

Calcutta High Court

Pankaj Jaiswal And Anr. vs Virendra Prasad Jaiswal And Ors. on 19 September, 2006

Equivalent citations: 2007 (1) CHN 143, 2007 (35) PTC 761 Cal

Author: P C Ghose

Bench: P C Ghose, T K Dutt

JUDGMENT Pinaki Chandra Ghose, J.

1. This appeal has been filed from an order dated 17th February, 2006 passed by the Hon'ble First Court whereby His Lordship was pleased to restrain the defendant/appellant herein using the word "SEC" anywhere to market their product. His Lordship was also pleased to grant stay for a period of two months from date in the event the defendants change their mark "SEC".

2. Fact of the case briefly are as follows:

The plaintiff/respondent No. 1 carries on business as Shiva Engineering Company. The said Shiva Engineering Company was earlier a partnership firm with its partner Virendra Prasad Jaiswal and Surendra Prasad Jaiswal. After the said dissolution the plaintiff carries on business in the name of the said firm as a proprietor thereof. The plaintiff is a manufacturer of electric fan under the trade mark "SEC". Plaintiff uses the said trade mark since about the year 1988 and having its registration No.683188 in respect of the said trade mark "SEC and device" which is registered under the provisions of Trade Marks Act, 1999 (hereinafter referred to as the said Act) in Class 11. The plaintiff also having a registration No. 754247 in Class 11 in respect of another variation of the fan which is "SEC Trust" and the same is also registered under the said Act. Plaintiff is also having a certificate in respect of the said trade mark. Both the said registrations are valid and subsisting. Plaintiff also holds a registration of copyright under the Copyright Act, 1957 in respect of "SEC and device" having its registration No. A-58363/2001. The plaintiff sells its ceiling fans in a cardboard box having a distinctive get-up, colour scheme, design and lay-out. The fans of the plaintiff are sold under "2 years Guarantee" with a guarantee card which is stamped by the dealer at the time of sale of a fan.

3. During the period 1998-99 to 2003-04 of the turnover of the plaintiff firm is as follows:

Year	Sales Figures (In Rs.)
1998-1999	35.29.510.00
1999-2000	47.98.320.00
2000-2001	45,99,498.84
2001-2002	48,74,522.00
2002-2003	45,62,560.00
2003-2004	44,06,292.00

4. The defendant No. 1/appellant herein deals with fans of various kinds in particular c

5. Besides that the defendant No. 1 uses the name of "Shiva Engineering Company", it is also alleged that the defendants are using the said trade name which is deceptively similar to the plaintiff's trade

name wholly with a wrongful motive and intention to deceive people and pass off its inferior quality products and that of the plaintiff. The appellant/defendant No. 1 has obtained the registration of the impugned trade mark under the No. 809843 by suppression of material facts from the Registrar. The defendant Nos. 2 to 4 are the dealers and business associates of the defendant No. 1. Plaintiff/respondent No. 1 claimed its trade mark "SEC" is extremely popular in the past. The plaintiff in the past has had to issue legal notice to several persons for the unauthorized use of the trade mark "SEC". The plaintiff has taken legal action against the infringing parties, also instituted a suit in this Court being C.S. No. 271 of 2001 and the Hon'ble Court was pleased to restrain the appellant/defendant in that case for using the said trade mark "SEC" of the plaintiff and orders were passed on May 25, 2001 and July 5, 2001 in the said Suit No. 271 of 2001.

6. The plaintiff/respondent herein filed a suit on these allegations including that the defendants/appellants are wrongfully and illegally selling fans using the artistic representation of the mark which is structurally and visually identical to the label of the plaintiff/respondent herein so as to give the impression to the purchasing public that the said "SEC" fans of the defendant/appellant are products of the plaintiff/respondent. The defendants are also using the said mark deceptively similar with the plaintiff/respondent's mark with a mala fide intention of deceiving the consumers, traders and retailers to believe that they are buying the products of the plaintiff/respondent thereby causing confusion and deception.

7. Such mala fide intention is also apparent from the adoption and use of a deceptively similar label which is wholly similar to the original artistic work, design, colour scheme of the plaintiff/respondent's label including the guarantee card. In these circumstances, plaintiff filed a suit before this Court after obtaining leave under Clause 12 of the Letters Patent.

