word VASUNDHARA in the present case was coined and adopted by Vasundhara Mantri, who was an individual, for use by her proprietorship. The intellectual property rights of Vasundhara Mantri in the mark VASUNDHARA were assigned to Respondent 1 under the Assignment Deed dated 28 March 2019. Respondent 1, therefore, succeeded to the intellectual property rights of Vasundhara Mantri in the mark VASUNDHARA. Inasmuch as those rights were availed by an individual, the benefit of Section 35 would also be available to Respondent 1 as the assignee-in-interest of the intellectual property rights earlier held by Vasundhara Mantri.





Is the benefit of Section 35 restricted to use of the full name?

- 51. We are not inclined to accept the third contention of Mr. Sagar Chandra with regard to Section 35 either. Mr. Sagar Chandra's contention is that the benefit of Section 35 is available only where the full name is used. Section 35 places no such limitation. Indeed as Mr. Sen Gupta, learned counsel for the respondents, correctly points out, relief was granted by the Supreme Court in *Precious Jewels* even in a case where the appellant was using its surname.
- **52.** In so far as the judgment in *Goenka Institute* is concerned, the finding with regard to the use of full name as contained in the said decision is mere *obiter*.
- 53. In any event, in the absence of any particular stipulation, in Section 35, to the effect that it applies only where the full name is used, we are unwilling to read any such limitation into the provision. It is trite that courts cannot re-write the statute. A name is a name. It cannot be denied that VASUNDHARA was the name of Vasundhara Mantri. Mr. Sagar Chandra's submission that the protection under Section 35 would be available only if the respondents were to use the full name "Vasundhara Mantri", therefore, merely has to be stated to be rejected.
- **54.** We, therefore, are of the opinion that, irrespective of the merits of the matter, there could have been no injunction restraining the respondents from using the mark VASUNDHARA in view of the protection available under Section 35 of the Trade Marks Act.





- of bona fide use by a defendant of her, or his, name as a mark. In this regard, we are in entire agreement with the learned Single Judge that the use by the respondents of the mark VASUNDHARA is completely bona fide. VASUNDHARA was used by Vasundhara Mantri. It was her own name. There is nothing whatsoever on record on the basis of which her bona fides could be questioned. She has been using the mark without interruption since 2001 or, even as per the appellant's own showing, since 2005. The use of the mark VASUNDHARA by Vasundhara Mantri, and later by Respondent 1 has, therefore, necessarily to be treated as bona fide.
- **56.** It is, therefore, clear that the respondents would be entitled to the benefit of Section 35 of the Trade Marks Act. *De hors* the issue of infringement or passing off, therefore, the respondents cannot be denied the right to use the mark VASUNDHARA, in view of Section 35 of the Trade Marks Act.

Is a case of passing off made out?

57. We are concerned only with the issue of passing off. Respondent 1, in all the trade marks registrations possessed by it, claimed user of the VASUNDHARA mark with effect from 1 June 2001. At a *prima facie* stage, this assertion has to be accepted, especially as it was made by the respondent before the Trade Marks Registry, and the Registry has proceeded to grant registration to the







respondents of the device mark

58. The first ingredient to be established, for a plaintiff to succeed in an action of passing off, is the existence of goodwill in the mark which it seeks to assert. In *Toyota Jidosha Kabushiki Kaisha v Prius Auto Industries Ltd*¹⁹, the Supreme Court has held, following its earlier decision in *Satyam Infoway Ltd v Siffynet Solutions (P) Ltd*²⁰ and *Cadila Healthcare Ltd v Cadila Pharmaceuticals Ltd*²¹, that, if the existence of goodwill was not established, the two other ingredients for sustaining an action of passing off, i.e., misrepresentation by the defendant and injury suffered by the plaintiff would not arise for consideration. In other words, if the plaintiff is unable to demonstrate the existence of goodwill, no occasion would arise to examine whether the mark of the defendant is, or is not, deceptively similar to the asserted mark of the plaintiff or whether the plaintiff has suffered any injury.

