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

Reserved on: 18th September, 2025

Date of Decision: 15th January, 2026

Date of uploading: 15th January, 2026

+ CS(COMM) 553/2019

SM MOTORENTEILE GMBHPlaintiff
Through: Mr. Manish Biala & Mr. Devesh Ratan, Advs.

versus

A.A. AUTOMOBILES & ORS.Defendants
Through: Mr. T.K. Tiwari, Adv. for D-2.

CORAM:

HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

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JUDGMENT

MANMEET PRITAM SINGH ARORA, J:

CS(COMM) 553/2019

1. The Plaintiff at the hearing dated 28.07.2025 has prayed for a final judgement with respect to the relief of permanent injunction as prayed for prayer clause at paragraph 43 (a) and (b) of the plaint on the basis of the lack of credible defence in the written statement of the Defendant Nos. 1 and 2.
2. The present suit has been filed seeking permanent injunction restraining infringement of trademark, passing off, and other ancillary reliefs against the Defendants.

Case set up by the Plaintiff in the plaint:

3. The Plaintiff is a company incorporated under the laws of Germany.



The Plaintiff is engaged in the business of manufacturing and selling high quality spare parts and gaskets for Original Equipment Customers and also for the aftermarket customers. The Plaintiff manufactures a plethora of products under the trademark i.e., SM Germany Precision Parts/



[SM Logo-1] and SM Germany/



[SM Logo-2]

Logo-2]. The said trademarks are together referred to as 'SM Logos' in this judgement. The details of the trademark applications and registrations in India are mentioned at paragraph '13' of the Plaintiff.



4. The trademark SM Logo-2 was adopted in 1973 in Germany for the business of the company namely Schoettle Motorenteile GmbH, which was a joint venture between Mr. Wolfgang Schoettle [who owned 55% shares] and Nippon Piston Rings, Japan [who owned 45% shares].

5. In 1983, Mr. Wolfgang Schoettle bought another company, named MVI Motorenteile GmbH (i.e., the former name of the Plaintiff).

6. In 2004, Schoettle Motorenteile GmbH applied for the registration of



the trademark SM Logo-2 in India under trademark Application No. 1278489 in Class 12 and was granted registration in 2005. It is contended by the Plaintiff that the said application was filed with a mutual understanding that the trademark will be used by both Schoettle Motorenteile GmbH and MVI Motorenteile GmbH (i.e., the former name of the Plaintiff) for their businesses.

7. It is stated that in 2006, Schoettle Motorenteile GmbH i.e., the registered proprietor of trademark No. 1278489 parted ways with MVI Motorenteile GmbH giving away exclusive rights to use the trademark SM



Logo-2 in India, to MVI Motorenteile GmbH(i.e., the former name of the Plaintiff).

8. In 2008, Schoettle Motorenteile GmbH ceased to exist and was succeeded by another company named NPR of Europe GmbH which uses a



separate Logo/trade mark 'NE'.

9. In 2011, MVI Motorenteile GmbH changed its name to SM Motorenteile GmbH (which is the Plaintiff in this suit) and applied for the



registration of the trademark SM Logo-1 in India under trademark Application No. 2254102 in Class 7 which got registered in 2018.

10. It is stated that as on date of filing the plaint in 2019, the Plaintiff exclusively owns both the aforesaid trademarks/SM Logos i.e.,



and _____ in India.

11. The Plaintiff's products have gained world-wide market around the world as well in India, and the annual revenue recorded in India as of the financial year 2018 was around € 2,79,126. The details of the figures are given at paragraph '14' of the plaint.

Knowledge about the Defendants

12. The Defendant Nos. 1 and 2 are engaged in illegally selling and distributing counterfeit products bearing the Plaintiff's SM Logos and supplying the same to various shops in Delhi without having any authorization from the Plaintiff. Defendant No. 2 is the proprietor of the Defendant No. 1 firm. Defendant Nos. 3 to 5 are the sellers, who procured the goods from Defendant Nos. 1 and 2.

