

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

Reserved on: 15.11.2022
Date of decision: 24.02.2023

+ **CS(COMM) 347/2022**

LT OVERSEAS NORTH AMERICA INC & ANR.

..... Plaintiffs

Through: Mr.J. Sai Deepak &
Mr.Avinash K. Sharma &
Ms.Shaktiki Sharma,
Mr.R.Abhishek, Advs.

versus

KRBL LIMITED

..... Defendant

Through: Mr.Anirudh Bakhru, Mr.Ayush
Puri, Ms.Tejaswini
Chandrasekhar, Mr.Umang
Tyagi & Mr.Prateek Kumar
Jha, Advs.

CORAM:

HON'BLE MR. JUSTICE NAVIN CHAWLA

JUDGMENT

I.A. 8103/2022

1. The present application has been filed by the plaintiffs under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (hereinafter referred to as 'the CPC') praying for an order restraining the defendants from producing, selling, offering for sale or advertising, promoting its goods or services, exporting or enabling advertising campaigns either directly or indirectly in physical/electronic form, internet, websites or in any manner, any product bearing the impugned mark/ package 'ZABREEN ROYAL' /



which is identical/deceptively similar to the plaintiffs' mark/label '**ROYAL**' and related marks so as to result in infringement or passing off or unfair competition or their dilution; and also to disclose details of the parties involved in the manufacturing, marketing, distributing, selling and labeling of the impugned products or any other party connected with the mark of the defendant.

CASE OF THE PLAINTIFFS

2. It is the case of the plaintiffs that the plaintiffs are in the business *inter alia* of processing, marketing and exporting rice. The plaintiff no. 1 is the subsidiary of the plaintiff no. 2. The predecessor of the plaintiff no.1, '*M/s Aromatic Foodstuff Trading*', coined and conceived the plaintiffs' mark '**ROYAL**' in 1989. The mark was later assigned to '*M/s Kusha Inc.*' (a wholly owned subsidiary of the plaintiff no.1, incorporated under the laws of the State of California, the United States of America) on 14.10.2000, who in turn assigned them to the plaintiff no. 1 vide Assignment Deed dated 16.12.2008. It is asserted that an application for registration of the mark was filed and the mark was registered in the year 2003. Thereafter, '*M/s Kusha Inc.*' assigned the plaintiffs' marks to the present plaintiff no. 1.

3. The plaintiffs assert that since the adoption by the plaintiff no.1, the plaintiffs' marks have been put to extensive and continuous commercial use in India and rice has also been exported internationally under the said mark. The plaintiffs submit that they

have also made inroads across the globe to markets like the USA, Canada, Australia, Mexico and Pakistan. It is asserted that the yearly turnover of the plaintiffs for the sales made under the mark ‘ROYAL’ since 2007-08 till 2020-21 has increased from Rs. 21.75 Crores to 678.19 Crores. The plaintiffs give the yearly turnover figures in paragraph 4 of the Plaintiff.

4. The plaintiffs assert that they have expended large amounts of money in advertisement and promotional expenses, with the same increasing from Rs. 15 Crore in the Financial Year 2015-16 to Rs. 21 Crore in the Financial Year 2020-21.

5. It is asserted that the plaintiff no.2 and its group companies own five state-of-the-art rice plants and are ranked amongst the top fifty food processing companies in North India and among the top fifty companies by ‘*Dun and Bradstreet 8th Edition of the India’s Top 500 Companies 2007*’. The plaintiffs also assert that they are among the first few in the rice industry to obtain an ISO 9001-2000 certification, as also certifications like HACCP, SQF, BRC and Organic and EIC.

6. It is asserted that the plaintiff no. 1 holds the following registrations for its mark ‘ROYAL’ and related marks:

<u>Trade Mark</u>	<u>Applicant</u>	<u>Registration Date/Application No.</u>	<u>Class/Goods</u>	<u>Current Status</u>
	LT Overseas North America, Inc.	1175315	29: All Kinds Of Edible-Oils And Fats, Preserves And Pickles, Skimmed Milk- Powder, Milk, Milk- Preparations, Cream,	Registered (Valid up to 17/02/2023)

			Butter, Cheese, Yogurt, Malai, Curds And Dairy- Products, Eggs And Potato- Crisps, Chatni, Jellies And Soups, Fish, Meat And Meat- Extracts, Preserved/ Dried & Cooked Fruits And Vegetables And All Such Other Edible Goods Included In Class 29.	
	LT Overseas North America, Inc.	1548937	39: packaging of rice.	Registered (Valid up to 12/04/2027)
	LT Overseas North America, Inc.	1339882	35: Business Management , Advertising, Distribution, Marketing, Wholesale And Retail Services Relating To Rice.	Registered (Valid up to 21/02/2025)

7. It is asserted that the plaintiff no. 1 has obtained registrations as also has pending applications in other countries, details whereof are as under:-

