



2024:DHC:9260



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IN THE HIGH COURT OF DELHI AT NEW DELHI

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Date of Decision: 28.11.2024

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**CONT.CAS(C) 1880/2024, CM APPL. 69170-69172/2024 & CM
APPL. 69586/2024**

MR SHARAD MEHRA

.....Petitioner

Through:

Mr. Chander M. Lal & Mr. Jayant K. Mehta, Sr. Advocates with Mr. Nikhil Singhvi, Mr. L. Badri Narayanan, Mr. Kunal Arora, Mr. Archit Gupta, Mr. Sanyam Kumar & Mr. Parth Aggarwal, Advocates with Petitioner in person.

versus

SANJAY MEHRA

.....Respondent

Through:

Mr. Sandeep Sethi & Mr. Darpan Wadhwa, Sr. Advocates, Mr. Manish Biala, Mr. Devesh Ratan, Mr. Shreyek Gupta, Mr. Sumer Dev Seth & Ms. Shreya, Advocates.

CORAM:

HON'BLE MS. JUSTICE TARA VITASTA GANJU

TARA VITASTA GANJU, J.: (Oral)

This matter has been received on transfer.

CM APPL. 69170/2024 [Exemption from filing certified copies]

1. Allowed, subject to just exceptions.
2. The Application stands disposed of.

CM APPL. 69172/2024 [Exemption from filing certified/clear/true typed copies]

3. Allowed, subject to the Petitioner filing typed copies of the annexures



within a period of three weeks.

4. The Application stands disposed of.

CONT.CAS(C) 1880/2024, CM APPL. 69171/2024 [seeking ad interim injunction]

CM APPL. 69586/2024 [seeking directions]

5. The present Petition has been filed by the Petitioner stating that there have been gross and flagrant violations and wilful disobedience of the orders dated 14.11.2022 and 27.04.23 passed by a Division Bench of this Court in FAO(OS)(COMM) 280/2022 captioned ***Sharad Mehra vs. Sanjay Mehra & Ors.*** [hereinafter referred to as the “DB Matter”] and the terms of settlement executed between the Petitioner and Respondent dated 27.04.2023 [hereinafter referred to as the “Settlement Terms”] have been violated.

6. On 04.09.2023, the parties undertook before the Division Bench in the DB Matter that they shall not use the word/trade name “Superon” contrary to the terms of the Settlement dated 27.04.2023 and the settlement was taken on record by the Court in the DB Matter.

7. It is the case of the Petitioner that the Petitioner and the Respondent, who are brothers, had, after a series of litigations *inter-se* between them, reached a settlement on 27.04.2023. This Settlement was recorded in a document called ‘Terms of Settlement’. Briefly, the terms of this settlement were that the parent company would be divided into two Divisions: the Domestic and Export Divisions. The Domestic Division would remain with the Respondent and the Export Division with the Petitioner.

8. The learned Senior Counsel for the Petitioner has contended that there



is a violation of Clauses 4, 5 and 6 of the Settlement Terms by the Respondent. It is contended that the Settlement Terms provided for the fact that the Petitioner would not use the word “SUPERON” within the territory of India while the Respondent or his group companies would not use acronyms of the Petitioner’s companies on its products and packaging.

8.1 It is the contention of the Petitioner that the Settlement Terms are being violated by the Respondent by its participation in the International Trade Fair which is presently being held at Mumbai from 27.11.2024 to 29.11.2024 [hereinafter referred to as the “International Fair”].

8.2 It is contended by the Petitioner that the Respondent has wrongly used promotional materials, advertisements and other display materials using the word, “SUPERON INDIA” in a deliberate and misleading attempt to portray its exclusivity in Superon products. It is also contended that by use of the word “ONLY ONE SUPERON”, the Respondent is misleading the public at large.

8.3 The Petitioner also raises an objection to the fact that until September, 2024, the Respondent had been using a disclaimer “DOMESTIC MARKET – INDIA ONLY” in all its promotional materials, however, this has not been followed by him in the stall/banners/marketing materials in the International Fair. The Petitioner contends that this is a violation of the Settlement Terms.