59. In its recent decision in *Brihan Karan Sugar Syndicate (P) Ltd* v Yashwantrao Mohite Krushna Sahakari Sakhar Karkhana²², the Supreme Cout has outlined the manner in which an action for passing off has to be sustained and the requisites which have to be shown by the plaintiff to exist in order for such an action to succeed. The following passages from *Brihan Karan Sugar Syndicate* may be

²⁰ (2004) 6 SCC 145

¹⁹ (2018) 2 SCC 1

²¹ (2001) 5 SCC 73

²² (2024) 2 SCC 577





reproduced to advantage:

- "12. There is a finding recorded by the High Court in the impugned judgment that the labels used on the bottle of country liquor sold by the appellant and the labels on the bottle of country liquor sold by the respondent are similar. At this stage, we may note the legal position regarding the factual details which are required to be proved in a passing off action. Firstly, we may refer to a decision of this Court in *Satyam Infoway Ltd. v Siffynet Solutions (P) Ltd.* Paras 13 to 15 of the said decision read thus:
 - "13. The next question is, would the principles of trade mark law and in particular those relating to passing off apply? An action for passing off, as the phrase "passing off" itself suggests, is to restrain the defendant from passing off its goods or services to the public as that of the plaintiff's. It is an action not only to preserve the reputation of the plaintiff but also to safeguard the public. The defendant must have sold its goods or offered its services in a manner which has deceived or would be likely to deceive the public into thinking that the defendant's goods or services are the plaintiff's. The action is normally available to the owner of a distinctive trade mark and the person who, if the word or name is an invented one, invents and uses it. If two trade rivals claim to have individually invented the same mark, then the trader who is able to establish prior user will succeed. The question is, as has been aptly put, who gets these first? It is not essential for the plaintiff to prove long user to establish reputation in a passing off action. It would depend upon the volume of sales and extent of advertisement.
 - 14. The second element that must be established by a plaintiff in a passing off action is misrepresentation by the defendant to the public. The word "misrepresentation" does not mean that the plaintiff has to prove any mala fide intention on the part of the defendant. Of course, if the misrepresentation is intentional, it might lead to an inference that the reputation of the plaintiff is such that it is worth the defendant's while to cash in on it. An innocent misrepresentation would be relevant only on the question of the ultimate relief which would be granted to the plaintiff [Cadbury-Schweppes (Pty) Ltd. v PUB Squash Co. (Pty) Ltd.²³, Erven Warnink Besloten Vennootschap v J. Townend & Sons (Hull) Ltd.²⁴]. What has to be established

²⁴ (1979) 3 WLR 68: (1979) 2 All ER 927

²³ (1981) 1 WLR 193





is the likelihood of confusion in the minds of the public (the word "public" being understood to mean actual or potential customers or users) that the goods or services offered by the defendant are the goods or the services of the plaintiff. In assessing the likelihood of such confusion the courts must allow for the "imperfect recollection of a person of ordinary memory" [Aristoc Ltd. v Rysta Ltd.²⁵].

15. The third element of a passing off action is loss or the likelihood of it."

(emphasis supplied)

