

MANU/DE/0169/2013

IN THE HIGH COURT OF DELHI

FAO (OS) No. 609/2012

Decided On: 16.01.2013

Appellants: Precious Jewels & Anr.
Vs.
Respondent: M/s Varun Gems

Hon'ble Judges/Coram:

Hon'ble Mr. Justice Pradeep Nandrajog and Hon'ble Mr. Justice Manmohan Singh

Counsels:

For Appellant/Petitioner/Plaintiff: Mr. Jitender Kumar Sethi, Advocate with Mr. Tanmay Mehta, Advocate

For Respondents/Defendant: Mr. Sudhir Chandra, Sr. Advocate instructed by Mr. Sanjay Aggarwal, Advocate

Subject: Civil

Subject: Intellectual Property Rights

Acts/Rules/Orders:

Code Of Civil Procedure, 1908 - Rule 1, Code Of Civil Procedure, 1908 - Rule 11, Code Of Civil Procedure, 1908 - Rule 2, Code Of Civil Procedure, 1908 - Rule 4; Indian Partnership Act, 1932 - Section 69, Indian Partnership Act, 1932 - Section 69(2); Trade Marks Act, 1999 (47 Of 1999) - Section 10, Trade Marks Act, 1999 (47 Of 1999) - Section 124, Trade Marks Act, 1999 (47 Of 1999) - Section 125, Trade Marks Act, 1999 (47 Of 1999) - Section 2(m), Trade Marks Act, 1999 (47 Of 1999) - Section 2 (zb), Trade Marks Act, 1999 (47 Of 1999) - Section 27, Trade Marks Act, 1999 (47 Of 1999) - Section 28, Trade Marks Act, 1999 (47 Of 1999) - Section 29, Trade Marks Act, 1999 (47 Of 1999) - Section 29(1), Trade Marks Act, 1999 (47 Of 1999) - Section 29(i), Trade Marks Act, 1999 (47 Of 1999) - Section 31, Trade Marks Act, 1999 (47 Of 1999) - Section 32, Trade Marks Act, 1999 (47 Of 1999) - Section 34, Trade Marks Act, 1999 (47 Of 1999) - Section 35, Trade Marks Act, 1999 (47 Of 1999) - Section 57

JUDGMENT

Manmohan Singh, J.

1. Plaintiff Varun Gems filed the suit for permanent injunction restraining the infringement of trade mark, passing off, unfair trade dealing, rendition of accounts of profits, damages etc. against two defendants namely Precious Jewels and Ravi Rakyen. The suit along with the interim application was listed before Court on June 01, 2012. Summons in the suit were issued and in the interim application, a detailed order was passed against the defendants by issuance of an ex parte ad-interim injunction whereby they were restrained from using the name RAKYAN and/or any other deceptively similar trade mark to the plaintiff's trade mark. Upon service, the defendants on August 1, 2012 filed the written statement, reply to the injunction application along with three applications, being I.A.No. 14054/2012 under Section 34 of the Trade Marks Act, 1999 and Order XXXIX, Rule 4 CPC, I.A.No. 14055/2012 under Order VII, Rule 11 CPC and I.A.No. 14056/2012 under Section 124 of the Trade Marks Act, 1999. Notice of these applications was issued for August 30, 2012. Time was granted to file the replies to the fresh applications filed by the defendants. The matter

was also heard by the learned Single Judge from time to time. When the matter was listed on November 30, 2012, it was renotified for March 5, 2013. Aggrieved with the said order as well as ex-parte ad-interim order granted on June 1, 2012, the defendants have filed the present appeal, inter alia, on the ground that they are suffering tremendous loss because of continuation of interim order passed against them which otherwise is not sustainable. The prayer in the appeal is made to set aside the impugned ex-parte order dated June 1, 2012 passed in I.A.No. 11250/2012 under Order XXXIX, Rule 1 & 2 CPC. The appeal was listed before us on December 19, 2012 along with the interim application. Dasti notice was issued for service of the plaintiff who appeared before us on December 21, 2012. Learned counsel for both the parties made a statement that instead of hearing of the present appeal, the pending interim applications, being I.A.No. 11250/2012 and I.A.No. 14054/2012, be heard by this Bench and order be passed on those applications.

2. After hearing the learned counsel for the parties, the order was reserved on January 04, 2013. There are certain admitted facts between the parties, the details of which are given as under:

a. That in the year 1951 Sh. Sital Dass Rakyam started his jewellery business as sole proprietorship concern in the name and style of 'Sital Dass and Sons'. The same was converted into a partnership firm with Sital Dass Rakyam and his 4 sons Surendra Rakyam, Rajendra Rakyam, Virendra Rakyam and Jitendra Rakyam all being partners of the said firm.

b. In the year 1962 Shri Surendra Rakyam (now deceased) shifted to Jaipur and opened "RAKYAN JEWELLERS" in partnership with his uncles. The said shop mainly catered to foreign tourists and was restricted to Jaipur only. In 1970 Surendra Kumar Rakyam separated from this partnership with his uncles and started a new business under the name "SURENDRA RAKYAN" at Hotel Ashok, Jaipur and "DEEPAK BROTHERS" also at Jaipur. The shop "SURENDRA RAKYAN" closed down after few years. He also retired from his parent firm M/s Sital Dass & Sons in the year 1990.

c. In the year 1978 Rajendra Rakyam, Virendra Rakyam and Jitendra Rakyam started partnership business in the name and style of "M/S. VIRENDRA KUMAR & CO." at Connaught Place, New Delhi which was closed down within a year. In 1982, "M/S. VIRENDRA KUMAR & CO." took a shop (L-79) in Hotel Hyatt Regency, New Delhi, on licence, however, started the shop there in 1983 by changing its name to "SITAL DASS SONS". In the year 1984, the said firm obtained a license of another shop at L-81, Hotel Hyatt Regency, New Delhi.

d. In January, 1986, Ravi Rakyam (defendant No. 2 herein), son of Rajendra Rakyam, started his independent business in partnership with his mother Trishla Rakyam with name and trademark "RAKYAN GEMS" at L-79, Hotel Hyatt Regency, New Delhi.

e. In the year 1991, a family settlement took place in which Rajendra Rakyam gets business of 'Sital Dass Sons' and Shop L-79 at Hotel Hyatt Regency, Virendra Rakyam got business of 'Sital Dass & Sons' and Shop at Connaught Place while Jitendra Rakyam started his business under the name and style of 'Sital Dass Jewellers' at Shop L-81 at Hotel Hyatt Regency.