Country	Trade Mark	Registration/ application No.	Class	Registered since	Current Status
USA		1683914	30	02.05.1991	Registered and Valid till April 21, 2022
USA		74162929	30	02.05.1991	Registered and Valid till April 21, 2022
USA		1982351	30	11.05.1995	Registered and Valid till June 25, 2026
USA		74676980	30	11.05.1995	Registered and Valid till 25 th June 2026
Canada		793328	30	22.09.1995	Registered and Valid till 14 th January 2027
USA		2066393	30	25.10.1995	Registered and Valid till June 03, 2027

USA		75012374	30	25.10.1995	Registered and Valid till 3 rd June 2027
Canada		808819	30	02.04.1996	Registered and Valid till 11 th August, 2027
Canada		TMA468651	30	14.01.1997	Registered and Valid till January 14, 2027
Canada		TMA480082	30	11.08.1997	Registered and Valid till August 11, 2027
Pakistan	ROYAL	187338	30	31.07.2003	Registered and Valid till July 31, 2030
USA	ROYAL	85001828	29 & 30	30.03.2010	Registered and Valid till 5 th July 2021
Pakistan	ROYAL	299447	29	07.04.2011	Pending
USA	ROYAL	85292184	29 & 30	11.04.2011	Registered and Valid till 4 th September 2022
USA	ROYAL	85984295	30	27.09.2012	Registered and Valid till 20 th March 2030
Mexico	Royal	0119851508449	30	22.07.2014	Pending
Mexico	ROYAL CHEFS BLEND	0119851686506	30	30.11.2015	Registered and Valid till

					30 th November 2025
USA	Royal Authentic adventures	86852575	30	17.12.201 5	Registere d and Valid till 25 th April 2022
Canada	Royal Authentic Adventures	1787382	30	06.16.2016	Registere d and Valid till 29 th July 2027
USA	Royal-A Tradition of excellence	88011842	30	22.06.2018	Registere d and Valid till 7 th May 2024
Canada	A tradition of excellence Royal Design	1936767	30	18.12.2018	Pending
Australia		1996234	29 & 30	15.03.2019	Registere d and Valid Till 15 th March 2029

8. The plaintiffs also give details of various legal actions taken by them against third parties for protection of their rights in the trade mark ‘ROYAL’ and its associate marks.

9. The plaintiffs submit that on account of prior adoption, long and continuous use, marketing network, enormous sales globally, and painstaking quality control maintained by the plaintiffs, the plaintiffs’ marks have acquired formidable goodwill and reputation in the market, members of trade and amongst the consumers at large.

10. The plaintiffs are aggrieved of adoption of the mark



'ZABREEN ROYAL' / (hereinafter referred to as the 'impugned mark') by the defendant for manufacture, sale and distribution of its Basmati Rice.

11. It is the case of the plaintiffs that in April, 2022, the plaintiff no.1 learnt of the defendant's use of the impugned mark through the plaintiffs' network of sales teams. The plaintiffs assert that attempts to arrive at an amicable settlement of the dispute failed. It is asserted that adoption of the impugned mark, being identical/deceptively similar to that of the plaintiffs' mark, is bound to result in causing irreparable harm and injury to the plaintiffs.

CASE OF THE DEFENDANT

12. The defendant, placing reliance on the response submitted by the plaintiffs to the Examination Reports at the time of registration of their mark, submits that the plaintiffs had admitted that their trade mark '**ROYAL**' is distinguishable from other marks with the word '**ROYAL**' because it is in a label/logo/device format. The defendant submits that, therefore, the plaintiffs cannot now assert that use of '**ZABREEN ROYAL**' by the defendant to be similar to that of the plaintiffs' trade mark '**ROYAL**'.

13. It is asserted that there are various other parties which have been using the trade mark containing the word '**ROYAL**' in a prominent manner and, therefore, the plaintiffs cannot claim any

exclusive right over the word ‘**ROYAL**’, the same being common to trade.

14. It is further asserted that the defendant is using the word ‘**ROYAL**’ in a laudatory and descriptive sense along with the mark ‘**ZABREEN**’ in order to describe the royal quality of the rice having extra-long grain having royal taste. It is asserted that there is no possibility of confusion or deception being caused by the use of the mark ‘**ZABREEN**’ along with descriptor term ‘**ROYAL**’ by the defendant.

15. It is asserted that no case of infringement is made out as the plaintiffs do not hold registration in the word ‘**ROYAL**’.

SUBMISSIONS OF THE PLAINTIFFS

16. The learned counsel for the plaintiffs submits that the contention of the defendant that the word/mark ‘**ROYAL**’ is descriptive in character, cannot be accepted. He submits that the mark can at best be stated to be suggestive. For the purposes of rice, it would be a completely arbitrary term. In support he places reliance on the judgment of this Court in *Bata India Limited v. Chawla Boot House & Ors.*, MANU/DE/1368/2019 and *Procter & Gamble Manufacturing (Tianjin) Co. Ltd. & Ors. v. Anchor Health & Beauty Care Pvt. Ltd.*, 2014 SCC OnLine Del 3374.