8. In the said suit application was filed before the Hon'ble First Court inter alia praying for the following orders:

(a) Injunction restraining the respondents or each of them whether by themselves, their employees, servants, agents, representatives and dealers or otherwise howsoever from using the trade mark "SEC", or any trade mark consisting of the word "SEC" and trade dress of box and/or guarantee card shown in Annexures "A", "E" and "F" hereto or any style, get-up, colour scheme or design which so nearly resembles the said trade mark and trade dress of the respondents shown in Annexures "G", "H" and "I" hereof as to be calculated to deceive and induce the people that the fans or other products of the respondents or each of them originates from the petitioner or is in any way connected therewith or to pass off the said trade mark SEC, trade dress of box and/or guarantee card of the petitioner in any way or manner whatsoever;

(b) Injunction restraining the respondents or each of them whether by themselves, their employees, servants, agents, representatives and dealers or otherwise howsoever from infringing the copyright in respect of the artistic style of the word "SEC" and other features of the label by using the label shown in Annexure "D" hereto or using other label so nearly resembles the same;

(c) Injunction restraining the respondents or each of them whether by themselves, their employees, servants, agents representatives and dealers or otherwise howsoever from infringing the registered trade mark SEC and Device under No. 683188 as shown in Annexure "B" hereto or any other mark consisting the word "SEC" or marks so nearly resembles the same;

(d) Injunction restraining the respondents or each of them whether by themselves, their employees, servants, agents, representatives and dealers or otherwise howsoever from passing off or attempting to pass off the business of the respondents as and for the business of the petitioner or the products of the petitioner by the use in connection therewith of the trade mark SEC, trade dress of box and the guarantee card or any colourable imitation thereof in respect of fans, or by any other means or manner whatsoever;

(e) Injunction restraining the respondents or each of them whether by themselves, their employees, servants, agents, representatives and dealers or otherwise howsoever from passing off or attempting to pass off the business of the respondents as and for the business of the petitioner or the products of the petitioner by the use in connection therewith of the words "SHIVA ENGINEERING" as a trading name or part of trading name;

(f) Ad interim order in terms of prayers (a) to (d) above;

(g) Costs of incidental to this application be paid by the respondent;

(h) Receiver;

(i) Such further and other order or orders be made and/or direction or directions be given as to this Hon'ble Court may deem fit and proper.

9. On 22nd December, 2004 at the time of moving of the application the Hon'ble First Court granted an interim order in terms of prayer (a) till 17th January with a liberty to apply for extension and for further order on the said application upon notice to the other side. On 28th January, 2005 the matter was heard and after hearing the parties the Hon'ble First Court passed the following order:

Having heard the respective contentions of the learned Counsel it appears to me from the aforesaid catena of decisions cited by Mr. Bachawat that registration of marks does not give any better right or any protection against the action of illegal passing off. Passing off action is based on prior or senior user of the marks. Admittedly, the plaintiff is the senior user of the mark "SEC" and admittedly again the defendant has got the marks registered in 2003 and having a reference of user in 1998. Before registration of the marks the application of the plaintiff must have been circulated in the gazette or bulletin issued by the appropriate officials, so the plaintiff must have knowledge or is deemed to have knowledge of such user. Moreover the plaintiff has lodged a complaint though apparently against some other establishment before the appropriate Criminal Court. The defendant No. 2 who is the father of the defendant No. 1 appears to be one of the accused person in the charge framed by the Competent Court. This criminal action was initiated by the State on the complaint of the plaintiff in the year 2001. From the records I find that there has been a search and seizure in the

house of the defendant No. 2 and this fact was well known to the plaintiff as this action was brought pursuant to his complaint. Therefore, why the plaintiff has not brought the suit against the defendant No. 2 in the year 2001 itself, has not been explained and it has not also been explained as to why such delayed action has been taken at least against the defendant No. 2. Defendant No. 1 is a minor and being represented by the defendant No. 2 as it appears from the records of the trade mark registration. So action in this suit is really against the defendant No. 2. Therefore, I do not appreciate the statement made in the petition that the plaintiff has come to know for the first time in the year 2004. From 1998 till 2004 the plaintiff stood by and no action was taken. In case of passing off action the delay and/or acquiescence at least at the ad interim stage is a matter to be reckoned with.