f. Jitendra Rakyam from April 01, 1998 started a new partnership firm with his wife Pushpa, son Varun and his HUF (JK Rakyam HUF) as partners and started business in the name and style of VARUN GEMS (Plaintiff) from shop L-81 at Hotel Hyatt Regency and Virendra K. Rakyam opened Sital Dass & Sons at Ansal Plaza, Khel Gaon Marg, New Delhi in the year 2000

and w.e.f. August 01, 2000 he purchased shop at M-31, M Block Market, Greater Kailash-I, New Delhi, and amended the partnership deed to run store at M-31, Greater Kailash-I in the name and style as 'RAKYAN FINE JEWELLERY'. In the year 2007 he started new partnership business with his son Varun under the name RFJ INTERNATIONAL.

g. In the year 2004-05 Rajendra Rakyan's sons were separated. Ravi Rakyan (defendant No.2 herein) who was already doing his business as 'Rakyan Gems' at L-79, Hotel Hyatt Regency, New Delhi, in addition got business of "SITAL DASS SONS" while Pankaj Rakyan opened a new shop at Hotel Lee Meridian under the name and style of "SITAL DASS SON". Ravi Rakyan opened a shop under the name and style of Ravi Rakyan at Square One Mall, Saket.

h. In September, 2011, the defendant No. 2 rented a shop located at M-32, M Block Market, Greater Kailash-I, New Delhi, and opened the store under the name 'DIAMEZ' in December, 2011. The name of the store was changed from 'DIAMEZ' to 'NEENA & RAVI RAKYAN' on March 27, 2012. The present suit was filed on May 30, 2012 by the plaintiff.

The case of the Defendants

3. The main case of the defendants in the written statement, reply and application under Order XXXIX, Rule 4 CPC is as follows:

a. The defendants are prior continuous user of the trade mark RAKYAN which is a surname of the defendant No. 2. The defendants are using the said name since 1986 in the jewellery business dealing in stones, gold, silver jewelries, bullions, diamonds, gold jewelries, gem jewelries, imitation jewelries etc.

b. The trade mark/trade name RAKYAN is a surname and the same is therefore protectable under Sections 34 and 35 of the Act. The suit filed by the plaintiff is not maintainable.

c. The registration of the plaintiff is bad under various provisions of the Trade Mark Act, 1999. The defendants are therefore entitled to use the trade mark/trade name NEEA & RAVI RAKYAN.

d. The trade mark registration obtained by the plaintiff is liable to be rectified as the defendant has already filed the rectification under Section 57 read with Section 125 of the Trade Marks Act, 1999 which is pending for consideration.

e. The defendants also averred that the plaintiff is guilty of concealment of material fact pertaining to the prior use of the trade mark RAKYAN by the defendants as in January 1986 when defendant No. 2 son of Rajendra Rakyan, started his business in partnership with his mother Trishla Rakyan with trade name/trade mark 'RAKYAN GEMS' at L-79, Hotel Hyatt Regency, New Delhi, Jitendra Rakyan, managing partner of the plaintiff who had full knowledge about the said business, even signed the partnership deed dated July 14, 1998 as an attesting witness.

f. The other defence raised by the defendants is that the suit filed by the unregistered firm is not maintainable under Section 69(2) of the Partnership Act, 1932 which spells out the effect of non-registration.

The case of the Plaintiff

4. Mark RAKYAN is not a common family name. The plaintiff is holding the registration of the trade mark RAKYAN'S FINE JEWELLERY bearing No. 1338163 in Class 14 as of February 2, 2005 claiming user since September 2000. The mark RAKYAN is an essential and integral part of the plaintiff's registration. The plaintiff is also holding copyright registration bearing No.A-74467/2005. The plaintiff has participated in various exhibitions, national or international, from the year 2001. Plaintiff is also carrying on its main business from M-31, M Block Market, Greater Kailash-I.

5. It was alleged by the plaintiff against the defendants that subsequent to the closure of the defendants' shop at Square One Mall, the defendants rented a new shop at M-32 in September, 2011 i.e. right next to the plaintiff's premises at M-31. Being a family member, the defendant No. 2 was requested not to use the name RAKYAN in relation to the similar business as the same would be likely to cause confusion in the mind of customers. According to the plaintiff, the defendants agreed to the said request and started business at M-32, Greater Kailash-I, under the name of DIAMEZ in the first week of December 2011. However, during the national strike of jewellers in the last week of March 2012, the defendants intentionally and fraudulently and in a clandestine manner changed the name of the shop from DIAMEZ to NEENA & RAVI RAKYAN and also put similar boards on the side elevation, on both sides in the veranda and on the top of show windows facing the street. The said act of the defendants amounts to cause confusion and deception and also to encash the goodwill and reputation generated by the plaintiff. Since the shop of the defendants is located right to the next door of the plaintiff and they are dealing in the identical business of jewellery, therefore, the defendants are passing off their business as that of plaintiff under the common law and also infringing the trade mark RAKYAN which is essential part of registered trade mark of the plaintiff.

6. Mr. Sudhir Chandra, learned Senior Counsel appearing on behalf of the plaintiff, has made his submission that as far as the use of the name RAKYAN GEMS at L-79, Hotel Hyatt Regency, New Delhi, is concerned, there was no commercial user of the said name. There is no continuous prior user as alleged by the defendants. The said shop mainly exporting goods under the name RAKYAN GEMS after obtaining the sales tax numbers in few countries including Japan. But there was no commercial user in the market in any manner as the said shop was only restricted to Hotel Hyatt Regency. The plaintiff still has no objection if the said business is carried on by the defendants at the same place in the same manner till the final decision of the suit. It is also disputed by him that his client has signed the partnership deed dated July, 14, 1986. His argument is that the defendants be not allowed to use RAKYAN at the adjoining shop otherwise the entire business of the plaintiff would be disturbed because of confusion and deception without any fault of the plaintiff. He states that in case the defendants want to use the trade name NEENA AND RAVI RAKYAN as a trade mark or trade name, the plaintiff has no objection if the same be used for the time being in different areas in their other shops. But, if it is allowed to use the same in the adjoining shop, there would be confusion and deception, thus, the plaintiff cannot allow the defendants to use the same.

