



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

Reserved on: 28th March, 2023

Pronounced on: 03rd July, 2023

+ **CS(COMM) 112/2023**

PARAGON CABLE INDIA & ANR.

..... Plaintiffs

Through: Mr. Chander M. Lall, Senior Advocate with Mr. Kapil Midha, Mr. Garv Singh, Ms. Samiksha Gupta and Ms. Ananya Chugh, Advocates.

versus

ESSEE NETWORKS PRIVATE LIMITED & ORS Defendants

Through: Ms. Priyanka Sethia, Ms. Rajni Kant, Ms. Shreya B., Ms. Charu Roy and Mr. Pallav Palit, Advocates.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

JUDGMENT

SANJEEV NARULA, J.:

I.A. No. 4175/2023 (u/Order XXXIX Rules 1 & 2 r/w Section 151 of the Code of Civil Procedure, 1908)

Clash between two registered owners of the trademark 'ELEKTRON' for use in relation to electric wires and cables

1. The present case brings to the fore an intricate trademark dispute concerning the term 'ELEKTRON'. When the commercial journey of the parties commenced, this term was embodied in two different devices being used concurrently, which were subsequently also registered independently under the umbrella of the two litigating parties, each confined to its exclusive product classification. This peaceful co-existence, however, has



been breached due to an emerging overlap in the use of ‘ELEKTRON’ for products – electric wires and cables. Defendants have a prior registration in the category/class in which the above products fall, which is vehemently contested by Plaintiffs on the basis of their prior use. Plaintiffs, while pressing for an injunction alleging infringement and passing off, raise doubts on Defendants’ statutory rights. It therefore now falls to the judgement of this Court to unravel these complex intertwining claims and counter-claims.

THE PLAINTIFFS’ VERSION

2. Mr. Chander M. Lall, Senior Counsel, along with Mr. Kapil Midha, presented the Plaintiffs’ case as follows:

2.1. The first Plaintiff, a partnership firm known as Paragon Cable India, has been registered since 1991. They are a renowned entity in the manufacture and supply of wires and cables, operating under the

‘ELEKTRON’ /  trademark.

2.2. Mr. Vikas Nagpal [Plaintiff No. 2] coined and adopted the ‘ELEKTRON’ trademark in 1998, which has been in consistent and extensive use ever since, either through Plaintiff No. 1 or through other entities detailed in the plaint. He has been accorded registration of the mark

 in class 07 under trademark No. 1306921, with user claim since 01st January, 1998. Besides the aforesaid registration, Plaintiff



No. 2 has also applied for registration of ‘’ trademark in classes 09 and 11, which are currently facing opposition.¹

2.3. Plaintiffs had also applied for registration of the trademark ‘ELECTRON’ under application No. 800487 in class 09 on 29th April, 1998, with user claim dating back to 01st January, 1998. The application was however, abandoned on a technical ground for want of prosecution. This conclusively establishes Plaintiff No. 2’s *bonafide* in coinage, adoption as well as user claim of 01st January, 1998.

2.4. Extensive promotion and advertisement of the ‘ELEKTRON’ trademark by Plaintiffs has resulted in accrual of formidable reputation in their favour in India and abroad, particularly in relation to electric wires and cables. Their sale revenue for products under the said mark tallies up to Rs. 3,24,15,64,315/- for the period between 01st April, 2010 to 31st March, 2022. The Chartered Accountant’s certificate accompanying the plaint, verifies the above figures.

2.5. Defendants have copied the Plaintiffs’ registered ‘ELEKTRON’ trademark in a stark and unabashed manner, presumably to leverage the goodwill and reputation that Plaintiffs have built over the years. A

comparative analysis of the two trademarks ‘’ and ‘’ indicates that the Defendants have duplicated Plaintiffs’ entire mark, thereby infringing on their statutory and common law rights. Given the identity of the competing marks, public confusion *qua* the products’ source is inevitable, thus warranting an injunction.

¹ Under applications No. 1306922 and 1306923, respectively.



2.6. Defendants have gained registrations under trademarks No. 4818097 in class 07, 4818098 and 4818101 in class 09, and 4818099 and 4818102 in class 11, for the marks ‘**elektron**’ and ‘ELEKTRON’, by falsely claiming usage since 1992, without providing substantial supporting documentation. Their user claim since 01st October, 1992 is uncorroborated. No user affidavit was filed along with the applications, in compliance with Rule 25 of the Trademarks Rules, 2017. Therefore, the aforesaid registrations are *ex-facie* fraudulent and invalid.