The defendant has come forward with a change of their trade mark with some addition and they have already changed their colour-scheme feature and get-up of the carton and also the guarantee card. Under such circumstances, I think interim order passed already is to be modified in the manner as follows:

Mr. Chakraborty's clients shall destroy all the old carton having offending get-up, colour-scheme and guarantee cards to the notice and knowledge of the plaintiff. With this changed get-up and colour combination of carton their product may be sold. However, the monthly statement of such sale shall be filed in a sealed cover and the same shall be deposited with the Advocate-on-record of the defendant No. 1 and such sealed cover shall not be opened and disclosed to any one without the leave of the Court. A sample of the offending carton and guarantee card and the changed carton with changed colour combination and varied trade mark and changed guarantee card shall be jointly signed by the Advocates-on-record of both the parties and the same shall be kept in a sealed package with the Advocate-on-record of Mr. Bachawat. The defendant is permitted to market and sell their product with the aforesaid change and variation. Mr. Chakraborty's clients shall give sale figure of their product already marketed with this offending marks and this shall be kept in a sealed cover with the Advocate-on-record of the defendants until further orders of this Court. Mr. Chakraborty's clients shall not sell their product with the offending marks anymore and the cut off date is fixed on January 11, 2005.

Let affidavit-in-opposition be filed within two weeks from date; reply; if any, shall be filed within one week thereafter. Let this matter appear four weeks hence.

This order, however, will not prevent and prejudice the action already taken by the plaintiff before the Trade Mark Registry as well as before the Criminal Competent Court. This order shall not be treated to be any lawful premium to the defendants and the aforesaid proceedings shall go in its own merits without any influence or any observation made by this Court....

10. Thereafter, the matter was finally heard out by His Lordship on 17th February, 2006 when His Lordship was pleased to hold as follows:

...I am satisfied that there is a strong resemblance between the two marks even after change of colour combination and get up of the said mark.

Therefore, I restrain the defendants and each of them from using the word 'SEC anywhere to market their product. However, this order will remain stayed for a period of two months from date in the event the defendants change their mark 'SEC to 'SEW or 'SEE' whatever they think fit, but the word 'SEC must not be used....

11. Mr. Mukherjee, learned senior Advocate appearing in support of this appeal contended that the respondent No. 1 was not entitled to orders as claimed in the suit or in the interlocutory application by reason of suppression of material facts and also by reason of deliberate delay and laches. In support of his contention he relied upon the decisions reported in 2004 (1) CHN 448 Barbara Taylor Bradford and Anr. v. Sahara Media Entertainment Ltd. and Ors. and MCD v. State of Delhi and Anr. He further contended that the balance of convenience was wholly against the order passed in favour of the respondent No. 1. Mr. Mukherjee submitted that there was no question of any infringement or passing off as contended by the respondent No. 1. The petitioner/appellant's products had been sufficiently identified and there was no question of any confusion or deception. He further contended that the respondent No. 1 had failed to give any explanation as to why he did not bring the suit against the petitioner No. 2 in 2001 itself. The respondent No. 1 has failed to explain as to why false and misleading statements had been made in the petition with regard to the knowledge of the respondent No. 1 of the use of the mark "Chief SEC" and the delay in filing the suit.

12. Mr. Mukherjee further submitted that the Hon'ble First Court has erred by failing to appreciate that the appellants have relied on the order dated 28th January, 2005 to change the colorable combination and get-up and thereby there was no question of passing off or infringement of the mark of the respondent No. 1. He further contended that the Hon'ble First Court has also erred in holding that after the order was passed by the Court and even after changing the colourable combination there was a strong resemblance between the two marks. He contended that no reasons were given by the Hon'ble First Court for passing the said impugned order.

13. Mr. Mukherjee also submitted that his client has already changed the colour scheme used on the carton. He has agreed to make a distinction of the mark and further has already changed the guarantee card which will no longer be similar to that of the plaintiff/respondent. He further submitted that his client using the said mark since 1998. The said fact was suppressed by the plaintiff/respondent from the Court. He also drew our attention to the process and orders of the competent Criminal Court which has already framed a charge against the defendant No. 2/appellant No. 2 who happens to be the father of the defendant No. 1/appellant No. 1 in the suit. It is submitted that the plaintiff knew in the year 2001 itself about the user of the said mark. In view of such suppression of the fact as to the date of discovery of user interim order of injunction should be vacated. According to him, a competing mark though having prior registration will not have exclusive right under the provision of Section 3 of the Trade Marks Act, 1999. It is further submitted that the defendant No. 2 who is the father of the defendant No. 1 appears to be one of the accused person in the charge framed by the competent Court. Such action was taken at the instance of the plaintiff/respondent No. 1 in the year 2001. Therefore, it is submitted that why the suit was not filed in the year 2001 has not been explained by the plaintiff/respondent. Therefore, he submitted that the plaintiff/respondent came to learn of the said fact first time in the year 2004 cannot be accepted. He further submitted that in case of a passing off action the delay and/or acquiescence has to be