17. He submits that the reliance placed by the defendant on the reply of the plaintiffs to the Examination Reports is also ill-founded inasmuch as the marks that were cited by the Trade Marks Registry were for different goods. Placing reliance on the judgment of this Court in *Teleecare Network India Pvt. Ltd. v. Asus Technology Pvt. Ltd. and Ors.*, 2019 SCC OnLine Del 8739, he submits that, in any case, the reply given to the Trade Marks Registry is not relevant.

18. He further submits that the defence of the defendant that the plaintiffs are not entitled to seek protection of the word mark '**ROYAL**' as the registration is in a device mark is also incorrect inasmuch as the sole feature of the registered mark of the plaintiffs is the word '**ROYAL**' and, therefore, is entitled to protection.

19. The learned counsel for the plaintiff further places reliance on the Notification dated 22.09.2017 issued by the Ministry of Finance, Government of India, under Section 11 (1) of the Central Goods and Services Tax Act, 2017 to submit that the defendant having claimed exemption from the payment of Goods and Services Tax (in short, 'GST') under the said Notification, is deemed to have forgone all its rights under the mark '**ZABREEN ROYAL**'. Placing reliance on the judgment dated 21.01.2020 passed by the learned Single Judge of this Court in CS(COMM) 21/2020, titled *Adani Wilmar Ltd. v. Baljit Agro Tech Pvt. Ltd. & Anr*, he submits that the defendant having forgone its rights in the mark, cannot claim any right to use the same.

20. Placing reliance on the affidavit of Sh. Anil Mittal, Managing Director of the defendant, in support of the opposition filed by '*M/s Kusha Inc.*' against the application of '*M/s Mahaveer Rice Traders*', he submits that the defendant, by way of the said affidavit, had admitted that the predecessor in interest of the plaintiff no.1, namely, '*M/s Kusha Inc.*' had adopted the mark '**ROYAL**' in the year 1989 and had been using the same. He further admitted that the word '**ROYAL**' formed an essential and distinguishing feature of its trade mark. He submits that, therefore, the defendant is today estopped from challenging the distinctiveness of the mark of the plaintiffs.

21. The learned counsel for the plaintiffs further submits that the use of the mark '**ROYAL**' by the defendant is not descriptive in nature. It is, in fact, being used as a trade mark and mere use of the

same in conjunction with the word ‘**Zabreen**’ would not distinguish the same from the mark of the plaintiffs.

22. He further submits that merely because there are other marks with the word ‘**ROYAL**’ registered in Class 30, would also not enure to the benefit of the defendant in absence of any evidence of usage of such marks. In this regard, he places reliance on the judgment of this Court in *Pankaj Goel v. Dabur India Ltd.*, 2008 SCC OnLine Del 1744.

SUBMISSIONS OF THE DEFENDANT

23. On the other hand, the learned counsel for the defendant submits that the word ‘**ROYAL**’ indicates the kind and quality of the goods and services. It conveys a sense of pre-eminence and superior quality. It is a laudatory term which is incapable of distinguishing goods and services of one person from those of the other and thus is devoid of any distinctive character. He submits that mere registration of the mark ‘**ROYAL**’ cannot grant the plaintiffs exclusive right to use the said laudatory term. In support he places reliance on the following judgments:

- (i) ***Marico Limited v. Agro Tech Foods Limited***, 2010 SCC OnLine Del 3806;
- (ii) ***Soothe Healthcare Private Limited v. Dabur India Limited***, 2022 SCC OnLine Del 645;
- (iii) ***Soothe Healthcare Private Limited v. Dabur India Limited***, 2022 SCC OnLine Del 2006;
- (iv) ***Red Bull AG v. Pepsico India Holdings Pvt. Ltd. and Another***, 2022 SCC OnLine Del 969;
- (v) ***Ultratech Cement Limited and Another v. Dalmia Cement Bharat Limited***, 2016 SCC OnLine Bom 3574;

- (vi) ***Rhizome Distilleries P. Ltd. and Others v. Pernod Ricard S.A. France and Others***, 2009 SCC OnLine Del 3346;
- (vii) ***Sime Darby Edible Products Ltd v Ngo Chew Hong Edible Oil Pte Ltd.***, (2000) SGHC 145.

24. He further submits that the word ‘ROYAL’ is common to trade and is used by various manufacturers/sellers of rice. Such products are also readily available on e-commerce websites.