2.7. In support of the above assertions, reliance was placed upon the judgments in *Raman Kwatra and Anr. v. KEI Industries Limited*,² *Vishnudas trading as Vishnudas Kishendas v. Vazir Sultan Tobacco Co. Ltd., Hyderabad and Anr.*³ and *Nandhini Deluxe v. Karnataka Cooperative Milk Producers Federation Limited*.⁴

THE DEFENDANTS’ VERSION

3. Disputing the case of the Plaintiffs, Ms. Priyanka Sethia, counsel representing the Defendants, presented her variation of facts and circumstances as follows:

3.1. The ‘ELEKTRON’ trademark was first utilised commercially in 1992 by the Defendants through an entity known as ‘Sanjay Electricals’ for electric wires, cables and capacitors. Claiming use since 01st October, 1992, on 15th November, 1996, Sanjay Electricals preferred application No.

² 2023 SCC OnLine Del 38.

³ (1997) 4 SCC 201.

⁴ (2018) 9 SCC 183.



726721 for registration of the trademark ‘ A C Capacitor ’ for all kinds of capacitors in class 09, which was allowed. In 2008, Defendant No. 1 acquired the assets, including the intellectual property of Sanjay Electricals. Defendant No. 2 is a shareholder of the group companies, Defendants No. 2 and 3. Following the acquisition, the Defendants continued trade operations



under the ‘ELEKTRON’ mark and the registration of ‘ A C Capacitor ’ was also transferred in Defendant No. 1’s name.

3.2. As evinced from the aforesaid registration relating back to 1996, Defendants are the prior adopter of the ‘ELEKTRON’ mark. Plaintiffs have emulated Defendants’ mark.

3.3. Without prejudice, Plaintiffs’ registration in class 07 extends to entirely distinct set of goods namely, juicer, mixer, grinder, washing machines, pumps and motors. Defendants are trading in goods falling in class 09, including wires and cables. Plaintiffs are therefore, precluded from seeking restraining orders against Defendants.

3.4. The unaccounted delay in filing of the present suit disentitles Plaintiffs from an injunctive relief. Defendants’ first registration has been in the public domain since 1996, of which Plaintiffs were also aware. Presumably, for this reason, they abandoned their application No. 800487 for ‘ELECTRON’ in class 09 for electrical goods.

ANALYSIS



4. On the basis of the contentions urged by both the counsel, the following critical issues arise for determination for deciding the present interlocutory application:

(A) Prior Use: Determining the party with rightful claim of prior use of the ‘ELEKTRON’ trademark, both in a general sense and specifically in relation to the products – wires and cables.

(B) Cognate and Allied Goods: Evaluating if Plaintiffs’ registration of the trademark ‘’ [No. 1306921] in class 07 for juicer, mixer, grinder, washing machines, pumps and motors extends their rights to seek injunction against Defendants with regard to wires and cables on the anvil of infringement under Section 29(2)(a) or (b) of the Trademarks Act, 1999 [hereinafter, “the Act”].

(C) Validity of Defendants’ Registrations: Ascertaining the *prima facie* validity of Defendants’ registrations, and whether any potentially invalid registrations entitle Plaintiffs to assert infringement of their registered trademark.

(D) Infringement: Investigating if Defendants’ use of the ‘ELEKTRON’/ ‘’ marks for wires and cables amounts to infringement of Plaintiffs’ trademark.

(E) Delay and Laches: Understanding whether Plaintiffs’ delay in initiating this action can affect their claim and potentially bar them from obtaining injunctive relief.

(F) Balance of Convenience: Discerning which party would endure more substantial harm from the grant or denial of an injunction.



- (G) Reputation and Goodwill: Considering the extent of reputation and goodwill each party has amassed under their respective 'ELEKTRON' trademark, specifically in relation to wires and cables.
- (H) Passing Off: Scrutinizing if the Defendants' use of the 'ELEKTRON' mark for wires and cables constitutes a case of passing off.

The origin of the trademark and whether the Defendants' trademark is deceptively similar to that of the Plaintiffs

5. The Defendants embarked on their trademark journey on 01st October,



1992 with their device 'A.C Capacitor', registered as of 15th November, 1996 (the date of the application). The device encapsulates the term 'ELEKTRON', a creative derivative of the widely known English term 'ELECTRON'. Of note is the Greek origin of 'Elektron', translating to amber. In the English language, 'Electron' is defined as a minuscule particle of matter, tinier than an atom, carrying a negative electrical charge. The esteemed scientist Mr. J.J. Thomson, credited with discovering these characteristics within light particles, christened them 'Electron'.