- 13. Thus, the volume of sale and the extent of advertisement made by the appellant of the product in question will be a relevant consideration for deciding whether the appellant had acquired a reputation or goodwill.
- 14. At this stage, we may also refer to the decision of this Court in Toyota Jidosha Kabushiki Kaisha v Prius Industries Ltd.. In this decision, this Court approved its earlier view in S. Syed Mohideen v P. Sulochana Bai that the passing off action which is premised on the rights of the prime user generating goodwill, shall remain unaffected by any registration provided in the Act. In fact, this Court quoted with approval, the view taken by the House of Lords in Reckitt & Colman Products Ltd. v Borden *Inc.*²⁶. The said decision lays down triple tests. One of the tests laid down by the House of Lords was that the plaintiff in a passing off action has to prove that he had acquired a reputation or goodwill connected with the goods. Thereafter, in para 40 of Toyota, this Court held that if goodwill or reputation in a particular jurisdiction is not established by the plaintiff, no other issue really would need any further examination to determine the extent of the plaintiff's right in the action of passing off.
- 15. Coming to the facts of the case, the appellant examined only two witnesses. The first witness was Mr K.K. Kalani and the second one was Mr Sudhir Pokhale. Mr Sudhir Pokhale was examined on an altogether different issue regarding the approval of labels sought by the respondent. The impugned judgment contains a list of the exhibited documents produced by the appellant. Exts. 73, 73.1 to 73.4 are the statement of sales as well as advertisement and sale promotion expenses certified by a Chartered Accountant. However, we find that the Chartered Accountant was not examined to prove the statements. In the examination-in-chief of Shri K.K. Kalani, in para 10, only the figures of sales and marketing expenses have been quoted.

²⁵ 1945 AC 68 (HL)

²⁶ (1990) 1 WLR 491 (HL)





- 16. Prima facie, it appears to us that at the time of the final hearing of the suit, it was incumbent upon the appellant-plaintiff to actually prove the figures of sales and expenditure incurred on the advertising and promotion of the product. Only by producing the statements without proving the contents thereof, the appellant could not have established its reputation or goodwill in connection with the goods in question. According to the witness, the statements produced were signed by a Chartered Accountant Mr Natesh. This aspect surely makes out a prima facie case for grant of stay to the execution of the decree in favour of the respondent as regards the passing off action.
- 17. For establishing goodwill of the product, it was necessary for the appellant to prove not only the figures of sale of the product but also the expenditure incurred on promotion and advertisement of the product. Prima facie, there is no evidence on this aspect. While deciding an application for a temporary injunction in a suit for passing off action, in a given case, the statements of accounts signed by the Chartered Accountant of the plaintiff indicating the expenses incurred on advertisement and promotion and figures of sales may constitute a material which can be considered for examining whether a prima facie case was made out by the appellant-plaintiff. However, at the time of the final hearing of the suit, the figures must be proved in a manner known to law.
- 18. Even assuming that the allegation of deceptive similarity in the labels used by the respondent was established by the appellant, one of the three elements which the appellant was required to prove, has not been proved. Therefore, we find that the High Court was justified in staying that particular part of the decree of the trial court by which injunction was granted for the action of passing off."

(Emphasis supplied)

- **60.** In as much as the respondents claim user of the mark VASUNDHARA with effect from 2001, the appellant, in order to succeed in a passing off action, would have to demonstrate accumulation of goodwill prior to 2001.
- **61.** Has it done so?





- **62.** The appellant commenced business in India only in 1999. A perusal of the sales figures of the appellant from user of the mark VASUNDHRA reveals that, in 1999-2000, the appellant's sales were of ₹ 19,80,812/- and in 2000-2001, rose to ₹ 2,81,80,175/-. Of these, the figures of ₹ 19,80,812/- can hardly be treated as demonstrative of goodwill.
- **63.** The appellant, therefore, had, to its credit, only one year of use, by it, of the mark VASUNDHRA, before the respondents had commenced use of the mark VASUNDHARA.
- **64.** The appellant has placed on record certain invoices to demonstrate accumulation of goodwill in the mark VASUNDHRA. Though the respondents have contested the genuineness of the said invoices, we do not propose to enter into that aspect at this stage, especially as we are dealing with an appeal against an interlocutory order passed by a learned Single Judge under Order XXXIX of the CPC.
- 65. We have, however, gone through the invoices and we find that there are only eight invoices which are hand-written, the remaining being pre-printed invoices. All these invoices merely reflect the name VASUNDHRA JEWELLERS at the head of the invoices.
- 66. These invoices, in our view, especially over a period of just one year prior to the commencement of user by the respondents of the mark VASUNDHARA, cannot make out a case of accumulation of sufficient goodwill as would justify injuncting the respondents from





use of the mark. We have in this regard kept in mind the standards set by the Supreme Court in its decision in *Brihan Karan Sugar Syndicate*.