taken into account at the time of moving such application. He further submitted that the Court itself allowed and permitted the appellant/defendant to use the said mark the get-up and further allowed the appellant to mark after changing the same in a new get-up. Therefore, at this stage it cannot be said that there is a chance of deception or passing off the product of the respondent/plaintiff.

14. Mr. Mukherjee further drew our attention to the prayer of the plaint and the petition and submitted that after the change of the get-up no amendment has been made by the plaintiff in the pleadings. He further submitted that there is no sale figure furnished by the plaintiff.

15. Mr. Mitra, learned senior Advocate appearing on behalf of the respondent drew our attention to paragraph 7 of the affidavit-in-reply filed before the Trial Court (appearing at pages 116-117) and submitted that a complaint was lodged with the Deputy Commissioner, Enforcement Branch, Calcutta Police against Vijay Jaiswal under Section 63 of the Copyright Act, 1957, Sections 78 and 79 of the Trade and Merchandise Marks Act, 1958 and under Section 420 of the Indian Penal Code. He further contended that Mahendra Jaiswal being the defendant No. 2 and the said Vijay Jaiswal are the brothers and the defendant No. 2 is the father of the defendant No. 1 Pankaj Jaiswal. He further submitted that a suit was filed against said Vijay Jaiswal, Lingaraj Rao and Ishwar Electrics and in the said suit the order so passed at the ad interim stage on 25th May, 2001 was confirmed on 5th July, 2001 since none appeared in the said proceedings despite a repeated service. Thereafter, only to bypass the said orders the defendant Nos. 1 and 2 have started trading in the name and style of "Shiva Engineering Corporation" and are wrongfully and illegally using the trade marks "SEC" and "SEC Trust" to pass off their inferior fans as that of the plaintiffs.

16. Mr. Mitra further contended that it was specifically denied that the plaintiff was ever aware that the defendant Nos. 1 and 2 were carrying on business in the name of "Chief SEC". Therefore, there is no question of delay in this proceedings to file this suit. He further contended that there is no suppression of material facts since the suit was filed earlier against the brother of the defendant No. 2. The said facts are specifically stated by the plaintiff in the plaint itself. He submitted that there is no question of any suppression of material facts in this matter as it would be evident from the pleadings of the plaintiff. He further submitted that the suppression has already been explained in the affidavit-in-reply filed before the Trial Court.

17. He also relied upon the decisions Kaviraj Pandit Durga Dutt Sharma, (in both the appeals), v. Navaratna Pharmaceutical Laboratories (in both the appeals); Corn Products Refining Co. v. Shangrila Food Products Ltd.; Laxmikant V. Patel v. Chetanbhai Shah and Anr.; Hygiene Industries (P) Ltd. and Anr. v. Sudhir Bhatia and Ors.; Satyam Infoway Ltd. v. Sifynet Solutions (P) Ltd. and S.J.S. Business Enterprises (P) Ltd. v. State of Bihar and Ors. In support of his contention and submitted that there is no irregularity made by the Hon'ble First Court to pass such interim order. He further contended that there is no confusion in respect of the senior user in respect of the goods in question. Hence, in these circumstances, he submitted that the injunction so passed by the Court should continue.

18. We have heard the learned Counsel for the parties. We have also perused the carton now used by Mr. Mukherjee's client which was produced before us. We have perused the carton used by the

respondent herein. Both the cartons we have compared and we have found that after comparing the same, we must come to the conclusion that we have not been able to make a proper distinction in respect of the said carton in question. Therefore, in our opinion, change of colour scheme used on the carton or the mark used by the appellant on the said carton and the get-up we do not have any hesitation to agree with the Hon'ble First Court that there is a strong resemblance between the two marks even after such change of colour combination and get-up. The said fact we cannot brush aside when we want to decide this matter.