6. Defendants' 'A.C Capacitor' device was first associated with only capacitors of all types which are devices accumulating electric charges, typically consisting of two conductive surfaces separated by a dielectric. The mark also features the descriptor 'A.C Capacitor', underscoring its usage for capacitors. Defendants assert that they coined the term 'Elektron' and were the first to adopt it and trade thereunder. Contrarily, the Plaintiffs, relying on



their application for registration of 'ELECTRON' in class 09, asseverate usage since 1998 for a range of electrical equipment, including electrical wires, cables, cords, switchgear, kit kat fuses, inverters, voltage stabilisers and circuit breakers. The said application, filed on 29th April, 1998 claiming use since 01st January, 1998, was however not pursued further due to a technical defect, and was resultantly rejected as abandoned. Subsequently,

Plaintiffs adopted a device or logo '  ' consisting of an artistically stylised rendition of the term 'ELEKTRON'. To secure their monopoly over the same, they applied for registration of this device on 06th September, 2004, asserting use from 01st January 1998, under classes 07, 09 and 11. Plaintiffs successfully obtained registration for this trademark in class 07, associated with juicer, mixer, grinder, washing machines, pumps and motors, however, their application under class 09, for a wide range of electrical appliances such as electrical wires and cables, PVC electrical conduit pipes, cords, switchgears, fuses, cut-outs, MCB, voltage stabilizers, invertors, UPS, CVT, plugs, switches, sockets, chokes and starters, faced opposition and is currently under consideration.

7. Thus, in light of the above developments, both the Plaintiffs and the Defendants have since 18th November, 2005 (date of grant of Plaintiff's registration), held registered devices incorporating the term 'ELEKTRON', albeit under separate classes and for distinct categories of goods.

8. Defendants further broadened their trademark portfolio by successfully registering another device '' , entailing



‘ELEKTRON’, as well as the word itself, under classes 07, 09 and 11 by filing of five separate applications on 13th January, 2021. Out of five, three relate to the device, and the remaining two to the word ‘ELEKTRON’. These applications, falling under different classes, were associated with diverse types of goods. This stratagem of multiple applications, covering a modified device and the proprietary term, was seemingly aimed at fortifying Defendants’ intellectual property rights over the element ‘Elektron’.

9. To facilitate comprehension and ensure swift reference, the trademark journey of both parties is concisely encapsulated in the tables below:

<i>Plaintiffs’ Registrations</i>				
<i>Trademark</i>	<i>Class/ No./Goods’ Details</i>	<i>Date of Application</i>	<i>User Claim</i>	<i>Status</i>
ELECTRON	9 ⁵ [No. 800487]	29.04.1998	01.01.1998	Abandoned
	7 ⁶ [No. 1306921]	06.09.2004	01.01.1998	Registered
	9 ⁷ [No. 1306922]	06.09.2004	01.01.1998	Opposed.
	11 ⁸ [No. 1306923]	06.09.2004	01.01.1998	Opposed.

⁵ “Electrical wires and cables, cords, switchgear, kit-kat fuses, invertors, voltages stabilisors, circuit breakers”.

⁶ “Juicer, mixer, grinder, washing machines, pumps & motors included in class 7”.

⁷ “Electrical wires & cables, PVC electrical conduit pipes, cords, switchgears, fuses, cut-outs, MCB, voltage stabilisors, invertors, UPS, CVT, plugs, switches, sockets, chokes, starters, included in class 9.”

⁸ “Apparatus for lighting, heating, cooling, cooking, refrigerating, steam generating, drying, ventilating, water supply & sanitary purposes, included in class -11”.



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<i>Defendants' Registrations</i>				
<i>Trademark</i>	<i>Class/ No./Goods' Details</i>	<i>Date of Application</i>	<i>User Claim</i>	<i>Status</i>
	9 ⁹ [No. 726721]	15.11.1996	01.10.1992	Registered
	7 ¹⁰ [No. 4818097]	13.01.2021	01.10.1992	Registered
	9 ¹¹ [No. 4818098]	13.01.2021	01.10.1992	Registered
	11 ¹² [No. 4818099]	13.01.2021	01.10.1992	Registered

⁹ "Capacitors of all kinds."