25. The learned counsel for the defendant further submits that the registrations granted in favour of the plaintiffs are in device marks and not the word mark. The same, therefore, cannot confer a right upon the plaintiffs to monopolize the mark ‘ROYAL’. He submits that in terms of Section 17 of the Act, the protection given is only to the trade mark as a whole and not parts of the same. In support he places reliance on the judgment of this Court in ***Vardhman Buildtech Pvt. Ltd. & Ors. v. Vardhman Properties Ltd.***, (2016) 233 DLT 25.

26. The learned counsel for the defendant further submits that the reliance of the plaintiffs on the affidavit of Sh. Anil Mittal is also ill-founded inasmuch as the said affidavit was given on behalf of the predecessor of the plaintiff no.1 and, therefore, can only bind the plaintiff no.1. It was also executed by Sh. Mittal in his personal capacity and not for and on behalf of the defendant company. He submits that even otherwise, the affidavit relates only to the device mark and not the word ‘ROYAL’.

27. On the claim of passing off, he submits that the overall trade dress/label of the defendant’s product is completely different from the plaintiffs. Furthermore, the plaintiffs are using its own mark ‘ZABREEN’ which is highly distinguishable and thus there cannot be any confusion between the plaintiffs’ products and the defendant’s

products. In support, he places reliance on the judgments of *Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories* (1965) 1 SCR 737; and *Bacardi and Company Ltd. v. Bahety Overseas Pvt. Ltd. & Ors.*, 2021 SCC OnLine Del 4956.

28. The learned counsel for the defendant further submits that the plaintiffs are not using the mark which is registered in their favour, but a mark different thereto. He submits that, therefore, registrations of marks granted in favour of the plaintiffs are liable to be cancelled. He submits that no reliance can, therefore, be placed by this Court on the registration standing in the name of the plaintiffs.

29. Placing reliance on the reply submitted by the plaintiff to the Examination Report, he submits that the plaintiffs having distinguished other marks with word 'ROYAL', stating that their's is a device mark. The plaintiffs are now estopped from claiming a separate right in the word 'ROYAL'. In support he places reliance on *S.K. Sachdeva & Anr. v. Shri Educare Limited & Anr.*, 2016 (65) PTC 614 [Del][DB].

30. The learned counsel for the defendant further submits that the disclaimer given by the defendant under the Notification dated 22.09.2017 is also immaterial inasmuch as, the defendant is not claiming any right under the word 'ROYAL'. Such disclaimer cannot prevent the defendant from asserting that no other person can also claim an exclusive right in the said word.

31. The learned counsel for the defendant further submits that the balance of convenience is also not in favour of the plaintiffs inasmuch as, the defendant is one of the largest producers as well as exporters of premium quality of Basmati Rice. He submits that even assuming the plaintiffs may eventually succeed, they can always be compensated in monetary terms.

ANALYSIS AND FINDING

32. I have considered the submissions made by the learned counsels for the parties.

Word 'Royal' whether descriptive of the product:

33. At the outset, it is to be considered whether the word '**ROYAL**' is descriptive or suggestive of the product- Rice and, therefore, if any exclusive right therein can be claimed by the plaintiffs.

34. In '*McCarthy on Trademarks and Unfair Competition*', the learned author explains the spectrum of distinctiveness of marks as:

- (i) 'inherently distinctive';
- (ii) 'non-inherently distinctive'; and
- (iii) marks with 'no distinctiveness'.

35. The learned author places the 'suggestive' marks in the category of 'inherently distinctive marks'; while 'descriptive marks' in 'non-inherently distinctive marks', for which secondary meaning is required. The learned author states that the placement on the spectrum of distinctiveness does not end the inquiry as to the strength of a mark: it is only the first step; the second step is to determine the strength of this mark in the market place. He states that the categorization of a mark on the spectrum of distinctiveness is a factual issue.

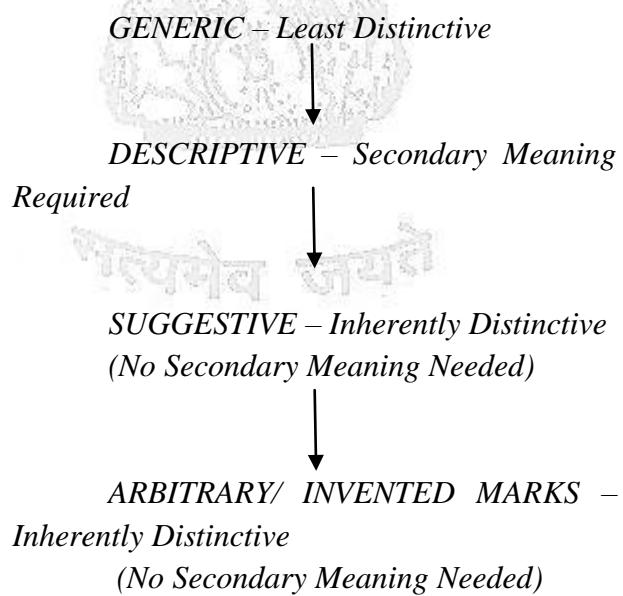
36. The learned author further states that the most popular test with the Court to determine whether the mark is 'descriptive' or 'suggestive' is the 'Imagination Test'. The more imagination that is required on the customer's part to get some direct description of the product from the term, the more likely the term is 'suggestive', and not 'descriptive'. A descriptive term directly and clearly conveys information about the ingredients, qualities or characteristics of the product or service, whereas the 'suggestive' term only indirectly

suggests these things. Thus, if one must exercise a reasoning process to determine attributes of the product or service, the term is suggestive not descriptive. If the mental link between the word and the product's attributes is not almost instantaneous, this strongly indicates suggestive and not direct descriptiveness.