19. Furthermore, after comparing the same we have to come to the conclusion that the said get-up, colour scheme or design of the appellant/ defendant are so nearly resembled with the said trade mark and trade dress of the plaintiff/respondent and thereby we have to form an opinion that if we allow the appellant/defendant to use the said get-up and colour scheme, it would cause a deception and induce the people.

20. We also have taken into consideration the fact as alleged before us by Mr. Mukherjee on the ground of delay and we have found that a suit was filed by the respondent/plaintiff in the year 2001 against Vijoy Jaiswal, Lingaraj Rao and Ishwar Electrics and steps were taken against them. But in the facts of this case it cannot be said that there is a delay since the suit is against the present appellants/defendants.

21. Mr. Mukherjee also relied upon the decisions reported in 2005 (4) SCC 605 (supra) and 2004 (1) CHN 448 (supra) and contended that the application should be dismissed on the ground for suppression of material facts.

22. Mr. Mitra pointed out that the complaint was lodged against Vijoy Jaiswal, who is a party in this proceedings and not against the defendant No. 2. The police authorities took steps in the matter and made enquiries thereafter. He further contended that the interim order passed in this suit is confirmed and he also drew our attention to the said complaint dated May 15, 2001 lodged by his client and further pointed out that it has been specifically stated in the said complaint that one Vijoy Jaiswal carries on business under the name and style "Vijoy Enterprises" and the allegation was made against the said Vijoy Jaiswal and not against Mahendra Jaiswal. Therefore, it cannot be said to be that there is suppression of material facts. He also drew our attention to the earlier suit and the interlocutory application filed therein by the respondent No. 1. After scrutinising the said application in the earlier suit as well as the complaint lodged by the respondent No. 1, it appears to us that the respondent No. 1 duly took steps in the matter in the year 2001 against Vijoy Jaiswal and therefore, as contended by Mr. Mitra that the said fact cannot be said to be a material fact in the present suit in question since no allegation has been made by the plaintiff in the suit against the said Vijoy Jaiswal. Therefore, after scrutinising those facts we do not find that there is any suppression of material facts has been made by the plaintiff/respondent herein from this Court. We also do not find that there was any deliberate delay or laches on the part of the respondent/plaintiff in filing the suit in question.

23. On the ground of delay as tried to be pointed out by Mr. Mukherjee, we do not find that the said ground has any substance in the facts and circumstances of this case since we have found that the

plaintiff did take steps against the said Vijoy Jaiswal earlier in the year 2001.

24. After considering these facts and decisions cited before us it appears to us that in Kaviraj Pandit Durga Dutt Sharma (in both the appeals) v. Navaratna Pharmaceutical Laboratories (in both the appeals) (supra) the Apex Court held as follows:

The other ground of objection that the findings are inconsistent really 'proceeds on an error in appreciating the basic differences between the causes of action and right to relief in suits for passing off and for infringement of a registered trade mark and in equating the essentials of a passing off action with those in respect of an action complaining of an infringement of a registered trade mark. We have already pointed out that the suit by the respondent complained both of an invasion of a statutory right under Section 21 in respect of a registered trade mark and also of a passing off by the use of the same mark. The finding in favour of the appellant to which the learned Counsel drew our attention was based upon dissimilarity of the packing in which the goods of the two parties were vended, the difference in the physical appearance of the two packets by reason of the variation in their colour and other features and their general get-up together with the circumstance that the name and address of the manufactory of the appellant was prominently displayed on his packets and these features were all set out for negating the respondent's claim that the appellant had passed off his goods as those of the respondent. These matters which are of the essence of the cause of action for relief on the ground of passing off play but a limited role in an action for infringement of a registered trade mark by the registered proprietor who has a statutory right to that mark and who has a statutory remedy in the event of the use by another of that mark or a colourable imitation thereof. While an action for passing off is a common law remedy being in substance an action for deceit, that is, a passing off by a person of his own goods as those of another, that is not the gist of an action for infringement. The action for infringement is a statutory remedy conferring 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" (Vide Section 21 of the Act). The use by the defendant of the trade mark of the plaintiff is not essential in an action for passing off, but is the sine qua non in the case of an action for infringement. No doubt, where the evidence in respect of passing off consists merely of the colourable use of a registered trade mark, the essential features of both the actions might coincide in the sense that what would be a colourable imitation of a trade mark in a passing off action would also be such in an action for infringement of the same trade mark. But there the correspondence between the two cases. 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 plaintiffs 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 plaintiffs 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 original different from that of the registered proprietor of the mark would be immaterial; whereas in the case of passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff.