¹⁰ Electric motors (except for land vehicles), electrically operated pumps starting devices for motors and engines (not for land vehicles), blowing engines and parts, machines and machine tools (except for land vehicles), motors (except for land vehicles), submersible pumps, agricultural machines, agricultural implements.

¹¹ Electric wire and cables, electric capacitors, starters, controlgear, transformers, electric meter, volt/amps/kwh/digital and analog measuring instruments, electric accessories, parts and fittings including switches, modular switches, sockets, plugs & pins, multi plugs, line testers, flex boxes, junction boxes, distribution boxes, iron clads, adopters, cut-outs, fuses, holders, belts and buzzers, voltage stabilizers, chokes, pattis, dimmers, connectors and contacts devices for use in electric light connections, electrical accessories

¹² Lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, apparatus for lighting, lighting fittings, electric lamp holders with or without shade carrier rings, CFLS, LEDS, bulbs and tubes, fans, geysers, ovens, toasters, hot plates, lights and lighting fixtures.



ELEKTRON	9 ¹³ [No. 4818101]	13.01.2021	01.10.1992	Registered
	11 ¹⁴ [No. 4818102]	13.01.2021	01.10.1992	Registered

10. At this point, it is important to highlight that Plaintiffs' interim application under consideration is requesting multiple and rather expansive reliefs, including seeking restraining orders against Defendants from using the mark/name 'ELEKTRON' and '**elektron**' – a demand that implies restraining Defendants from using their registered '' mark. However, on a pointed query of the Court, during the course of the arguments, Mr. Lall had, on instructions, prudently limited and narrowed down the interim reliefs to seeking an injunction only in relation to electric wires and cables. In fact, Mr. Lall has categorically affirmed that Plaintiffs have no objection to Defendants using the afore-mentioned marks for capacitors. The rationale behind this specific request is presumably to prevent potential market confusion or infringement, specifically concerning wires and cables, while permitting usage in sectors where Plaintiffs do not operate or do not perceive Defendants as a threat, such as capacitors.

¹³ Electric wire and cables, electric capacitors, starters, controlgear, transformers, electric meter, volt/amps/kwh/digital and analog measuring instruments, electric accessories, parts and fittings including switches, modular switches, sockets, plugs and pins, multi plugs, line testers, flex boxes, junction boxes, distribution boxes, iron clads, adopters, cut-outs, fuses, holders, belts and buzzers, voltage stabilizers, chokes, pattis, dimmers, connectors and contacts devices for use in electric light connections, electrical accessories.

¹⁴ Lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, apparatus for lighting, lighting fittings, electric lamp holders with or without shade carrier rings, CFLS, LEDS, bulbs and tubes, fans, geysers, ovens, toasters, hot plates, lights and lighting fixtures.



Accordingly, the Court has proceeded to evaluate the instant application based on the above statement.

11. Considering the narrowed-down scope of the reliefs, let us first put to contrast the Defendants' registered trademarks with those of the Plaintiffs. This step will allow us to understand the similarities and differences between the trademarks, aiding in determining any potential infringement or confusion that might occur in the market.

<i>Plaintiffs' registered trademark</i>	<i>Defendants' registered trademarks</i>
	

12. The conspicuous similarity between the competing marks is the term 'ELEKTRON'. Although a comparison of the devices adopted by both parties reveal structural dissimilarities, their phonetic identity cannot be overlooked, as the core term in the marks is 'ELEKTRON'. Trademarks serve to identify the source of goods or services and facilitate their distinguishment from other related products in the marketplace. Thus,



assessment of similarities must take into account both visual and phonetic elements of the trademarks in question. The interpretation of “deceptively similar” often relies heavily on whether an “ordinary person of average intelligence and imperfect recollection” would be likely to be deceived or confused. In the given scenario, the trademarks are visually distinct, but phonetically identical due to the shared term ‘ELEKTRON’. Thus, despite the ocular differences, the phonetic similarity could easily lead to confusion, particularly in the contexts where the product’s name is spoken rather than written, such as in verbal recommendations or requests. This phonetic similarity is indeed a vital factor in the analysis of potential trademark infringement, as the consumers not only identify products based on logos (visual component), but also often refer to and purchase products by their spoken name (phonetic component). It must be noted that while the caption



‘A.C. Capacitor’ in Defendants’ first device ‘’ substantially eliminates public deception/ confusion with Plaintiffs’ mark, however, Defendants’ ‘ELEKTRON’ and ‘’ marks bear no such feature. The Court thus holds that while the competing marks are not identical in all aspects, they are primarily identical in their phonetic representation. Therefore, notwithstanding the visual and structural differences, the marks ‘’ and ‘’ are deceptively similar to each other.