13. It is stated that the Plaintiff came to know about the illegal activities of the Defendants in July, 2019 when it was informed by its market sources



that cheap imitations of the Plaintiff's products [specifically gaskets] were being sold in the market by the Defendant Nos. 3, 4 and 5 and the infringing products are being supplied by an entity in Mumbai, i.e., Defendant nos. 1 and 2. The Plaintiff immediately conducted an investigation wherein the investigator visited the premises of the Defendants Nos. 3, 4, and 5. On purchasing a few samples of the products [gaskets], the investigator found that the packaging of the purchased products [gaskets] bore an exact and



identical trademark of the Plaintiff's SM Logo-1/ .

14. It is stated that in 2005, Defendant No. 2 had requested the Plaintiff to authorise Defendant No. 1 to produce gaskets under the Plaintiff's trademarks in collaboration with another company, for which the Plaintiff has asked Defendant No. 2 to provide the sample of gaskets, but the said Defendants did not provide any samples to the Plaintiff.

15. It is stated that in 2014, Plaintiff found that the Defendant No. 1 and 2 were using the Plaintiff's marks SM Logos, and immediately sent a cease-and-desist notice dated 08.04.2014 to the Defendant Nos. 1 and 2, however, the Defendants did not respond. It is stated that Plaintiff was under the impression that the said Defendants have ceased from their illegal activities, however, in July 2019 the Defendants' were found selling cheap imitations of the Plaintiff's products (gaskets) in the market.

Submissions by the Plaintiff

16. Learned counsel of the Plaintiff stated that Defendants have



dishonestly and intentionally used Plaintiff's trademark SM Logos without the authorization or consent of the Plaintiff, along with an overall similar get-up of the packaging of the product, with the clear attempt to cash upon the Plaintiff's reputation and goodwill and pass off its products as, those of the Plaintiff.

16.1. He stated that the Plaintiff ascertained that the products of the Defendants is counterfeit, by the absence of proper label on the products, which is always present on the genuine goods of the Plaintiff, in accordance with applicable labelling and packaging laws.

16.2. He stated that Defendants' products and their packaging do not comply with the applicable laws, including the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011.

16.3. He stated that the use of the Plaintiff's Trademark/SM Logos by Defendants is unauthorized and unlawful and its goods are of cheap quality and such spare parts would possess a huge risk to the life and safety of the general public at large.

16.4. He stated that vide order dated 30.09.2019 this Court passed an ex parte order of ad interim injunction against the Defendants and also appointed a Local Commissioner, to conduct search and seizure at the premises of Defendants. The Local commissioner visited the premises of the Defendant Nos. 1 and 2 on 16.10.2019, where 243 pieces of infringing counterfeit goods were recovered, seized, sealed and returned to the Defendant No. 2 on *superdari*.

16.5. He stated that the Defendants have not denied or objected to the report of the Local commissioner dated 24.10.2019 in their written statement,



establishing the fact that counterfeit goods bearing the Plaintiff's trademarks were actually seized from the said Defendants.

16.6. He stated that in May 2022, Plaintiff filed another suit against some third parties before the Co-ordinate Bench of this court in CS(COMM) No. 425/2022, wherein the Defendants therein disclosed in their written statement that they had purchased the infringing goods from Defendant No. 1 herein. Consequently, Plaintiff, in the captioned suit, filed an application under Order XXXIX Rule 2A of the Code of Civil Procedure, 1908 ['CPC'] and accordingly vide order dated 18.01.2023 this Court held Defendant Nos. 1 and 2 guilty of contempt of Court and burdened them with costs of Rs. 10,000/-. Defendant No. 2 also gave an undertaking to not violate the injunction order dated 30.09.2019, any further.

16.7. He stated that the Defendant No. 2 in his written statement has neither raised any defence nor replied to the averments in the plaint and Defendant No. 1 has not filed any written statement at all. Thus, all averments of the Plaintiff in the plaint ought to be deemed admitted by the Defendants.