25. In *Corn Products Refining Co. v. Shangrila Food Products Ltd.* (supra) the Hon'ble Supreme Court held that the question whether the two marks are likely to give rise to confusion or not is a question of first impression. It is for the Court to decide that question. In deciding the question of similarity between the two marks, the marks have to be considered as a whole.

26. In *Laxmikant V. Patel v. Chetanbhai Shah and Anr* (supra), the Hon'ble Supreme Court held as follows:

It is common in trade and business for a trader or a businessman to adopt a name and/or mark under which he would carry on his trade or business. According to Kerly (*Law of Trade Marks and Trade Names*, 12th Edn, para 16.49) the name under which a business trades will almost always be a trade mark (or if the business provides services, a service mark, or both). Independently of questions of trade or service mark, however, the name of a business (a trading business or any other) will normally have attached to it a goodwill that the Courts will protect. An action for passing-off will then lie wherever the defendant company's name, or its intended name, is calculated to deceive, and so to divert business from the plaintiff, or to occasion a confusion between the two businesses. If this not made out there is no case. The ground is not to be limited to the date of the proceedings; the Court will have regard to the way in which the business may be carried on in the future, and to its not being carried on precisely as carried on at the date of the proceedings. Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently.

27. The Hon'ble Apex Court further held as follows:

A person may sell his goods or deliver his services such as in case of a profession under a trading name or style. With the lapse of time such business or services associated with a person acquire a reputation or goodwill which becomes a property which is protected by Courts. A competitor initiating sale of goods or services in the same name or by imitating that name results in injury to the business of one who has the property in that name. The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that the goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby residing in injury.

28. The Hon'ble Supreme Court also held that *Salmond & Heuston in Law of Torts* (20th Edn. at p. 395) call this form of injury as "injurious falsehood" and observe the same having been "awkwardly termed" as "passing-off and state:

The Legal and economic basis of this tort is to provide protection for the right of property which exists not in a particular name, mark or style but in an established business, commercial or professional reputation or goodwill. So to sell merchandise or carry on business under such a name,

mark, description, or otherwise in such a manner as to mislead the public into believing that the merchandise or business is that of another person is a wrong actionable at the suit of that other person. This form of injury is commonly, though awkwardly, termed that of passing-off one's goods or business as the goods or business of another and is the most important example of the wrong of injurious falsehood. The gist of the conception of passing-off is that the goods are in effect telling a falsehood about themselves, are saying something about themselves which is calculated to mislead. The law on this matter is designed to protect traders against that form of unfair competition which consists in acquiring for oneself, by means of false or misleading devices, the benefit of the reputation already achieved by rival traders.

29. In *Midas Hygiene Industries (P) Ltd. and Anr. v. Sudhir Bhatia and Ors.* (supra) the Hon'ble Supreme Court held as follows:

The law on the subject is well-settled. In cases of infringement either of trade mark or of copyright, normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the mark was itself dishonest.

30. In the facts and circumstances of this case which attracts our attention that admittedly the appellant adopted the mark after the respondent. There is no dispute. Hint, the respondent is the prior user and has a right, to debar the appellant/defendant from eating into the goodwill it may have built up in connection with the name. Therefore, after considering the decision of *Satyam Infoway Ltd. v. Sifynet Solutions (P) Ltd.* (supra.) we can easily come to the conclusion that the plaintiff/respondent has been able to make out a case for passing off.

31. In *S.J.S. Business Enterprises (P) Ltd. v. State of Bihar and Anr.* (supra) the Hon'ble Supreme Court held that as a general rule, suppression of a material fact by a litigant disqualifies such litigant from obtaining relief. This rule has been evolved out of the need of the Courts to deter a litigant from abusing the process of Court by deceiving it. But the suppressed fact must be a material one in this sense that had it not been suppressed it would have an effect on the merits of the case. It must be a matter which was material for the consideration of the Court, whatever view the Court may have taken.

32. After applying the said tests we do not find that the appellant/defendant has been able to make out a case which calls for interference by us in respect of the order so passed by the Hon'ble First Court. No case has been made out by the appellant which can be said to be a suppression of material facts.

33. For the reasons stated hereinabove, we uphold the decision of the Hon'ble First Court and dismiss this appeal.

Tapan Kumar Dutt, J.

34. I agree.