Who is the prior user?

For the term ‘ELEKTRON’ as such



13. From the table referenced above, it is evident that Plaintiffs' application lodged on 06th September, 2004, bearing user claim since 01st January, 1998, stands registered under No. 1306921 in class 07 for juicer, mixer, grinder, washing machines, pumps and motors. *Per contra*, Defendants' engagement with 'ELEKTRON' for capacitors commenced in 1992, a fact that remains unchallenged and is presently accepted as valid.



Moreover, Defendants had sought registration for their device 'A.C. Capacitor' in 1996, which is prior to Plaintiffs' asserted date of adoption of 'ELEKTRON' (1998). Therefore, insofar as the term 'ELEKTRON', which is undoubtedly the most noticeable feature of the two marks, is concerned, there can scarcely be a dispute over the fact that Defendants are the antecedent users thereof.

Prior user of 'ELEKTRON' for wires and cables

14. Now, we delve into the heart of the matter: who was the first to adopt the mark 'ELEKTRON' for wires and cables? This is the key point in this case, founded on the principle of 'prior use' versus 'registration', which is statutorily resolved by Section 34 of the Act. Even though trademark registration provides the registered owner with a legal presumption of ownership and the exclusive right to use the trademark in connection with the goods or services listed in the registration, it is not the end of the story. If a party can prove that it was using the trademark in commerce before the registrant, it could claim 'prior use' rights. Therefore, Plaintiffs' argument of prior use, if substantiated, could potentially outweigh Defendants' claim of registration. Plaintiffs filed an application for the registration of the word



‘ELECTRON’ under class 09, with a user claim dating back to 1998, specifically for *inter alia* electric wires and cables. However, as this registration was subsequently abandoned, the Court will not consider the filing of the said application as proof of usage. Moreover, the said application pertains to the generic word ‘ELECTRON’, from which the contested mark ‘ELEKTRON’ has been derived. Nonetheless, on the basis of sufficient documentary evidence, Plaintiffs have successfully proved use of the mark ‘ELEKTRON’ for electric wires and cables from 1998-1999. A performance certificate dated 23rd September, 2002 issued by the Delhi Vidyut Board, submitted with the plaint, demonstrates that Plaintiff No. 1 had supplied ‘ELEKTRON LT XLPE Cables’ to the said Authority under purchase orders dated 19th July, 1999, 05th August, 1999 and 06th September, 1999.¹⁵ The domain name information generated by Whois portal mentions that the domain name ‘elektron.com’ was registered by Plaintiff No. 1 on 06th May, 1998.¹⁶

15. On the other hand, the Defendants allege usage since 1992, but fail to substantiate their claim. The proof of use for wire and cables on record is from the year 2004 and not earlier. The Plaintiffs have in fact on this ground vehemently contested Defendants’ subsequent registrations for the device ‘**elektron**’ and the word ‘ELEKTRON’ for lack of verification of user claim. They have argued and shown that the registrations of the marks were obtained by providing misleading information and perpetrating fraud upon the Trademarks Registry, which shall be adverted to later in the

¹⁵ At page No. 105 of the documents filed under Index IV-Volume 1 dated 24th February, 2023.



judgement Therefore, in the context of electric wires and cables, Plaintiffs are *prima facie* prior users of the term ‘ELEKTRON’.

16. Having affirmed that Plaintiffs are indeed the prior adopter of ‘ELEKTRON’ for wires and cables, it is vital to determine whether they have a lawful basis to restrain the Defendants from using ‘ELEKTRON’ and ‘**elektron**’ trademarks in relation to wires and cables. This determination has to be done on the basis of statutory provisions as well as common law principles. The Court will thus proceed to explore these dimensions in the forthcoming segment.