16.8. He stated that with respect to the document filed by the Defendant No. 2, which is purporting to be 'Declaration/Confirmation Certificate dated 20.01.2022 issued by NPR of Europe GmbH about legal distributorship of Defendant No. 2 since 1997 in India'; the same is an attempt to create a false story and the document seems to be forged and fabricated; as the only person who could have granted any such rights to the Defendant No. 2 at that relevant time was Mr. Wolfgang Schöttle [founder and managing director of erstwhile company Schoettle Motorenteile GmbH], which was



never done.

16.9. He stated that Defendant No. 2 has not been able to produce any documents establishing that he procured SM Logo branded products from NPR of Europe GmbH. He states that the said company has discontinued the use of the SM Logos from 01.04.2008 and has been using the mark/brand



‘NE’/ .

16.10. He states that in law a person/entity, who imports branded products is required to declare the same and in none of its declarations, Defendant no. 2 has declared the import of SM Logo products. He states that the Defendant No. 2 is presently not importing goods from NPR of Europe GmbH.

16.11. He relies upon the written submissions dated 16.09.2025, handed over to the court.

Submissions made by the Defendant Nos. 1 & 2

17. Mr. T.K. Tiwari, learned counsel for the Defendants has stated that Defendant Nos. 1 and 2 are engaged in the business of import and sale of locally manufactured Automobiles parts of brands such as ‘NE’, ‘Mahale’, ‘Elring’, ‘Schaeffler’ along with ‘SM’ brand, which is the subject matter of the present suit, as its authorized distributor.

17.1. He stated that SM brand and logos are jointly owned by ‘NPR of Europe GmbH’ with the Plaintiff, in various countries. He referred to the documents placed on record by the Plaintiff in support of this submission.

17.2. He stated that Defendant no. 2 has been the authorized distributor of the company Schoettle Motorenteile GmbH since 1997, who owns the SM Logos in Germany as well as India i.e., trademark No. 1278489 dated



13.04.2004. The said company was taken over, around 2008, by a company namely NPR of Europe GmbH, which has issued a Declaration/Confirmation certificate dated 20.01.2022 to Defendant no. 2 confirming the authorization and distributorship of Defendant No. 2 for the last 25 years since January 1997, of SM brand products in India. He relied upon the documents related to products imported from NPR of Europe GmbH through genuine bill, by paying custom duty and its price/payment transferred through proper banking channel related to the period 2016-2017.

17.3. He stated that Defendant No. 2 was dealing in genuine products and selling 'SM' brands motor parts in India as an authorized distributor of Schoettle Motorenteile GmbH/NPR of Europe GmbH.

17.4. He stated that the Local Commissioner report dated 24.10.2019 of Ms. Aarushi Jain, photograph filed with the report, inventory report and the undertaking by Defendant No. 2 etc, clearly shows that in the premises of Defendant No. 2, imported goods with 'SM' mark purchased from Schoettle Motorenteile GmbH, were found.

17.5. He stated that some goods of old stock of 'SM' brand in the name of Schoettle Motorenteile GmbH were still kept in the shop of Defendant No. 2, which is reflected on the 'list of inventory' made by the Local Commissioner namely Ms. Aarushi Jain on 16.10.2019.

17.6. He stated that Schoettle Motorenteile GmbH company was continuously doing its business from Germany as well as in other countries including India under the brand name 'SM' and thereafter by its successor NPR of Europe GmbH. 'SM' brand goods were regularly exported by NPR of Europe GmbH to India as well as goods under the brand 'NE' were



exported to Defendant No. 2.

17.7. He stated that Plaintiff had full knowledge about the Defendant no. 2 and its business of dealing in 'SM' brand products of Schoettle Motorenteile GmbH company, since 2005.

17.8. He stated that the Plaintiff has not filed any documents such as any agreement or any letter issued by Schoettle Motorenteile GmbH nor issued by its successor company namely NPR of Europe GmbH in support of its claim of exclusive right over the trademark/SM Logos in India.

17.9. He stated that the Indian trademark no.1278489 i.e., SM Logo-2



is still recorded, as on 2019, in the name of Schoettle Motorenteile GmbH, at the time of filing of this suit.