17 years' user by the respondents

67. In this regard, it is also necessary to bear in mind the fact that the respondents claim user of the mark VASUNDHARA since 1 June 2001. Even as per the appellant, the respondents had commenced use of the mark at least since 2005. The suit came to be instituted by the appellant in 2022, 17 years after the respondents had admittedly commenced use of the mark VASUNDHARA. It can hardly be said that, in the lone year 2000-2001, the appellant had accumulated sufficient goodwill to injunct the respondents from using a mark which it had been using for 17 years thereafter, before the suit came to be filed.

The plea of estoppel – The decision in Raman Kwatra

dated 1 July 2019 to the FER dated 18 June 2019 issued by the Trade Marks Registry, the appellant had specifically stated that there was no similarity between the VASUNDHARA mark of the respondents and the VASUNDHRA mark of the appellant. Mr. Sen Gupta sought to contend that having adopted such a stand before the Trade Marks Registry, while seeking registration of its mark VASUNDHRA JEWELLERS PRIVATE LIMITED, the appellant is estopped from contending, in the present suit, that the respondents' mark





VASUNDHARA is confusingly or deceptively similar to the appellant's mark VASUNDHRA. Reliance has been placed, by Mr. Sen Gupta, for this submission, on the judgment of the Division Bench of this Court in *Raman Kwatra*.

- **69.** Mr. Sagar Chandra's response is that the decision in **Raman Kwatra** would have applied only if Application No. 4169987, during the prosecution of which the aforesaid statement was made by the appellant, had proceeded to registration. That never happened; instead, the application was abandoned by the appellant. A statement made before the Trademarks Registry during prosecution of an application for registration, which was ultimately abandoned, according to Mr. Sagar Chandra, cannot operate as estoppel. He relies, for this purpose, on the fact that, **Raman Kwatra**, the Division Bench has specifically noted that, on the basis of the statement made before the Trademarks Registry, the registration of the mark had been obtained. He refers to the following passage from **Raman Kwatra**:
 - "43. We also find merit in the appellant's contention that a party, that has obtained the registration of a trademark on the basis of certain representation and assertions made before the Trade Marks Registry, would be disentitled for any equitable relief by pleading to the contrary. The learned Single Judge had referred to the decision in the case of *Telecare Networks India Pvt. Ltd. v Asus Technology Pvt. Ltd.*²⁷ holding that after grant of registration neither the Examination Report nor the plaintiff's reply would be relevant. We are unable to agree with the said view. In that case, the Court had also reasoned that that there is no estoppel against statute. Clearly, there is no cavil with the said proposition; however, the said principle has no application in the facts of the present case. A party that has made an assertion that its mark is dissimilar to a cited mark and obtains a registration on the basis of that assertion, is not to be entitled to obtain an interim injunction

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²⁷ (2019) 262 DLT 101





against the proprietor of the cited mark, on the ground that the mark is deceptively similar. It is settled law that a person is not permitted to approbate and reprobate. A party making contrary assertions is not entitled to any equitable relief."

- 70. Where, as in the present case, the appellant has not obtained any registration of the mark VASUNDHRA JEWELLERS PRIVATE LIMITED, following Application No. 4169987, but abandoned the application, Mr. Sagar Chandra's contention is that any statement made before the Trademarks Registry during the prosecution of such an application loses all significance.
- 71. We are not inclined to accept Mr. Sagar Chandra's submission.
- 72. Estoppel, in such cases, is a species of approbate and reprobate. It operates to restrain a party from adopting two diametrically opposing stands, on the same subject matter. The fact that Application No. 4169987, during the prosecution of which the appellant had, before the Trade Marks Registry, specifically contended that there was confusing deceptive similarity between the marks no or VASUNDHARA and VASUNDHRA, never proceeded registration, cannot make any discernible difference in this regard. The fact is that, while prosecuting the said application, the appellant had specifically contended, in response to the FER of the Trademarks Registry, that there was no confusing or deceptive similarity between the mark VASUNDHARA and VASUNDHRA. Having adopted such a stand at that stage, the appellant cannot, now, be permitted to execute a *volte face* and contend exactly to the contrary.