7. Mr. Jitender Sethi, learned counsel appearing on behalf of the defendants mainly made his submission as per the defences raised in the written statement. He also relied upon the following decisions in support of said defences:

1. 2005 (31) PTC 551, Albatross Pharma vs. Cipla Ltd.
2. SLP (C) 4810/2012, Kushal K. Rana vs. State of U.P.
3. 2009 (41) PTC 529, Wheels India vs. S. Nirmal Singh
4. MANU/SC/0315/2001 : 2001 (5) SCC 95, Uniply Ind. Ltd. vs. Unicorn Plywood

5. 2011 (10) AD (Delhi) 705, Raj Rani Aggarwal vs. Parul Homoeo
6. 2008 (37) PTC 497, S. Narendra Kr. Vs. Everest Beverages
7. 2009 (40) PTC 393, Goenka Institute vs. Anjani Kumar Goenka
8. 2010 (43) PTC 771, Haldiram Bhujawala vs. Anand Kumar
9. 2010 (43) PTC 154, Star Bazaar Pvt. Ltd. vs. Trent Ltd.

8. During the course of argument, he has given the proposal that the defendants be allowed to change the name from NEENA AND RAVI RAKYAN to DIAMEZ with an expression "A Unit of Neena and Ravi Rakyán". The said proposal would be discussed at the later stage.

9. Now we deal with the submission of the parties. Let us first reproduce the scanned copy of the photograph of the display boards of the parties which has been filed along with the present suit:



10. The undisputed fact is that the names and surnames are registerable and protectable under the Trade Marks Law. Section 2(m) i.e. definition of the mark includes name, if a trade mark is used in relation to goods and services for the purpose of indicating or so as to indicate a connection in the course of trade between same person having the right as proprietor to use the mark under Section 2(zb) of the definition of the Trade Marks Act, 1999.

11. Exclusive rights are conferred to the proprietor to use of the trade mark in relation to the goods and services in respect of which the trade mark is registered under Section 28 of the Act. A registered trade mark is infringed by a person, who is not a registered proprietor, if he uses a mark which is identical with deceptively similar in relation to goods and services under Section 29(1) of the Act. Under sub-section (2) it is also an infringement if the mark used by a party is likely to cause confusion on the part of the public or which is likely to have an association with the registered trade mark.

12. Registration is to be taken as prima facie evidence of validity under Section 31 of

the Act and under the common law remedy of passing off which is provided under sub-section 2 of Section 27 the right of action against any person for passing off goods or services as the goods of another person, is available.

13. Vested rights under the Act are provided under Section 34 and 35 whereby the party who gets the registration cannot interfere with or restrain the use by any person who is using the identical with or nearly resembling the registered trade mark incase he uses the mark prior to the date of registration or the user claimed, the date which is the earlier or with any bona fide use by a person of his own name or that of his place of name of business or of the name or any bona fide description of the character and quality of his goods and services.

14. In the present case, the plaintiff is the registered proprietor of the trade mark RAKYAN'S FINE JEWELLERY as of February 14, 2005. The registration granted in favour of the plaintiff is an old registration after the expiry of seven years within the meaning of Section 32 of the Act.

Prior Use claimed by the defendant

15. The claim of prior user no doubt is one of the defence and vested right of the defendant in a case of infringement of trade mark. If it is established by a party who raises this plea by producing cogent and clear evidence of prior user before the Court then despite of registration the proprietor of a registered trade mark owner cannot interfere with or restrain the use by any person of a trade mark identical with or nearly resembling it. But the standard of proof of continuous use by a party is much rigorous as the proprietor of the registered trade mark is entitled to exclusive use of the registered trade mark therefore the defendant has to produce the cogent, clear and continuous user in commercial sense by way of evidence before Court to defeat the rights of the plaintiff. Unless the defendant, prima facie produces such evidence of prior user, the benefit of prior user cannot be granted. Occasionally, prior use of the trade mark as a defence in an action for infringement would not defeat the exclusive and statutory rights of the plaintiff.

16. The case of the defendants is that the defendants are using the trade name and trade mark RAKYAN since 1986 at L-79, Hotel Hyatt Regency, New Delhi. Mr. Jitender Sethi, learned counsel appearing on behalf of the defendants, has argued that the plaintiff was aware about the use of the said trade name/trade mark of RAKYAN GEMS at Hotel Hyatt Regency from the year 1986 itself. Even Jitender Rakyen, who is the managing partner of the plaintiff, has signed the partnership deed dated July 14, 1986 as an attesting witness. He referred to various documents in order to establish that the defendants are the prior user of the name RAKYAN i.e. Certificate of Registration for a Dealer dated October 13, 1986, Certificate of Registration of Central Sales Tax dated October 13, 1986, Invoice No.RG-2/94-95 dated November 16, 1994, Assessment orders for the years 1987-1988, 1989-1990, 1990-1991, 1994-1995, the form of registration with The Gem & Jewellery Export Promotion Council and the Vouchers of Sale issued by Rakyen Gems at page 163 to 181 of Part III of suit file.

17. In the light of the principle of continuous prior use and after having gone through the documents referred to by Mr. Sethi, we are of the view that there is no continuous prior use by the defendant prior to September 2000 as claimed by the plaintiff. As far as obtaining the certificate of Delhi sales tax and central sales tax are concerned, no doubt the same were granted in the name of RAKYAN GEMS in the year 1986 as a dealer at the address of Shop No. L-79, Hotel Hyatt Regency, Bhikaji Cama Place, New Delhi. Invoice referred to by Mr. Sethi dated November, 16, 1994 shows a personal carriage by Mr. Ravi Rakyen or RAKYAN GEMS from New Delhi to Tokyo, Japan. As far as the vouchers of sales referred to by Mr. Sethi available from page 163 to 181 are concerned, most of the same are not readable and in some of them dates are not mentioned. The names of the purchasers are missing. The complete addresses of the purchasers are also not mentioned on the vouchers. All the vouchers of sales are from

the place at L-79, Hotel Hyatt Regency, Bhikaji Cama Place, New Delhi. The invoices no doubt are available on record from the year 2004 onward, subsequent to the user of the plaintiff, these are also from place of Hotel Hyatt Regency.

We have also gone through the assessment orders filed by the defendants which are prior to the period of user claimed by the plaintiff i.e. 2000 and in all the assessment orders very meager total sale is mentioned and it was mentioned in the assessment orders that the party has not carried on business by selling of the impugned goods for example in the year 1987-1988, the total income is shown as ` 45,630/-. Prima facie, it shows that there is no commercial use by the defendants of the business of RAKYAN GEMS prior to September 2000, i.e. the date of user claimed by the plaintiff. The valid invoices which are available filed by the defendants are from the year 2004 but the same are also from the shop No. L-79, Hotel Hyatt Regency.