37. The second test suggested by the learned author is 'The Competitors' Need Test', that is, is the word or words likely to be needed by the competitive sellers to describe their goods? If the answer is in the positive, then the word/words are descriptive, otherwise they may just be suggestive.

38. In **Bata India (supra)**, the Court relying upon the above exposition of law by the learned author, held as under:

"26. The spectrum of distinctiveness of marks clearly explains how distinctiveness of marks is to be judged. The spectrum as explained in McCarthy on 'Trade Marks and Unfair Competition', can be illustratively depicted as below:



27. Even if one considers the nature of the mark 'POWER', it cannot be held to be a descriptive mark. As the well-known author Mr. J. Thomas McCarthy, in the treatise on

'Trademarks and Unfair Competition', opines, the question as to whether the mark is descriptive or suggestive, can be based on the following tests:

- a) *Degree of imagination required to connect the mark with the product; and*
- b) *The competitor's need to use the mark.*

28. *In the present case, the mere mention of the word 'POWER' does not direct any one immediately to shoes or to footwear. The imagination could at best lead to products related to electricity, batteries or related products. It could also lead to other various other connotations. It requires a 'leap of mind to connect the word POWER' with footwear. The connection is not automatic or immediate. The dictionary meaning of the word POWER, as per the Shorter Oxford English Dictionary is:*

"I 1. Ability (to do), capacity (of doing, to do); an active property or principle. ME. b A particular mental or physical faculty, capacity, or ability.

2. (Possession of) control or authority over other: dominance: government, command; personal, social, or political influence or ascendancy. ME. b (With specifying word.) A movement to enhance the status or influence of a specified group, lifestyle, etc.

3. Ability to act or affect something strongly: strength, might: vigour, energy, effectiveness.

4. Legal authority to act for another, esp. in a particular capacity: delegated authority: authorization: an instance of this."

29. *'POWER', could at best be termed as a 'SUGGESTIVE' mark for footwear, which would make it an inherently distinctive mark. In the context of footwear, it would at best be considered as a laudatory epithet. It is not immediately connectable to footwear. Even if*

one applies the competitors' need test, Defendant No.2 has not shown a single footwear product using the word 'POWER'. Though, some pending applications have been shown, it is a well-known fact that mere filing of applications or registering marks does not create any goodwill and also does not imply any use of the mark. The Plaintiff has been taking action against the marks which it considers conflicting to its interest, vigilantly.

30. By applying the above two tests, the word 'POWER' is held to be a distinctive mark in respect of footwear. In *Union Carbide Corp. v. Ever-Ready, Inc.*, *MANU/FEVT/0199/1976*: 531 F. 2d 366, 188 U.S.P.Q. 623 (7th Cir. 1976) the Court applied the 'intuitive nature basis', rather than a logical analysis, as the basis for deciding as to whether a mark is descriptive or suggestive. While descriptive marks can acquire a secondary meaning and attain the status of a trademark, suggestive marks are inherently distinctive marks. This Court, therefore, holds that in every case where the defence of non-distinctiveness of marks is raised, the Court after analysing the evidence on record has to finally apply its own intuitive perception and there can be no objective formula to determine descriptiveness.

31. On the basis of the above, this Court has no hesitation in coming to the conclusion that the mark 'POWER' is exclusively associated with the Plaintiff's brand of footwear. The use of the said mark, either in combination with other words or in isolated manner in respect of footwear, accessories and clothing, etc., violates the statutory and common law rights of the Plaintiff."

39. In my *prima facie* view, the above judgment would apply to the facts of the present case as well. Though, a laudatory word, 'ROYAL'

is not immediately connectable to rice, it would require a large amount of imagination for the consumer to form a connection of the word ‘ROYAL’ to rice. It would require a reasoning process to determine the attributes of rice.

40. Applying the ‘Competitors’ Need Test’ again, the word ‘ROYAL’ *per se* is not required by the competitors to be used to describe the product-rice or its quality. The word ‘ROYAL’ is neither a natural synonym for the product nor its attribute.