8.4 Learned Senior Counsel for the Petitioner further contends that the Settlement Terms also provide that there will be no interlinking of the group companies of the Respondent and by using the word “STANVAC-SUPERON GROUP” on the display material in the International Fair, the



Settlement Terms is being violated. In addition, the Respondent has directly interlinked “Superon Schweisstechnik Industries Ltd.”, “Stanvac Chemicals India Ltd.” and “Stanvac International Ltd.” by explicitly showing them to be a part of the “Stanvac-Superon Group” in violation of the Settlement Terms.

8.5 Learned Senior Counsel for the Petitioner has relied upon paragraph 1 of the order dated 18.11.2022 passed in the DB Matter to submit that use of the “SUPERON” by the Petitioner was to be qualified with “Export Division” and similarly, the Respondent was to qualify his “SUPERON” business in the Domestic Market, with the statement that it is for the Domestic Market, and that the font and size of both the said declarations/notice/rider would be the same. It is contended that these directions have also not been complied with.

9. Learned Senior Counsel for the Respondent, who appears on advance service, refutes the contentions of the Petitioner.

9.1 At the outset, learned Senior Counsel for the Respondent submits that the Petitioner has wilfully disobeyed the directions dated 25.11.2024, passed by this Court in CONT.CAS(C) 1862/2024 captioned ***Sanjay Mehra vs. Sharad Mehra***. It is submitted that since the Petitioner has not complied with the order dated 25.11.2024 passed by this Court and he should not be heard until he purges the contempt. Reliance is placed on the judgments of a Coordinate Bench of this Court in the ***Kashmere Gate Charitable Trust Vs. M.G. Sahni & Co. Delhi (Pvt.) Ltd.***¹ to submit that where there has been a

¹ (1980) ILR 1 Del 467



clear case of wilful disobedience and until the contempt is purged, the contemnor should not be heard by a Court.

9.2 Learned Senior Counsel for the Respondent, referring to the documents annexed at Annexure A-1 and A-2 of the CM APPL. 69586/2024 as well as the screenshot of the disclaimer of the Respondent's website, explains that several third parties are infringing the trademarks "SUPERON" and the Respondent is constrained to file a series of cases to protect its Intellectual Property Rights under the trade name "SUPERON".

9.3 In this regard, reliance is placed on orders dated 29.08.2024 in CS (COMM) 732/2024 captioned **Sanjay Mehra v. Jagdish Choudhary** and 27.09.2024 in CS (COMM) 829/2024 captioned **Sanjay Mehra v. M/s Singhla Electrodes Pvt. Ltd.** passed by wherein Coordinate Benches of this Court which have granted interim relief to the Respondent against these 3rd party infringers. Learned Senior Counsel for the Respondent thus clarifies that the only reason that this action is being taken is to prevent the public at large from being deceived from the third-party infringers/counterfeiters.

9.4 Relying on paragraph 21 of the order dated 25.11.2024 passed by this Court, it is contended that this Court has given a finding that the Petitioner has given a limited right to use the name "SUPERON" within the territory of India. There are similar restrictions placed on the Respondent in all other jurisdictions outside of India. Since, the International Fair is being held in the territory of India, these restrictions would not be applicable.

9.5 On Clauses 3, 4 and 6 of the Settlement Terms, it is contended on behalf of the Respondent, that the restriction of 'interlinking' is only with



reference to weblinks and social media. In addition, Clause 8 of the Settlement Terms restricts the Respondent from interlinking the word “SUPERON” in any combination including on visiting cards, letters, emails, communications, price list, etc., however the same is only a restriction outside the territory of India.

10. This Court had the occasion to deal with the Settlement Terms in a connected matter, listed on 25.11.2024, being Cont. Cas (C) 1862/2024 captioned ***Sanjay Mehra v. Sharad Mehra***. A broad overview of the Settlement Terms show that the settlement between the parties was a division on a geographical basis where one party (Respondent) was to continue with the use of the word “SUPERON” and “Schweisstechnik” within the territory of India, while the second party (Petitioner) was to use the word “SUPERON” outside the territory of India.

11. It is apposite at this stage to extract some of the relevant clauses of the Settlement Terms which reflect the terms agreed to amongst the Petitioner and the Respondent, which are below:

“...

3. ***The Domestic Division of the Parent Company*** shall be demerged out of the Parent Company and taken over by SM by incorporating new Superon company namely M/s Superon Schweisstechnik Industries Limited or any other name as decided by ***SM, which will*** conduct the business of manufacture and sale of welding electrodes, welding wires and any other product under the ***brand name SUPERON only within the territory of India. SM undertakes that he or his group companies shall not use the word SUPERON in any manner whatsoever outside the territory of India. SM undertakes that he shall use the full name of the company as “Superon Schweisstechnik Industries Limited”*** and shall not use acronyms of SDM companies on its all products and ***packaging within the***



territory of India.