18. In considering whether a mark has become distinctive by user, the area, length and extent of user are important factors to be taken into account. The "extent" of user must be sufficiently large, although universal user or knowledge throughout the country is not required in order to establish distinctiveness for the purposes of the Act. Where the user is confined to certain towns or areas far too limited in extent, such user cannot be accepted in law.

19. In the famous case of the Court of Appeal 1982 FSR 73, Imperial Group Ltd. Vs. Philip Morris & Co. Ltd., Court has clearly observed that a bonafide use should be "ordinary and genuine", "perfectly genuine", "substantial in amount", a real commercial use on a substantial scale", and not some fictitious or colourable use but a real or genuine use. The same judgment was also dealt and upheld in 1997 (2) Arb. LR 76, Bimalji Govindji, Shah Trading as Acme Industries. Vs. Pannalal Chandulal, in para 13.

20. The words 'genuine use' have further been explained in Kerly's Law of Trade Marks and Trade Names - 14th Edition - at page 289 as under :

It follows that 'genuine use' of the mark entails use of the mark in the market for the goods or services protected by that mark and not just internal use by the undertaking concerned". "Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real"

In 2009 (41) PTC 362, the Hon'ble Division Bench of this Court has observed that the standard of proof of continuous prior use by the defendant required in an infringement action and in a rectification proceeding is different. The standard required to defeat an infringement action is much more strenuous and rigorous. While considering defence under Section 34 of the Act, the Hon'ble Division Bench further observed that the owner of the registered trade mark is in exceptional position and is entitled to exclusive use of the registered trade mark unless the defendant is able to show his continuous use prior to the plaintiff's user and not occasionally. The entire scope of Section 34 has been dealt with by this Court in this particular case and the plaintiff herein relies upon the same.

21. Under these circumstances, we are of the view that the defendants have not been able to establish to show continuous and prior user of the mark on commercial sense since the year 1986 as alleged. They have also failed to show concurrent user of the mark. There is not a single sale or advertisement shown by the defendants under the name RAKYAN GEMS during the period of prior user claimed by the defendants. The documentary evidence placed by the defendants does not prima facie satisfy the requirement of user claimed by defendants. It appears to us from the said document that the defendants were exporting jewellery by carriage or very small sale was made from the said shop but as far as cogent and clear evidence is concerned, the said

documents do not satisfy the provisions of vested rights.

SURNAME

22. The second submission of the learned counsel for the defendants is that the RAKYAN is a surname of the defendant No. 2 and other families who are having their respective shops in various areas are also using the name RAKYAN then why the defendants be not permitted to use the name RAKYAN in relation to the business in question. He further states that it is totally immaterial in case the defendant No. 2 was earlier using the name RAKYAN GEMS from Hotel Hyatt Regency and was exporting the goods from the said shop and now they cannot use the same from the adjoining shop of the plaintiff. According to him, in case the plaintiff has no objection to the use of the name RAKYAN in the place other than Greater Kailash-I, then he should not have any objection if the same is used in the present shop being a surname which is protectable under Section 35 of the Act.

23. Let us examine the argument of the learned counsel for the defendants as to whether the defendants have right of using the personal name or surname under the provision of Section 35 of the Act. Section 35 reads as under:

Section 35 - Nothing in this Act shall entitle the proprietor or a registered user of a registered trade mark to interfere with any bonafide 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, or any of his predecessors in business, or the sue by any person of any bonafide description of the character or quality of his goods or services.

Bonafide Use

"Bonafide use" normally means the honest use by the person of his own name without any intention to deceive anybody or without any intention to make use of the goodwill which has been acquired by another trader as per (1957) RPC 459 at 463, Baume vs. Moore, approved by CA (1958) RPC 226 at 235; (1958) RPC 323 at 334, Adrema v. Adrema,; (1959) RPC 47 at 49, 186, 273, Ballantine v. Ballantyne; (1964) RPC 356 at 359, 360, Steiner v. Willy Steiner. The mere fact that a trader is using his own name which too closely resembles a registered trade mark of which he is aware does not prevent the user from being "bonafide" provided that the trader honestly thought that no confusion would arise, and if he had no intention of wrongfully diverting business to himself by using the name ((1957) RPC 226 at 235, Baume v. Moore).

The following observations in MANU/DE/0658/2004 : 2004 (29) PTC 435 (Del.), Dr. Reddy's Laboratories Ltd. versus Reddy Pharmaceuticals Limited, later affirmed by the Division Bench are very relevant:

15. The plea raised by the defendant that it has a bona fide statutory right to use the trade name "Reddy" as its Managing Director is Mr. Reddy is also liable to be rejected for the reason that the trade mark "Dr. Reddy" in spite of not being registered has acquired considerable trade reputation and goodwill in the community dealing with drugs and pharmaceutical not only in India but abroad also. This trade mark is now distinctively associated with the plaintiff's company. Its long and continuous user by the plaintiff is prima facie established. The use of trade name/mark "Reddy" by the defendant is capable of causing confusion and deception resulting in injury to the goodwill and reputation of the plaintiff company. No other "Reddy" has a right to start a rival business by using the same trade name on the plea that it is his surname. This would encourage deception. If such a plea is allowed, rivals in trade would be encouraged to associate in their

business ventures persons having similar surnames wind ants was held to be an act of passing off the goods and it was observed that the use of such family name as a trade mark was not permissible. The plea of the defendants that the surname of the partners of its firm could be used to carry on trade in their own name was rejected. It was held that prima facie the defendants were intentionally and dishonestly trying to pass off their goods by use of name "Bajaj" and as such the plaintiff had made out a case for grant of injunction.

19. Section 35 of the TMM Act is also of no help to the defendant as the use of name "Reddy" on pharmaceutical preparations by the defendant is not shown to be bona fide. The drugs and pharmaceutical preparations being manufactured by the plaintiff may be having different names but that does not disentitle the plaintiff to claim protection in regard to its trade mark "Dr. Reddy" which has earned substantial trade reputation and goodwill. This trade mark has acquired a distinctive reputation. Use of an identical or deceptively similar trade mark may mislead the customers on account of similarity. "Dr. Reddy" and "Reddy" are similar trademarks phonetically and are capable of creating confusion. There is identity of goods, identity of trade mark and identity of consumers. The defendant is not at all an honest and concurrent user of the trade mark "Reddy" and it is apparent on record that it has started using the trade mark "Reddy" on its pharmaceutical preparations in bad faith knowing fully well that the plaintiff company has enormous trade reputation and goodwill in the trade mark "Dr. Reddy" which is completely associated with plaintiff and has acquired a secondary meaning in business circles.