41. In *Marico Ltd.* (*supra*), the Court was considering the trade mark “LOSORB” and the use of the expression ‘with low absorb technology’ by the defendant therein. The Court held that the expression ‘low absorb’ is a common descriptive expression/adjective and immediately conveys the meaning of the expression, that something which absorbs less. The Court found that the said expression was used in the functional sense for the character of the product, which is edible oil; it, therefore describes the characteristic of the product. In the present case, however, the same cannot be said for the word ‘ROYAL’, as far as rice is concerned.

42. In *Soothe Healthcare Pvt. Ltd.* (*supra*), the Court found that the word “SUPER” had been used by the plaintiff itself therein in a laudatory/descriptive manner.

43. In *Red Bull AG* (*supra*), the Court was considering the plaintiffs registered trade mark/tagline “VITALIZES BODY AND MIND” and its claim for injunction against the defendant using the tagline “STIMULATES MIND. ENERGIZES BODY”. The Court found that the plaintiff was using its own tagline in a manner so as to describe the attributes or quality of its drink. The Court found that the plaintiff’s tagline therein had a direct reference to the products of the plaintiff therein and to its quality, intended purpose, values, and other

characteristics. In my *prima facie* opinion, the same cannot be said in the present case.

44. In ***Ultra Tech Cement*** (*supra*), the Court rejected the submission of the plaintiff that the word “ULTRA” formed a prominent and essential feature of its registered trade mark.

45. In ***Rhizome Distilleries P. Ltd.*** (*supra*), the Court, while holding that the word “IMPERIAL” is laudatory in character, held that it may still be pleaded by the plaintiffs that the defendants are guilty of passing off because of the adoption of the said word.

46. In ***Sime Darby Edible Products Ltd.*** (*supra*), the challenge was to the mark “ROYAL SPOON”. The same was challenged by the plaintiff which held registration in the mark that consisted of the device of two crossed spoons and below the device the words “SPOONS BRAND”. The Court held that the word “ROYAL” alone being laudatory, was descriptive in character and may not be registrable without proof of acquisition of a distinctive character as a result of the use made of it. In the present case, the mark of the plaintiffs herein already stands registered.

47. In view of the above, and in my *prima facie* opinion, the plea of the defendant that the word ‘ROYAL’ being a descriptive term is not entitled to any protection, is liable to be rejected. However, at the same time, the word ‘ROYAL’ being laudatory, the effect thereof would still have to be considered.

Effect of Device Mark Registration:

48. The submission of the learned counsel for the defendant that the registration being in a device mark, the plaintiffs cannot claim any exclusive right over the word ‘ROYAL’, being a part thereof, cannot be accepted. Apart from the device mark registered under the

application No.1175315, the plaintiff no.1 also holds registration under application No.1548937 and 1339882 in the label mark of which the word ‘ROYAL’ is the only part, though in a stylized manner.

49. In ***M/s South India Beverages Pvt. Ltd. V. General Mills Marketing Inc. and Anr.***, (2015) 61 PTC 231 (Del) (DB), a Division Bench of this Court held that as under:

“...though it bears no reiteration that while a mark is to be considered in entirety, yet it is permissible to accord more or less importance or ‘dominance’ to a particular portion or element of a mark in case of composite mark. Thus, a particular element of a composite mark which enjoys greater prominence vis-à-vis other constituent elements, may be termed as a ‘dominant mark’.” It was further held that “the principle of ‘anti dissection’ does not impose an absolute embargo upon the consideration of the constituent elements of a composite mark. The said elements may be viewed as a preliminary step on the way to an ultimate determination of probable customer reaction to the conflicting composites as a whole. Thus, the principle of ‘anti-dissection’ and identification of ‘dominant mark’ are not antithetical to one another and if viewed in a holistic perspective, the said principles rather complement each other.”

50. In ***Pidilite Industries Ltd. v. S.M. Associates & Ors.***, (2004) 28 PTC 193, the High Court of Bombay, though in relation to a disclaimer, observed as under:

“71. I am in respectful agreement that despite a disclaimer in respect of the word "Seal" I must have regard to the whole of the plaintiff's mark including the disclaimed matter while deciding the question of infringement. A contrary view could lead to peculiar results.

Take for instance where the disclaimed word is written in a distinctive style with embellishments within, on or around it, and the opponents mark also consists of the disclaimed word written in the same distinctive manner. Were it open to the opponent to contend that the disclaimed word ought to be ignored there would be nothing left to compare. Let me carry this illustration further with the modification that the embellishments in the two marks are different. If the disclaimed word is to be ignored all that would be left is the embellishments. This is not how a person in the market would view the marks while purchasing a product. There would remain an equal degree of possibility of deception and confusion as the public, being oblivious to the disclaimer would not analyze the marks as suggested by Dr. Shivade. In the circumstances, the disclaimer in the present case does not affect the plaintiff's right to obtain an injunction for infringement."