Co-existence of the two devices

17. Before advancing further, it is noteworthy to underline that the two devices initially adopted by the parties have co-existed in the marketplace for a considerable period, without any direct conflict. The device



‘ A C Capacitor ’ incorporates the term ‘ELEKTRON’, which as discussed hereinabove, is the prominent feature of the Defendants’ first registration. Although there is no disputing that the Defendants were initially using ‘ELEKTRON’ exclusively for capacitors, it appears that they expanded their business under the ‘ELEKTRON’ brand to include electric wires and various other products. Viewed from this perspective, it was only logical for them to secure registrations of the term ‘ELEKTRON’ *per se* and other distinct stylized format [‘**elektron**’] for the said products as well. Thus, as

¹⁶ At page No. 105 of the documents filed under Index IV-Volume 1 dated 24th February, 2023.



the Defendants are the initial adopters of the term 'ELEKTRON', the Court finds no ground to deem their further acquisition of statutory rights or their use of the marks 'ELEKTRON' or '**elektron**' for electric wires and cables and other products, as dishonest. However, at the same time it is crucial for the Court to recognize that Plaintiffs' statutory rights in the word 'ELEKTRON' are in no way inferior to those of the Defendants'. They also

have registered their device '' , which has been openly and concurrently used by them in relation to varied goods, including electric wires, for a sufficient length of time. Thus, they too have rights over the source term 'ELEKTRON' comprised in their device, which is the only and the most prominent feature. Plaintiffs have expressed no inhibitions to

continuance of use of Defendants' mark ' A. C. Capacitor' for capacitors, which indicates their assent to co-existence of this mark. On this issue, it is important to note that when the Defendants' impugned registrations were

being processed, the Plaintiffs' device mark '' was cited in the examination reports. However, the objection was overcome by arguing that the device applied for is dissimilar, and that the two marks should be compared as a whole, without dissection. Hence, Defendants sought to establish their mark's uniqueness by arguing structural dissimilarity, but at the same time, also impliedly acknowledged peaceful co-existence of two 'ELEKTRONS'. Furthermore, despite explicitly becoming aware of Plaintiffs' mark, no objection was raised. Notwithstanding Defendants' claim of coining the term 'ELEKTRON' in 1992, which forms an integral



part of their registered device ‘ A C Capacitor ’, they abstained from opposing registration of the Plaintiffs’ device. This inaction could be interpreted as Defendants’ acknowledgment of the distinctiveness and non-conflicting



nature of the Plaintiffs’ device with ‘ A C Capacitor ’. In fact, Defendants have also not contested the pending registrations for the device



‘ ELEKTRON ’, under classes 09 and 11, which classes encompass the contested goods ‘wires and cables’. This lack of opposition further underscores the possibility of peaceful co-existence of the marks



‘ A C Capacitor ’



and ‘ ELEKTRON ’, without leading to consumer confusion or dilution of trademark(s). Although, now for the first time, in the written statement/ reply to the application, Defendants contend that Plaintiffs have brazenly copied their mark, yet, at the same time, they have also relied upon section 28(3) of the Act to argue that since both parties are registered owners of their respective devices which are identical or nearly resemble each other, they both have equal rights to use the same.

18. On the basis of afore-noted facts, it is discernible that owing to the distinctiveness in visual impact rendered by the two device marks –



‘ A C Capacitor ’



and ‘ ELEKTRON ’, as well as their application to different products, the parties peacefully co-existed, without public



confusion. No doubt, a final view on the specifics of co-existence of

Plaintiffs'  with Defendants'  'A.C. Capacitor' can only be expressed after scrutiny of the evidence produced by the parties and overall circumstances, but there can be no gainsaying that before the genesis of the present controversy, there was no apparent public confusion. Parties have not brought forth any material depicting actual confusion from simultaneous

use of  with Defendants'  'A.C. Capacitor'. Indeed, parameters to construe 'likelihood of confusion' and trademark dilution are manifold, entailing not just the presence of similar trademarks in the marketplace but *inter alia*, the nature of goods or services, channels of trade, the consumers' sophistication. These additional factors may serve to undermine the perceived similarities. The prospects of continuity of two similar or identical marks is also recognised by the Act, as indicated by provisions pertaining to honest and concurrent user. The Supreme Court, in the case of *Nandhini Delux (Supra)*, has also held that proprietor of a registered trademark cannot enjoy monopoly over the entire class of goods.

In the instant case, given the long-standing co-existence of  'A.C. Capacitor' and

 marks, the afore-discussed principle becomes particularly relevant. Pertinently, Defendants' earlier registration for

 'A.C. Capacitor' was confined to capacitors, which possibly could not have



been used for any other product. The situation has changed since then as parties have now ventured into several other product range, leading to overlapping use. Moreover, Defendants have secured registration for the root or source term 'ELEKTRON' as a device [**elektron**] as well as a word mark. Thus, the distinct visual appearances of two devices



' A.C. Capacitor '

(first registration) and



' ELEKTRON '

will no longer serve as source identifiers, especially for products that are common such as 'electric wires and cables'. Therefore, a question has arisen as to whether Defendants' use of 'ELEKTRON' for wires and cables is overstepping of the bounds of peaceful co-existence and venturing into the territory of potential trademark infringement.