24. It is a question of fact to be decided on the evidence, whether it is proved that a name or mark has acquired a secondary meaning so that it denotes or has come to mean goods made by a particular person and not goods made by any other person, even though such other person may have the same name. If it is proved on behalf of a claimant that a name or mark has acquired such a secondary meaning, then it is a question for the Court whether a defendant, whatever may be his intention, is so describing his goods that there is a likelihood that a substantial section of the purchasing public will be misled into believing that his goods are the goods of the claimant." (per Lord Morris, Parker-Knoll v. Knoll International (1962) RPC 265 at 279).

25. In case, we read Section 35 of the Act carefully, the words bonafide governs the entire provision of the Act. In the present case, on the face of it, the defendants have intentionally and deliberately used the name RAKYAN by placing the sign boards at the shop which is right next door to the shop of the plaintiff. Thus, one cannot say that bonafide rights of the defendants exist with regard to the surname RAKYAN. The use of the said name RAKYAN by the defendants at the adjoining shop would definitely tantamount to confusion and deception as apparently there is a resemblance while comparing the two photographs produced by the plaintiff.

26. There is a lack of bonafide on the part of the defendants as the defendants are using the name NEENA AND RAVI RAKYAN as a trade mark/trading style and not by way of bonafide description. Thus, the defendants are not entitled to the benefit of Section 35. The submission of learned counsel appearing on behalf of the defendants has no force that there is no confusion and deception if the defendants may be allowed to use the name RAKYAN in the fashion they are using.

27. Apparently, the RAKYAN is not a common surname. Even otherwise, in various cases the common surnames have been protected from time to time in case there is a confusion and deception created by the party. The following are the judgments of a similar nature in which the interim order was issued against the parties who were using their names or surnames but no benefit was given by the Courts:

a) The Bombay High Court in its judgment in the case reported as MANU/MH/0033/1996 : AIR 1996 Bom 149, Kirloskar Diesel Recon Pvt. Ltd. v. Kirloskar Proprietary Ltd., relying upon the judgments (1) 1976 Tax LR 1382, Bhandari Homeopathic Laboratories v. L.R. Bhandari (Homeopathics) Pvt. Ltd., (2) MANU/DE/0219/1985 : AIR 1986 Delhi 181, K.G. Khosla Compressors Ltd. v. Khosla Extraktions Ltd. and (3) AIR 1988 Del 134, Sarabhai International Ltd. v. Sara Exports International, held that in case of incorporated company the adoption of the name is by choice whereas in the case of a natural person, the adoption of surname is not by choice and further held, the defence that a man has a right to use his personal name is not available in passing-off action.

b) In 1982 (2) PTC 233, M/s Virendra Dresses, Delhi v. M/s. Varindera Garments, Delhi, the injunction was refused by the Additional District Judge from restraining the respondent/defendant namely VARINDERA GAREMENTS from adopting the said trade name in relation to readymade garments business as the defendant was Varinder. The appeal was allowed and the judgment of the learned District Judge dated July 21, 1981 was set aside. Temporary injunction was issued restraining the defendant from adopting or carrying on business in the name of 'VARINDERA GARMENTS'.

c) In 1982 (2) PTC 297, Surjeet Book Depot v. Surjeet Book Depot (P.) Ltd. and Anr., the name of the defendant happened to be Surjeet Singh and the defence of Section 34 was taken by the defendant. The court held:

16. When such has been the position and the plaintiffs now have got the trade name "Surjeet Book Book" registered in their name, it will be proper to restrain the defendants from using the same name or as the name of his limited company. Till the time rectification should hold the field. While a mark remains in the register, it is not desirable that eh other should imitate it. The balance of convenience is therefore in plaintiff's favour.

d) In 2002 (24) PTC 121 (SC), Mahendra & Mahendra Paper Mills Ltd. v. Mahindra & Mahindra Ltd., the defence of the defendant was that he was better known as 'Mahendrabhai' in the trade circle and he resided in Mahendra House named after him. The learned Single Judge issued injunction order against the defendant thereby restraining the defendant from using words "Mahendra and Mahendra" in relation to its products. The defendant challenged the said order in appeal before the Division Bench which was dismissed. The Hon'ble Supreme Court held the orders passed by the learned Single Judge as well as by Division Bench.

e) In 2007 (35) PTC 868 (Del) (DB), Reddy Pharmaceuticals Ltd. v. Dr. Reddy's Laboratories Ltd., the defendant claimed bonafide statutory right to use the trade name Reddy as it was the surname of its Managing Director. Injunction was issued against the defendant thereby restraining the use of trade name "Reddy".

28. In the present case, it is admitted position that the plaintiff is holding the registration of the trade mark RAKYAN FINE JEWELLRY claiming the user since September 2000. The said registration is valid. Under Section 31, the registration is a prima facie evidence of validity. By virtue of the registration one gets exclusive rights to use the trade mark in relation to the goods in which the said trade mark is registered. In case any party who is not the registered proprietor to use the mark either identical with or deceptively similar is likely to cause confusion under Section 29(i) and (ii) of the Act.

Test of Infringement

29. The test of infringement has been discussed by this Bench at great length in the case of *The Himalaya Drug Company v. M/s. S.B.L. Limited*, bearing RFA (OS) No. 90/2010, dated November 9, 2012, from para 17 to 24 which read as under:

Test of Infringement

17. In order to establish infringement, the main ingredients of Section 29 are that the plaintiff's mark must be registered under the Trade and Merchandise Marks Act, 1958, the defendant's mark is identical with or deceptively similar to the registered trade, the defendant's use of the mark is in the course of trade in respect of the goods covered by the registered trade mark. The rival marks are to be compared as a whole. Where two rival marks are identical, it is not necessary for the plaintiff to prove further that the use of defendant's trade mark is likely to deceive and cause confusion as the registration shows the title of the registered proprietor and the things speak for themselves. In an infringement action, once a mark is used as indicating commercial origin by the defendant, no amount of added matter intended to show the true origin of the goods can effect the question. If court finds that the defendant's mark is closely, visually and phonetically similar, even then no further proof is necessary. It is not necessary for the plaintiff to adduce evidence of actual deception in order to prove the case of infringement. If packing of two products is different in an action of infringement, the same is immaterial. Its validity cannot be challenged in the infringement proceedings under the Trade and Merchandise Marks Act, 1958. (See *Corn Products Refining Co. v. Shangrila Food Products Ltd.* (supra), MANU/SC/0256/1962 : AIR 1963 SC 449 (V 50 C 63), *Amritdhara Pharmacy Vs. Satya Deo Gupta and* MANU/SC/0197/1964 : AIR 1965 SC 980, *Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories*, 1999 PTC (19) 81 (Del) (para 15), *Automatic Electric Limited v. R.K. Dhawan and Anr.* and 1963 Mad 12 S.A.P. *Balraj and Ors. Vs. S.P.V. Nadar and Sons and Another*)