4. **The Export Division of the Parent Company** shall continue to remain in the Parent Company. SDM undertakes to change the name of the parent company to another name which shall not contain the words Superon, Schweisstechnik, Stanvac and Starblaze in its new name including any other name which is similar to such words and acronyms of SM companies. **SDM undertakes that he or his group companies shall not use the word SUPERON in any manner whatsoever within the territory of India.** Furthermore, SDM also undertakes that he or his group companies shall not use the acronyms of SM companies on any of its products and packaging, in any manner whatsoever.

5. **The Parent Company** shall be the sole manufacturing company to manufacture the products of its three different divisions as follows:-

i. A-Division: This division will be used to sell and market welding electrodes, welding wires and any other product under **the brand name SUPERON only for sale outside the territory of India;**

ii. **B-Division: This division will be used only to sell and market FMCG/Household retail and any other products, except industrial products, for sale under the trademark "Stanvac Prime" and sub brands of Stanvac Prime Private Limited within and outside the territory of India;**

iii. C-Division: This division will be used only to sell and market welding electrodes, welding wires, industrial products, and any other products under the **brand name STARBLAZE or any other brand within and outside the territory of India, except IP rights of Mr. Sanjay Mehra, SUPERON, STANVAC or any other brand / trademark deceptively similar thereto.**

6. All the above three Divisions (i.e. A, B and C) shall have separate websites without linking with each other in any manner, including no group websites of these 3 divisions. Further, all the three divisions shall not interlink either directly or indirectly or by reference to any web links, social media, Instagram, LinkedIn, Facebook, etc. **Similarly, all SM and his group companies shall have separate websites without linking with each other in any manner, including no group websites. Further, all the group companies of SM shall not interlink either directly or indirectly or by reference to any web links, social media, Instagram, LinkedIn, Facebook, etc.**



7. SDM undertakes that he and his group companies shall not use the trade name, brands, trademarks of all the above three divisions together in any combination and abstain from interlinking the same in any manner including on any visiting cards, letters, emails, communications, price list, pamphlets, brochure, packaging, etc., either directly or indirectly within the territory of India. However, it is clarified that SDM is entitled to use SUPERON on any visiting cards, letters, emails, communications, price list, pamphlets, brochure, packaging, etc. within the territory of India only for the purpose of export and not for retail in India or used with any customer in India. All the personnel of the above three Divisions shall be allotted visiting cards only of their respective Division without linking to any other Divisions.

8. SM undertakes that he and his group companies shall not use the **word SUPERON in any combination and abstain from interlinking the same in any manner including on any visiting cards, letters, emails, communications, price list, pamphlets, brochure, packaging, etc., either directly or indirectly outside the territory of India.** All the personnel of the group companies of SM shall be allotted visiting cards only of their respective company without linking to any other company of SM outside the territory of India.

9. Parent Company shall not use the **word SUPERON, IP Rights of Stanvac Chemicals India Ltd and IP Rights of Mr. Sanjay Mehra in any manner in India.** Similarly, SM Group companies shall not use IP Rights vested with Stanvac Prime Pvt. Ltd. in India. Furthermore, SM Group companies shall also not use the overseas IP Rights of SDM in any manner outside the territory of India.”

[Emphasis supplied]

12. The Petitioner has sought urgent interim relief with respect to the use of word “SUPERON”, more specifically “ONLY ONE SUPERON” and also with regard to the disclaimer that is posted on the website. The disclaimer clarifies that the Respondent is the only manufacturer/supplier of quality products like “SUPERON” in India. It has been clarified by the Respondent that this has been done to prevent third party infringers from deceiving customers, since there exist parties who are infringing the



trademark “SUPERON” and against whom cases are already pending.

13. As stated above, the Settlement Terms, give the right to the Respondent to use the trademark “SUPERON” within the territory of India subject to the other terms as contained therein. The use in the International Fair being in Mumbai thus would be permissible under these Settlement Terms.

14. Given the urgency in the matter, this Court has examined only the interim directions sought for in CM APPL. 69586/2024 filed by the Petitioner.