Infringement

19. On infringement, Plaintiffs asserted that the trademark 'ELEKTRON' has acquired a significant reputation in connection with the Plaintiffs' activities. Plaintiff No. 2 is the pioneer, prior user and owner of the 'ELEKTRON' trademark, and no third party has the right to use it in any manner that would infringe upon the Plaintiffs' rights. It was contended that the Defendants' adoption of the marks 'ELEKTRON' and '**elektron**', without Plaintiffs' permission or authorization, constitutes infringement.

20. Although the pleadings do not specifically mention a particular provision of law to posit the claim of infringement, Mr. Lall, in response to a



query from the Court, relied on Section 29(2) of the Act, which reads as follows:

“(2) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of—

- (a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or*
- (b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or*
- (c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark, is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.”*

21. An infringement claim can be lodged by a registered trademark proprietor against an individual, who is not the registered proprietor. Defendants are the registered proprietors of the marks ‘ELEKTRON’ and ‘**elektron**’.¹⁷ Consequently, the Plaintiffs cannot invoke Section 29(2) to allege infringement unless the Court provisionally finds merit in their challenge to the validity of Defendants’ registrations of aforesaid marks under Nos. 4818097 in class 07, 4818098 and 4818101 in class 09 and 4818099 and 4818102 in class 11 [collectively referred to as “*impugned registrations*”]. The Court’s discretion to accept such a plea, even at an interlocutory stage has been recognised and acknowledged by the courts of law.¹⁸ Hence, the first crucial issue for deciding the allegation of infringement is the merit of Plaintiffs’ challenge to validity of Defendants’ impugned registrations.

¹⁷ As Plaintiffs have constrained the scope of challenge to the aforesaid marks, the registration of



‘**elektron**’ is not being considered.

¹⁸ In *Marico Limited v. Agro Food Limited*, 2010 SCC OnLine Del 3806 and *Lupin Ltd. v. Johnson and*



22. According to Plaintiffs, the word mark 'ELEKTRON' and device mark '**elektron**' could not have been registered. This argument is not based on the premise that 'ELEKTRON' lacks distinctiveness, but that the Defendants have inaccurately claimed use thereof, particularly in relation to wires, which is not corroborated by documentary evidence.

Validity of Defendants' impugned registrations

23. The impugned registrations for *inter alia* wires and cables, assert usage from 01st October, 1992. However, there is no supporting documentary evidence on record to validate such a claim. According to Rule 25 of the Trademarks Rules, 2017, any applicant claiming usage of a mark prior to the application date must provide an affidavit and supporting documents confirming such use. This rule stipulates:

"25. Statement of user in applications - (1) An application to register a trademark shall, unless the trademark is proposed to be used, contain a statement of the period during which, and the person by whom it has been used in respect of all the goods or services mentioned in the application.

In case, the use of the trademark is claimed prior to the date of application, the applicant shall file an affidavit testifying to such use along with supporting documents."

24. At the time of filing the applications for impugned registrations, the Defendants did not submit a user statement under the afore-noted provision. They merely issued a letter to the Trademarks Registry on 12th January, 2021, attributing their inability to provide the user affidavit to the COVID-19 pandemic and requested for more time to comply. In the examination report dated 19th January, 2021 to application No. 4818098, the Registrar of

Johnson, 2014 SCC OnLine Bom 4596.



Trademarks flagged this failure to file the user affidavit. Following this, affidavits were submitted for applications of the specified marks in classes 07 and 09 on 17th January, 2022, yet they lacked documents proving usage from 01st October, 1992. The earliest document accompanying the affidavit that depict use of 'ELEKTRON' is of the year 2011. Thus, notwithstanding the delay, the documents presented still did not prove Defendants' use for the year 1992. Upon issuance of summons on 02nd March, 2023, when the Plaintiffs urged for an interim injunction, the Defendants underscored their usage of the trademarks 'ELEKTRON' and '**elektron**' from 1992. Since the supporting affidavit of Defendant No. 2 (Director of Defendant No. 1) dated 11th January 2022, revealed annual sales data starting from the fiscal year 2010-11, and not earlier, the Court directed production of documentation to substantiate their claimed usage. In response, the Defendants submitted documents indicating use of the word 'ELEKTRON' during the years 2004-2006. Further documents submitted along with their written statement also suggest usage of 'ELEKTRON' for cables in later years, yet none of them predate 2004. Thus, the Defendants are unable to sustain their claim of use from 1992 for electric wires and cables.