Legal Effect of Registration

18. On registration of a trade mark the registered proprietor gets under Section 28 the exclusive right to the use of such trade marks in relation to the goods in respect of which the trade mark is registered and to obtain relief in respect of any infringement of such trade mark. The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to the use of the trade mark in relation to those goods. (See *Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories* (supra) and AIR 1971 SC 898, *National Bell Co. v. Metal Goods Mfg. Co.*)

Essential Features

19. The courts have propounded the doctrine of prominent and essential feature of the trade mark for the purposes of adjudication of the disputes relating to infringement of trade mark. While deciding the question of infringement, the court has to see the prominent or the dominant feature of the trade mark. Even the learned single judge agrees to this proposition when the learned judge quotes McCarthy on Trade Marks that all composite marks are to be compared as whole. However, it is dependent on case to case to basis as a matter of jury question as to what can be the possible broad and essential feature of the trade mark in question.

20. It is settled law that where the defendant's mark contains the essential feature of the plaintiff's mark combined with other matter, the correct approach for the court is to identify an essential feature depending

particularly "on the court's own judgment and burden of the evidence that is placed before the Court". In order to come to the conclusion whether one mark is deceptively similar to another, the broad and essential features of the two are to be considered. They should not be placed side by side to find out if there are differences, rather overall similarity has to be judged. While judging the question as to whether the defendant has infringed the trade mark or not, the court has to consider the overall impression of the mark in the minds of general public and not by merely comparing the dissimilarities in the two marks.

21. The ascertainment of an essential feature is not to be by ocular test alone but if a word forming part of the mark has come in trade to be used to identify the goods of the owner of the trade mark, it is an infringement of the mark itself to use that word as the mark or part of the mark of another trader for which confusion is likely to result. The likelihood of confusion or deception in such cases is not disproved by placing the two marks side by side and demonstrating how small is the chance of error in any customer who places his order for goods with both the marks clearly before him, for orders are not placed, or are often not placed, under such conditions. It is more useful to observe that in most persons the eye is not an accurate recorder of visual detail and that marks are remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole". In the decision reported as (1951) 68 RPC 103 at page 105, *De Cordova v. Vick Chemical Co.*, the plaintiffs were the proprietors of a label containing the words "Vick's VapoRub" as the essential feature, registered in Jamaica, and the defendants used a similar label with the words "Karsote Vapour Rub" as the essential feature, and it was shown that the expression "VapoRub" had become distinctive of the plaintiff's goods in Jamaica, an action for infringement was successful. (See *De Cordova v. Vick Chemical Co.* (supra), (1941) 58 RPC 147, *Saville Perfumery Ltd. v. June Perfect Ltd*, MANU/SC/0412/1972 : AIR 1972 SC 1359 at 1362, *M/s. National Chemicals and Colour Co. and Others v. Reckitt and Colman of India Limited* and MANU/MH/0016/1991 : AIR 1991 Bom 76, *M/s National Chemicals and Colour Co. and others vs. Reckitt and Colman of India Limited* and another)

22. Identification of essential features of the trade marks has been discussed in details in the case of *Kaviraj Pandit Durga Dutt Sharma vs. Navaratna Pharmaceutical Laboratories* (supra):-

In an action for infringement, the plaintiff must, no doubt, make out that the use of the defendant's mark is likely to deceive, but where the similarity between the plaintiff's and the defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an imitation, no further evidence is required to establish that the plaintiff's rights are violated. Expressed in another way, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial;....

When once the use by the defendant of the mark which is claimed to infringe the plaintiff's mark is shown to be "in the course of trade", the question whether there has been an infringement is to be decided by comparison of the two marks. Where the two marks are identical no further questions arise;

for then the infringement is made out....

23. The Court in determining whether the Defendant's mark is deceptively similar to the mark of the Plaintiffs were enunciated in the judgment of Mr. Justice Parker in the decision reported as 1906 (23) RPC 774, Pionotist Case:

You must take the two words. You must judge them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trademarks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion - that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods -then you may refuse the registration, or rather you must refuse the registration in that case.

Likelihood of Confusion and Deception

24. In the decision reported as MANU/MH/0063/1951 : AIR 1951 Bom 147, James Chadwick & Bros. Ltd. v. The National Sewing Thread Co. Ltd, Chagla C.J. and Bhagwati, J.; referring to the words "likely to deceive or cause confusion" in section 10 of the Trade Marks Act, 1940, observed at page 152 as follows:-

Now in deciding whether a particular trade mark is likely to deceive or cause confusion, it is not sufficient merely to compare it with the trade mark which is already registered and whose proprietor is offering opposition to the registration of the former trade mark. What is important is to find out what is the distinguishing or essential feature of the trade mark already registered and what is the main feature or the main idea underlying that trade mark, and if it is found that the trade mark whose registration is sought contains the same distinguishing or essential feature or conveys the same idea, then ordinarily the Registrar would be right if he came to the conclusion that the trade mark should not be registered. The real question is as to how a purchaser, who must be looked upon as an average man of ordinary intelligence, would react to a particular trade mark, what association he would form by looking at the trade mark, and in what respect he would connect the trade mark with the goods which he would be purchasing. It is impossible to accept that a man looking at a trade mark would take in every single feature of the trade mark. The question would be, what would he normally retain in his mind after looking at the trade mark? What would be the salient feature of the trade mark which in future would lead him to associate the particular goods with that trade mark?

The decisions referred with regard to essential features were followed by the Division Bench in the decision reported as ILR 1973 Del 393, M/s. Atlas Cycle Industries Ltd. Vs. Hind Cycles Limited. The Division Bench has examined the similar question very thoroughly while dealing with the two rival trademarks Royal Star and Eastern Star of the parties and has come to

the conclusion that the trade mark adopted and used by the defendant Royal Star is similar to plaintiff's trade mark Eastern Star.