51. Applying the above test to the facts of the present case, the word 'ROYAL' remains a dominant part of the trade mark of the plaintiffs. Remove the said word, the remaining is only an embellishment. Therefore, the word 'ROYAL' *per se* would also be entitled to protection, though while making a comparison with the complained mark, due deference would have to be laid to the fact that the plaintiff does not have a word mark registration.

Mark common to trade:

52. The plea of the defendant that the word 'ROYAL' is common to trade also cannot be accepted at the present stage. It would have to await a final decision when the parties have led their evidence. As held by this Court in *Pankaj Goel (supra)*, a use of a similar mark by a third party in violation of the plaintiff's right is no defence.

Correspondence with the Trade Mark Registry:

53. The reliance of the defendant on the response submitted by the predecessor of the plaintiffs to the Examination Reports again is not of much relevance. It would be for this Court to determine whether the use of the mark by the defendant infringes the rights of the plaintiffs in its registered trade mark, or amounts to passing off of the goods of the defendant as that of the plaintiffs. As held by this Court in *Teleecare (supra)*, such correspondence cannot act as an estoppel. In fact, this is a peculiar case where both the parties are relying upon the submissions made by the other before the Trade Mark Registry.

54. As far as the reply dated 17.08.2012 submitted by the plaintiff to the Examination Report is concerned, the same would show that the plaintiff, in fact, emphasised that the trade mark ‘ROYAL’ had been used by it since 1989 and had acquired worldwide reputation on account of its exclusive and extensive use, as also on account of its promotional activities. The plaintiff also relied upon its registrations in the U.S.A and Canada. The plaintiff also sought to distinguish the cited marks on account of those been opposed to by the plaintiff and being in use for different products. *Prima facie*, therefore, the said reply, even otherwise, does not support the case of the defendant any further.

55. On the other hand, is the affidavit of Sh. Anil Mittal, the Managing Director of the defendant, in support of the predecessor-in-interest of the plaintiff, stating that the trade mark ‘ROYAL’ Logo and ‘ROYAL’ Logo with device of Queen in relation to rice has been used by the predecessor-in-interest of the plaintiff since 1989 and has acquired distinctiveness. Though the learned counsel for the defendant submits that the same cannot act as an estoppel against the defendant,

the same having been executed by Sh. Mittal in his personal capacity and/or the same being filed at the behest of the predecessor-in-interest of the plaintiff, *prima facie* at least the said affidavit supports the case of the plaintiff that the right of the predecessor-in-interest of the plaintiff in the mark was even acknowledged by the defendant.

Effect of defendant's claim under Notification dated 22.09.2017:

56. As far as the claim of the plaintiffs based on the Notification dated 22.09.2017 is concerned, the defendant herein is not claiming any right in the word 'ROYAL' as a trade mark. In fact, it is the case of the defendant that it is using the said word only in a descriptive sense.

57. In *Adani Wilmar Ltd.* (*supra*), the defendant therein had *inter alia* pleaded prior adoption and user of the mark. It was in such circumstances that the Court held that the defendant therein, having forgone all rights in its mark, cannot claim itself to be the prior user of the mark in relation to the subject goods. No such plea has been taken by the defendant in the present case.

58. In view of the above, the reliance of the learned counsel for the plaintiffs on the above Notification as far as the claim of interim injunction is concerned, cannot be accepted.

Non-use of the trade mark as registered by the plaintiffs:

59. As noted hereinabove, the learned counsel for the defendant has pleaded that as the plaintiffs are not using the mark as registered, the same is liable to be removed from the Register of Trade Marks.

60. In my view, this submission need not detain me for the present.

61. The plaintiffs, apart from having a registration of the word 'ROYAL' with the device of a Queen, as noted hereinabove, also has other registrations of which 'ROYAL' forms a prominent part.

Exception to claim of infringement and also passing off:

62. This now brings me to the plea of the defendant claiming exception to the claim of infringement, placing reliance on Section 30(2)(a) and 35 of the Trade Marks Act, 1999. The said provisions are reproduced as under:

"Section 30. Limits on effect of registered trade mark.

Xxxxx

(2) A registered trade mark is not infringed where—

(a) the use in relation to goods or services indicates the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services;"

xxxxxx

"Section 35. Saving for use of name, address or description of goods or service.

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

63. A reading of the above provisions would show that where the trade mark is used by the defendant to indicate the kind or quality of

the goods in a *bona fide* manner, it can escape the claim of infringement made by the registered proprietor of the trade mark.