15. Clauses 3 and 4 of the Settlement Terms provide for a geographical division between the Petitioner and the Respondent. Clause 5 (i) of the Settlement Terms states that Division A will sell under the name “SUPERON” only outside India, Clause 5 (ii) of the Settlement Terms states that Division B will only be used to sell and market products for sale under the trademark “Stanvac Prime” or sub brands of “Stanvac Prime Private Limited”, both within and outside the territory of India. Under Clause 5 (iii) of the Settlement Terms, the ‘C’ Division of Petitioner is entitled to sell under another mark “STARBLAZE” within and outside India. The IP Rights of the Respondent in the word “SUPERON”, “STANVAC” or any other deceptively similar brand are however, fall as an exception in this Clause 5(iii).

16. Clause 6 of the Settlement Terms references Clause 5 and states that neither the group websites of the three divisions (of the Petitioner) nor the Respondent and his group companies, shall interlink either directly or



indirectly, or by reference to any web links, social media, Instagram, LinkedIn, Facebook, etc. It further sets out that the group companies of the Respondent shall not interlink either directly or indirectly or by reference to any web links, social media, Instagram, LinkedIn, Facebook.

17. Clause 9 of the Settlement Terms refers to use of the word “SUPERON” and IP Rights of Stanvac Chemicals India Ltd. in any manner by the Petitioner.

18. Thus, these clauses show that there is no bar on the Respondent to use its trademarks within the territory of India on advertisements including at the International Fair, however, the group websites and the group company names “*shall not interlink either directly or indirectly...*”.

19. Emphasis has been laid by the learned Senior Counsel for the Petitioner on the picture of banner of the Respondent at page 21 of CM APPL. 69586/2024 and the last sentence of Clause 6 of the Settlement Terms which states “*Further, **all the group companies of SM shall not interlink either directly or indirectly** or by reference to any web links, social media, Instagram, LinkedIn, Facebook, etc*” to contend that the use of the word “STANVAC-SUPERON GROUP” for banners on the stalls in the International Fair, would be violative of this clause since there is a direct interlinking of the names of the group companies by the Respondent (SM).

20. The interlinking has been interpreted by the Petitioner to include company names. The Respondent, however, avers that the interlinking is with reference to only weblinks, social media, Instagram, LinkedIn, Facebook, etc. meaning that the interlinking is limited to weblinks and social



media websites alone and that there are no restrictions on the Respondent in the territory in India. The words used in this Clause 6 are *pari materia* to the words used in relation to the Petitioner and interlinking by him in Clause 5 of the Settlement Terms. However, the “group companies” reference is clearly provided for in this Clause 6. Thus the interlinking of company names by the conjunct use of the words “STANVAC-SUPERON” on the banner at the International Fair by the Respondent does, *prima facie*, appear to be in contravention of the Settlement Terms.

21. The Petitioner has also contended that the Respondent should use the words “DOMESTIC MARKET – INDIA ONLY” as it had been directed in order dated 18.11.2022 in the DB Matter for the International Fair held in the year 2022, be used, also to obviate any confusion in the minds of the unwary public and customers of both the Petitioner and the Respondent. This order however clearly does not apply to the current International Fair.

22. In these circumstances and in view of the *prima facie* violation of the Settlement Terms, this Court deems it expedient to pass interim directions so as to prevent its further non-compliance. This is also necessary to obviate any customer confusion. Accordingly, the Respondent is directed to immediately pull down all banners and stop use of other promotional material, where the Respondent’s company(s) names are being used in conjunction with each other, including in its banners using the words “STANVAC-SUPERON” at the International Fair.

23. So far as concerns the averments of the Respondent *qua* the allegations that the Petitioner is in disobedience of the order dated



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25.11.2024 passed by this Court in a connected matter, these do not form subject matter of the present Petition.

24. The issues raised by the Petitioner require further and detailed examination.

25. Issue Notice.

25.1 Learned Counsel for the Respondent accepts Notice and seeks time to file its Counter Affidavit and Replies to the Interim Applications. Let Counter Affidavit/Replies be filed within a period of four weeks.

25.2 Rejoinder(s), if any, be filed before the next date of hearing.

26. List on 05.02.2025.

27. Parties shall act based on the digitally signed copy of the order.

TARA VITASTA GANJU, J

NOVEMBER 28, 2024/ ha/r [Click here to check corrigendum, if any](#)