In the decision reported as (1945) 65 RPC 62, *Aristoc v. Rysta* decided by the House of Lords, it was held that the comparison of trademarks was a matter of first impression, but the mark "Rysta" too closely resembled mark "Aristoc" phonetically and it would be liable to lead to deception and confusion.

In view of above. prima facie we are of the opinion that the case of infringement of trade mark is made by the plaintiff.

Passing Off

30. Admittedly, the defendants have not denied the fact that they are using the mark RAKYAN as part of their trading name as well as the trade mark in the shop at M-32, Greater Kailash-I, and they are also dealing with the identical goods. Test of passing is discussed in the case of MANU/SC/0763/2001 : (2002) 3 SCC 65, *Laxmikant V. Patel vs. Chetanbhai Shah And Another*, by the Apex Court while considering a plea of grant of ad interim injunction. It was held that in no uncertain terms that a person may sell his goods or deliver his services under a trading name or style which, with the passage of time, may acquire a reputation or goodwill and may become a property to be protected by the Courts. It was held that a competitor initiating sale of goods or services in the same name or by imitating that name causes injury to the business of one who has the property in that name. It was also held that honesty and fair play are and ought to be the basic policy in the world of business and when a person adopts or intends to adopt a name which already belongs to someone else, it results in confusion, has the propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury. It was held that the principles which apply to trade mark are applicable to trade name also.

31. The Bombay High Court in the decision reported as MANU/MH/0333/1988 : A.I.R. 1988 Bom 167, *Bajaj Electricals Ltd. v. Metals and Allied Products*, held that when family name of the defendant is identical to trade name of the Plaintiff, can it be used? Plaintiff company incorporated under the Companies Act, 1956 was in the business of electrical accessories etc. from 1938. They changed their name to Bajaj Electricals Ltd. in 1960 and they were selling the goods and the company was known as 'Bajaj Group'. The defendant also used the mark 'Bajaj' when they started sales of steel utensils. It is the contention of the defendant that they are entitled to use their own name as the surname of the partners of defendant No. 1 being 'Bajaj'. Even the goods that were sold by the company were different, Court, allowed the injunction against the defendants.

In the case reported as (1965) R.P.C. 323, *Parker v. Parker*, the Court considered a similar question. There, one John Thomas Parker formerly connected with a company carrying on business as estate agents under the name 'Parkers' set up in business on his own in the same area also as 'Parkers', an interlocutory injunction was granted to restrain him from doing so, the Judge remarking:

The question is not simply whether the defendant can be prevented from using his own name but whether the defendant can be prevented from garnishing that name...in such a way that it looks as if the name were being used not by him but by the plaintiffs.

In the case reported as 1958 (2) All. ER. 113, *Baume and Co. Ltd. v. A.H. Moore Ltd.*, the defendant contended that he is only using his own name bona fide. Plaintiffs, Baume and Co. Ltd. and their predecessors had traded in England as distributors and sellers of watches. The word 'Baume' had been the registered trade mark for the

watches. The defendants A.H. Moore Ltd. began to import and sell watches made by a Swiss Company known as Baume and Mercier, S.A. The watches and the boxes containing them bore the mark 'Baume and Mercier, Geneva'. The Plaintiffs claimed that this use of the word 'Baume' constituted an infringement of their trade mark and was calculated to pass off the goods sold by the Defendants as the Plaintiffs goods. The defendants established that use of the name 'Baume' was an honest use by them of the makers' own name. After considering the evidence, it was held that even though no action can be laid for infringement of the plaintiffs' registered trade mark, the use constituted a passing off which should be restrained by injunction because there was real probability that the watches marked 'Baume and Mercier, Geneva' would be regarded as being the same or in some way associated with the plaintiffs' goods and no man is entitled even by the honest use of his own name so to describe or mark his goods as in fact to represent that they were the goods of another person.

In the case of reported as (1913) 30 R.P.C. 492, John Brinsmead and Sons Ltd. v. Brinsmead and Waddington and Sons Ltd., Buckley Lord Justice held as follows:

If a trader takes a name which is not his own name, but is that of a rival trader, and uses it in his trade, no doubt that is very strong evidence that he intends to deceive, and the Court will fasten upon that in any case in which it occurs; but if that is not so, if he is simply using his own name and it is proved that its use results in deception, he will be restrained even from using his own name, without taking such steps as will preclude the deception which, by hypothesis is engendered by his using his own name

32. In para 15-222 of Kerly's Law of Trade Marks and Trade Names, Fourteenth Edition, in Chapter 15, page 530 under the heading of: The Action for Passing Off, there is a quote on "Proximity may be a Badge of Fraud". The said para reads as under:

The proximity of the place where the defendant sets up his business to that where a well-known firm is already trading may be evidence to show that, although trading under his own name, the defendant is seeking to take fraudulent advantage of its similarity to the claimant's name.

33. As per settled principle of law, prima facie, it appears to us that a case of passing off has been made by the plaintiff. The confusion and deception is inevitable as defendants as per their conduct are trying to take advantage of the business of the plaintiff which already exists at the adjoining shop under the name RAKYAN FINE JEWELLERY. Thus, the deception cannot be ruled out as both the parties are dealing with an identical business of jewellery.

Concealment of Fact

34. Learned counsel for the plaintiff has conceded before us that the plaintiff has no objection if the defendants may use the similar type of business as they were using at L-79, Hotel Hyatt Regency, New Delhi, in the said area coupled with the fact that the plaintiff's entire case is at para 22 and 23 of the plaint wherein the plaintiff has alleged that after closure of defendants' shop at L-79, Hotel Hyatt Regency, New Delhi, they rented a new shop at M-32, M Block, Greater Kailash-I, New Delhi in September, 2011 i.e. right next to the plaintiff's premises located at M-31, Greater Kailash-I and started their business from the month of March, 2012. The suit was filed in the month of May, 2012. It is a suit for infringement of trade mark also. The delay of two months is immaterial when Court is dealing with exclusive and statutory rights.

35. We agree with the learned counsel for the plaintiff that the question of concealment of fact does not arise in the present case as the defendants have

admitted in the written statement that they have rented a new shop at M-32, M Block, Greater Kailash-I.