- 73. We are of the opinion that this proposition is fully covered by the enunciation of the law in para 43 of *Raman Kwatra*. The fact that, in that case, the application had proceeded to registration, in our view, cannot dilute the applicability of the *ratio decidendi* of the decision. So long as the statement was made by the appellant in FER which set up the disputed VASUNDHARA mark of the respondents as a deceptively similar mark, the appellant cannot be permitted to adopt two contrasting stands; one before the Trademarks Registry and other before this Court.
- 74. The respondents' mark is either deceptively similar to the appellant's, or it is not. It cannot be that the mark is not deceptively similar before the Trade Marks Registry, but becomes deceptively similar before this Court.
- 75. We, therefore, are also in agreement with the learned Single Judge in his view that, having contended, before the Trademarks Registry, that the marks VASUNDHARA and VASUNDHRA are not deceptively similar, the appellant could not be heard to contend the contrary in the present proceedings.

The plea of priority of user

76. Mr. Sagar Chandra repeatedly sought to emphasise the fact that the appellant was the "senior user" of the mark VASUNDHRA, as compared to the user of the mark VASUNDHARA by the respondents.





77. To our mind, it makes no difference. In the absence of establishment of sufficient goodwill possessed by the appellant in the mark VASUNDHRA prior to the commencement of user, by the respondents, of the mark VASUNDHARA, no case of passing off can be set to exist, and the appellant cannot be held to be entitled to any injunction against the respondents on that ground. The fact that the appellant was the senior user, *vis-à-vis* the respondents, is irrelevant in a passing off action, sans the existence of sufficient goodwill.

Balance of convenience and irreparable loss

- 78. We are also inclined to uphold the impugned decision of the learned Single Judge to deny interlocutory injunction to the appellant, by applying the principles of balance of convenience and irreparable loss. The respondents had been using the mark VASUNDHARA at least for 17 years, even as per the appellant's own stand, before the appellant instituted the suit before this Court, seeking injunction. It is difficult for us to hold that, if the appellant could tolerate the use of the mark VASUNDHARA by the respondents for 17 years, a case of irreparable loss could be said to have been made out by the appellant if the respondents were to continue to use the mark during the pendency of the suit.
- 79. We should not be understood to say that, even in a *prima facie* case of infringement or passing off, an interlocutory injunction can be refused merely on the ground of longevity of user of the infringing mark by the defendant. That this is not permissible is clearly held by the Supreme Court in *Midas Hygiene Industries (P) Ltd v Sudhir*





Bhatia²⁸ in the case of infringement and Laxmikant V. Patel v Chetanbhai Shah²⁹ in the case of passing off. Where, however, no prima facie case of infringement or passing off exists, the fact that the defendant has been using the allegedly infringing mark since long certainly operates as an additional factor, given the fact that irreparable loss is one of the pre-eminent considerations while considering whether to grant, or not grant, interim relief.

80. When all the above facts are seen cumulatively, we are of the opinion that the balance of convenience would also operate to justify denial, to the appellant, of its prayer for injuncting the respondents from use of the mark VASUNDHARA, which the respondents have been using at least for 17 years even prior to the institution of the suit.

Conclusion

- **81.** For all these reasons, we find no ground to interfere with the impugned judgment of the learned Single Judge, which is affirmed in its entirety.
- **82.** The appeal is accordingly dismissed.

C. HARI SHANKAR, J.

OM PRAKASH SHUKLA, J.

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²⁸ (2004) 3 SCC 90

²⁹ (2002) 3 SCC 65