17.10. He stated that Plaintiff filed a new trademark application in 2011 in India for 'SM' logo-1 'SM GERMANY PRECISION -PARTS'/



and received its registration no. 2254102 in the year 2018, wherein Plaintiff has specifically mentioned user details as "Proposed to be used". Therefore, the business previously done by Plaintiff company in India, was done through 'SM' trademark registration no.1278489/



standing in the name of Schoettle Motorenteile GmbH.



17.11. He stated that SM Logo-1 is currently registered in Germany¹, WIPO² and EUTM³ in joint ownership of Plaintiff and Schoettle Motorenteile GmbH. Thus, the Plaintiff herein cannot claim exclusive rights in the SM Logos.

17.12. He stated that Plaintiff has averred in its plaint that his investigator purchased samples of alleged impugned goods from the premises of Defendant Nos. 3, 4 and 5 without any invoice, however, when the Local commissioner visited the said premises, they did not find a single product of 'SM' brand in their shop as per the report submitted by the Local Commissioner. It is stated that, therefore, the plaint has been filed on incorrect averments.

17.13. He has placed on record written submissions dated 25.09.2025.

¹ Registration Certificate granted by German Trademarks Office provided at Plaintiff's Documents at PDF page no. 24.

² Registration Certificate by World Intellectual Property Forum provided at Plaintiff's Documents at PDF page no. 25-27.

³ Certificate of registration under the European Community Trademark Application provided at Plaintiff's Documents at PDF page no. 29-38.



Analysis and findings

18. This Court has heard the learned counsel for the parties and perused the record.

19. The issue arising for consideration in this order is whether the Plaintiff is entitled to a pre-trial judgment for the relief of permanent injunction prayed for at prayer clauses paragraph 43 (a) and (b) of the plaint on the basis of the no contest on merits by the Defendant Nos. 1 and 2 in the written statement.

20. The subject matter of the suit is the infringement of SM Logo-1



and SM Logo-2

21. The Plaintiff has relied upon the following registrations to assert proprietary rights in the said trademarks:

| Trademark | Class | Application No. | Date of Application | Status |
|-----------|-------|-----------------|---------------------|---------------------------------------|
| | 7 | 2254102 | 21.12.2011 | Registered and valid up to 21.12.2021 |
| | 12 | 1278489 | 13.04.2004 | Registered and valid up to 13.04.2024 |



22. However, a perusal of trademark No. 1278489 registered in India



which pertains to SM Logo-2 as placed on record shows that the said registration is in the name of Schoettle Motorenteile GmbH and not the Plaintiff herein. The Plaintiff has averred⁴ in the plaint that in the year 2006 it was agreed with the proprietor-Schoettle Motorenteile GmbH that the Plaintiff will retain the exclusive right to use the SM Logos. However, no document in support of the said averment has been placed on record. The said trademark registration continues to stand in the name of Schoettle Motorenteile GmbH, till date. The Plaintiff has thus, at this stage failed to show that it is the registered proprietor/sole proprietor of SM Logo-2 as asserted in the plaint.

23. The Plaintiff has next relied upon trademark registration No. 2254102



which pertains to SM Logo-1 to assert its proprietorship claim. The said registration indeed stands in the name of the Plaintiff and duly bears out its claim of proprietorship. However, in the plaint it is acknowledged that this trademark/logo is jointly registered in the names of Schoettle Motorenteile GmbH and MVI Motorenteile GmbH (i.e., the

⁴ Paragraph nos. 7 and 8 of the plaint.



former name of the Plaintiff)⁵ with the German Trademarks Office⁶ WIPO⁷ and EUTM⁸, which registrations are valid till date.

Thus, though in India, SM Logo-1 is registered in the name of the Plaintiff, the Plaintiff acknowledges the joint proprietary rights of Schoettle



Motorenteile GmbH in SM Logo-1 as well.

24. This fact is relevant as the Defendant is claiming written permission to use the SM Logos through Schoettle Motorenteile GmbH/NPR of Europe GMBH.