Rectification

36. With regard to rectification filed by the defendants to the registration granted in favour of the plaintiff is concerned, it is settled law that unless the mark is rectified, no person is entitled to infringe the same. Therefore, in case the defendants have any merit in the rectification, the same will be decided as per its own merit. The said argument of the defendants is also rejected.

37. Though it is not argued, the defence is raised by the defendants that the suit is not maintainable on the ground that the plaintiff firm is not registered under Section 69(2) of the Partnership Act, 1932. The said defence raised in the written statement by the defendants is contrary to the law. See :

a. In the case reported as M/s Virendra Dresses, Delhi v. M/s. Varindera Garments, Delhi (supra), it was held:

5. The suit was filed by a firm against a third party. Thus under sub-section (2) of section 69 of the Partnership Act a suit to enforce a right arising from a contract against a third party is barred unless the firm is registered. The application of sub-section (2) does not extend to the enforcement of rights not arising from contract. The present suit of the plaintiffs against the defendants does not arise out of any contract between the parties and as such section 69(2) of the Partnership Act is not applicable. The objection of the defendant therefore has no force.

b. In 2000 (2) PTC 147, Haldiram Bhujawala & Anr. v. Anand Kumar Deepak Kumar & Anr., it was held:

26. For all the reasons given above, it is clear that the suit is based on infringement of statutory rights under the Trade Marks Act. It is also based upon the common law principles of tort applicable to passing-off actions. The suit is not for enforcement of any right arising out of a contract entered into by or on behalf of the unregistered firm with third parties in the course of the firm's business transactions. The suit is, therefore, not barred by Section 69(2).

38. As mentioned earlier, during the course of the hearing, the defendants have given the proposal to use the name RAKYAN. Scanned copies of the proposed names suggested by the defendants are reproduced below:

DIAMEZ
(A UNIT OF NEENA AND RAVI RAKYAN)

PRECIOUS JEWELS
(A UNIT OF NEENA AND RAVI RAKYAN)

39. In support of submission, Mr. Sethi, learned counsel appearing on behalf of the defendants, has strongly relied upon two decisions i.e. Goenka Institute vs. Anjani Kumar Goenka (supra) and Star Bazaar Pvt. Ltd. vs. Trent Ltd. (supra) of the Division Bench rendered by this Court.

40. In the case of Goenka Institute (supra), Hon'ble Division Bench, after considering the rival submissions of the parties and evidence produced before them, has arrived at a conclusion that the plaintiff's trade mark Goenka was registered in 2003 whereas the defendants have been carrying on its institution with the word Goenka per se from the year 2000. Therefore, mere registration will be of no avail to the plaintiff. Secondly, it was held by the Hon'ble Division Bench that the Goenka is a common surname which cannot easily achieve distinctiveness. Thirdly, it was also observed by the Division Bench that the student studying in a school in Sikar District of Rajasthan would not be led into believing that they are studying or applying for any school which is the same as the plaintiffs' school in Delhi. For the aforesaid three reasons, the judgment is clearly distinguishable on all three counts. There is no priority of user by the defendants, RAKYAN is not common surname; it is rare surname and likelihood of confusion in the present case is apparent as the defendants are trying to use the name RAKYAN at the adjoining shop of the plaintiff which already exists and has achieved goodwill and reputation under the name RAKYAN.

41. With regard to Star Bazaar Pvt. Ltd. (supra), the facts of the said case are also different. In the said case, the plaintiff was incorporated on or about March 12, 2003 and commenced business thereafter in Kailash Colony Market, New Delhi by opening a retail departmental store under the name and style of 'Star Bazaar'. The defendant started using the name 'Star Bazaar' therefore, the suit for passing off was filed. The Hon'ble Division Bench on certain terms and conditions allowed the defendant to use the name 'Star Bazaar' in Delhi as the defendant was willing to add word 'A Tata Enterprise' in order to avoid any confusion and deception. The defendant was allowed to use Star Bazaar by adding the word 'A Tata Enterprise' because of the reason given in para 6 of the judgment that the defendant was earlier carrying on business under the name and style of 'Star India Bazaar' and had departmental stores in Ahmadabad and Mumbai and was planning to open a similar store in Bengaluru and Delhi. 'Star India Bazaar' was being used by the defendant since 2004 prior to the plaintiff therefore, the defendant was allowed to use the word 'Star Bazaar' with such condition. However, the facts in the present case are distinct. In the present case, the defendants want to use the name RAKYAN in the shop which is adjoining shop to the

plaintiff. Therefore, the facts are materially different coupled with the fact that the plaintiff has already stated that the plaintiff has no objection if the defendants may use their business in the similar fashion as they were using at L-79, Hotel Hyatt Regency, New Delhi, and in case the defendants want to use the name Ravi Rakyan and Neena and Ravi Rakyan as a trade mark or trade name, the plaintiff has no objection if the same may be used for the time being in different areas. Therefore, the benefits of these two judgments cannot be derived by the defendants. The other decisions referred by the defendants are also not applicable as the facts and circumstances in the present case are materially different.

42. No doubt, law recognizes the right of bonafide use as of his common name provided that the user is in no way fraudulent but the same is used with honesty. With regard to using of his own full name, the defendant must act honestly and he must not be causing confusion and deception. In case, it happens and there is already another trader in the market of that name with having goodwill and reputation then he may not be entitled to do his business even under his own name.

43. It is settled law that if the use by the defendant of its own name would likely to deceive, then there would be no defence to the passing off action, no matter how honest and bonafide user was [See AIR 1988 Bom 167 (1) (DB), Bajaj Electricals Ltd. Bombay v. Metals and Allied Products, Bombay and Anr.].

44. Considering the overall facts and circumstances, we are of the view that the defendants are not entitled to use the name RAKYAN in relation to similar business in any manner whatsoever on the signboard as well as advertisement material. However, the defendants are not precluded to use the name NEENA AND RAVI RAKYAN in their invoices, account books, stationery and packing materials but the defendants shall use the same as expression only "A Unit of Neena and Ravi Rakyan" being a bonafide description but not as a trade mark and trade name. The defendants would be entitled to use the expression 'A Unit of Neena and Ravi Rakyan' or as a trade mark and trade name in their other shops which are run by the defendants in different area for which the plaintiff has no objection. I.A. No. 11250/2012 and I.A. No. 14054/2012 as also the appeal are disposed of accordingly.

45. It is made clear that the findings arrived by us are only our prima facie view and on the basis of material placed before us and argument addressed by the parties which shall have no bearing when the matter would be finally considered on merit after the trial. No costs.

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