64. Though it has been held hereinabove that the word ‘**ROYAL**’ is not descriptive of the product-rice, at the same time it cannot be disputed that it is a laudatory word. The Oxford Dictionary defines the word ‘**ROYAL**’ as “*of a quality or size suitable for a king or queen; splendid*”; in Collins English Dictionary, it is defined to mean “*in the sense of regal, in the sense of splendid*”; and Cambridge Advanced Learner's Dictionary & Thesaurus defines it as “*a member of the royal family good or excellent, as if intended for or typical of royal.*”

65. As there is no doubt that the word ‘**ROYAL**’ is a laudatory word, it would have to be determined as to whether the use of the same by the defendant is merely to depict the quality of its rice, thereby acting as a defence for the defendant to the claim of infringement made by the plaintiffs. In this regard, the earlier use of the mark by the defendant, that is complained of in the present suit is as under:



ZABREEN ROYAL BASMATI RICE - 25 KG - BOPP -INDIA - (OLD PACKAGING)

(SIZE : Height : 785.00 mm, FRONT PANEL : Width: 380.00 mm,
GUSSET : 130.00 mm × 2)



66. In the course of the submissions, the learned counsel for the defendant submitted that the defendant would be ready and willing to give less prominence to the word 'ROYAL' in its packaging and adopt the following packaging for its products:

ZABREEN ROYAL BASMATI RICE - 25 KG - BOPP -INDIA - (PROPOSED PACKAGING)

(SIZE : Height : 785.00 mm, FRONT PANEL : Width: 380.00 mm,
GUSSET : 130.00 mm x 2)



67. In the packaging now proposed by the learned counsel for the defendant, it is evident that the prominence given to the word '**ROYAL**' as against the mark of the defendant '**ZABREEN**' has been reduced. As against the earlier dimensions of the word '**ROYAL**', the dimensions in the proposed packaging have been considerably reduced. The comparative chart is as under:-

LOCATION	EXISTING DIMENSIONS	PROPOSED DIMENSIONS
Front panel top	180x37mm	92X23mm
Front panel bottom	77x16mm	37x10mm
Side panel	199x43mm	67x17mm
Back Panel top	77x16mm	40x10mm
Back Panel bottom	77x16mm	37x10mm

68. The use of word ‘**ROYAL**’, therefore, now appears to be only in form of depicting quality of the rice.

69. In **Marico Limited** (*supra*), the Court had held that the appellant therein was not entitled to succeed in an infringement action, also because the use by the respondent therein was in furtherance of its statutory rights of the use of the word which is descriptive of the kind, quality, intended purpose or characteristic of the goods. It was held that merely because the appellant therein states that the respondent is using the word as a trade mark, the same should not be taken as infringement of the trade mark of the appellant. Such use would fall within the mischief of Section 30(2)(a) of the Act and the respondent/defendant is always fully justified and is entitled to use the descriptive words in any and every manner that it so chooses and pleases to do. Such use can be described as being “*bona fide*”. In fact, it was held that there is ordinarily no lack of *bona fides* in using the normal descriptive words.

70. In this regard it is also relevant to note that the defendant, apart from the use of the word ‘**ROYAL**’, also claims to be using the words ‘**GOLD**’, ‘**BIRYANI**’ and ‘**PREMIUM**’ for its various quality of rice.

71. It is also to be noted that the defendant is using its own trade mark ‘**ZABREEN**’ prominently on the packaging. The packaging itself of the plaintiffs and defendants products is different as is evident from the below, which is an extract from the plaint itself:-

COMPARATIVE TABLE	
Plaintiff's product	Defendant's product
Front panel:	Front panel:



72. In my *prima facie* view, the use of the word ‘ZABREEN’ prominently on its packaging is sufficient to take the defendant out from the mischief of infringement and passing off.

73. In *Soothe Healthcare Private Limited* (*supra*), the learned Single Judge of this Court observed that by use of the house mark ‘Dabur’ along with difference in the color scheme, the possibility of confusion did not arise. Similar is the situation in the present case.

With the use of the house mark of the defendant ‘**ZABREEN**’; difference in the color scheme and the packaging and with the proposed reduction in the size of the word ‘**ROYAL**’ in the overall packaging by the defendant, in my opinion, a possibility of confusion being caused to an unwary consumer of imperfect recollection would *prima facie* stand negated.

74. The same, however, cannot be said for the packaging that is currently used by the defendant and was complained of by the plaintiffs in the present suit. The packaging itself would show that the word ‘**ROYAL**’ has been used prominently in the packaging. The same is not, therefore, merely to depict the quality of the rice of the defendant but also as a trade mark itself. The use of the same would also lead to dilution of the mark of the plaintiffs and, therefore, cannot be permitted in such manner.

75. In view of the above, the defendant is restrained from using the packaging complained of by the plaintiff and reproduced hereinabove, during the pendency of the present suit.

76. It shall, however, be open to the defendant to use the packaging that has been proposed during the course of hearing of the present application and which also has been reproduced hereinabove.

77. The application is disposed of in the above terms.

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78. No submissions have been made in the present application. The same is disposed of reserving liberty in the plaintiffs to move an appropriate application, if so advised, at a later stage.

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79. List before the learned Joint Registrar (Judicial) on 14th April, 2023.

NAVIN CHAWLA, J.

FEBRUARY 24, 2023
KP/DJ