25. The plaintiff acknowledges that in the year 2008 Schoettle Motorenteile GmbH ceased to exist and another company named NPR of Europe GmbH continued as its successor. The documents of proprietorship of SM Logo-1 in foreign jurisdictions and the trademark registration in India for SM Logo-2, records the erstwhile name Schoettle Motorenteile GmbH, which is now succeeded by NPR of Europe GmbH.

26. The aforesaid documents filed on record by the Plaintiff show that Schoettle Motorenteile GmbH/NPR of Europe GmbH is a recorded joint

⁵Plaintiff was formally known as MVI Motorenteile GmbH; in 2011 it changed its name to the present name *SM Motorenteile GmbH*. The documents of proprietorship of the SM Logo-1 in foreign jurisdictions records Plaintiff's previous name.

⁶ Registration Certificate granted by German Trademarks Office provided at Plaintiff's Documents at PDF page no. 24.

⁷ Registration Certificate by World Intellectual Property Forum provided at Plaintiff's Documents at PDF page no. 25-27.

⁸ Certificate of registration under the European Community Trademark Application provided at Plaintiff's Documents at PDF page no. 29-38.



owner of SM Logo-1/

as per the registrations in foreign

jurisdiction.

Moreover, Schoettle Motorenteile GmbH/NPR of Europe GmbH is



the sole owner of SM Logo-2/

in India registered under

trademark no. 1278489.

27. This fact becomes relevant as the Defendant Nos. 1 and 2 have placed on record a confirmation letter dated 20.01.2022 issued by NPR of Europe GmbH confirming that it has authorised the Defendant No. 2 to distribute SM branded products in India. The Defendant No. 2 has also placed on record documents evidencing its business relationship with NPR of Europe GmbH in the year 2016-17.

The said documents filed by the Defendants were permitted to be taken on record by the Court vide orders dated 13.09.2023 and 07.12.2023 and are required to be considered.

28. The Plaintiff has in its written submissions dated 16.09.2025 challenged the veracity of this document dated 20.01.2022. However, in the considered opinion of this Court a bare assertion in the written submission is not sufficient to persuade this Court to disregard the said documents. The



said document dated 20.01.2022 on the face of it records that it has been issued by one Mr. Manfred Ziegler, the Vice President of NPR of Europe GmbH on the company's letterhead; NPR of Europe GmbH, as noted above, is a company, which is the joint owner of the SM Logo-1 and SM Logo-2, along with the Plaintiff. The Plaintiff has *not* placed on record any affidavit of Mr. Manfred Ziegler disputing the issuance of the said document dated 20.01.2022 or the invoices pertaining to the year 2016-17.

29. Pertinently, the Plaintiff has not disputed the authority of NPR of Europe GmbH to permit use of SM Logos by a third party. In fact, if the Plaintiff intends to contest the legal right of NPR of Europe GmbH to issue such an authorization letter to the Defendant Nos. 1 and 2, it would have to implead NPR of Europe GmbH as a party to the present suit.

30. The document dated 20.01.2022 relied upon by the Defendant No. 2, if proved to be correct at trial would justify Defendant No. 2's use of the SM Logos in India and would have a bearing on the Plaintiff's claim of damages as well as permanent injunction.

31. In these facts, this Court is of the considered opinion that no case for passing a pre-trial judgment with respect to the reliefs of permanent injunction in terms of prayer clauses (a) and (b) of the plaint is made out by the Plaintiff and the same is hereby rejected.

32. The rights of the Plaintiff have already been protected by way of the interim injunction order dated 26.09.2024, whereby Defendant Nos. 1 and 2 have been injunctioned from using the SM Logos.

33. The admission/denial of documents is complete in this matter as recorded by the learned Joint Registrar (J) in the order dated 01.05.2025.



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34. List for framing of issues and case management hearing on 30.01.2026 before the roster Bench.

MANMEET PRITAM SINGH ARORA, J

JANUARY 15, 2026/hp/IB