25. Hence, there is a credible basis to challenge the Defendants' registrations on the ground of incorrect user claim. Plaintiffs have *prima facie* demonstrated that the Defendants have *ex- facie* procured registrations for the 'ELEKTRON' and '**elektron**' marks by misleading the Trademarks Registry into believing that they have been using the same since 01st October, 1992 for the concerned goods, without submitting proper



documentation in support thereof. Consequently, the registration of the impugned marks would not prevent the Court from granting the injunction on the plea of infringement, provided the other requirements are satisfied by the Plaintiffs.

Question of similarity: Whether ‘electric wires and cables’ are cognate or allied or similar to ‘juicers, mixers, grinders, washing machines, pumps, and motors’

26. Notwithstanding the above discussion, in order to successfully invoke section 29(2)(a) or (b) of the Act, apart from demonstrating prior use and the *prima facie* invalidity of the Defendants’ marks for electric wires, Plaintiffs must also establish that wires are allied and cognate to the goods described in their existing class 07 registration [under No. 1306921], which includes appliances such as juicers, mixers, grinders, washing machines, pumps, and motors. Irrespective of the difference in classes whereunder registration has been sought, Plaintiffs argued that juicers, mixers etc. as well as electric wires and cables, capacitors, and other goods under class 09, all come under the umbrella of “electric goods”. Refuting this assertion, Ms. Sethia contended that Plaintiffs cannot seek monopoly over all such goods, which are distinguishable in trade as also in common parlance.

27. After careful review of the afore-noted arguments, the Court concludes that though the products in question do broadly fall under the category of “electric goods”, they are not similar in the context of Section 29(2) of the Act. The expression “similarity of goods and services” in this provision requires a more narrowed and contextual analysis. To establish



this, we must examine the core criteria used in determining whether goods are ‘similar’ *i.e.*, the nature and composition of the goods, the respective use of the articles and the trade channels through which the commodities are bought and sold. This aspect should be looked at from a business and commercial point of view.¹⁹ The test for similarity of description of goods and services laid down in *British Sugar PLC v. James Robertson and Sons Ltd.*,²⁰ and followed by the Indian Courts in *Balkrishna Hatcheries v. Nandos International Ltd.*²¹ and *Advance Magazine Publishers INC and Anr. v. M/s Just Lifestyle Pvt. Ltd.*,²² is as follows:

“(a) The uses of the respective goods or services;
(b) The users of the respective goods or services;
(c) The physical nature of the goods or acts of service;
(d) The trade channels through which the goods or services reach the market;
(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves; and
(f) The extent to which the respective goods and services are in competition with each other: that inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put goods or services in the same or different sectors.”

28. Upon scrutinizing these elements, it becomes clear that electrical wires and cables are not necessarily allied and cognate to the Plaintiffs’ registered goods.

(i) Firstly, the nature and composition of the goods in question are fundamentally distinct. Juicers, mixers, grinders, washing machines, pumps, and motors are end-use appliances designed to fulfil specific household or industrial tasks, whereas electrical wires and cables are components that

¹⁹ *Kerly’s Law of Trademarks and Trade Names*, 12th Edition.

²⁰ [1996] R.P.C. 281.

²¹ 2007 SCC OnLine Bom 449.

²² 2016 SCC OnLine Bom 8417.



facilitate the conduction of electrical energy. They form part of the internal structure of numerous devices, including but not limited to the Plaintiffs' registered goods.

(ii) Secondly, the intended use of these goods is different. While the Plaintiffs' goods are intended for specific domestic or industrial applications, wires and cables are used across a broad spectrum of industries, applications and devices - from telecommunications to energy distribution, and from household appliances to industrial machinery.

(iii) Lastly, the trade channels for these goods often vary. Appliances such as juicers, mixers, and washing machines are typically sold in retail or departmental stores that cater to home appliances. In contrast, electrical wires and cables are sold through specialized electrical supply stores or departmental stores, indicating that they cater to a different segment of customers.

29. For the afore-noted reasons, the Court is of the view that Defendants' wires are not similar and associated with the Plaintiffs' goods falling in class 07, for which the 'ELEKTRON' trademark is registered. Thus, Plaintiffs have not satisfied the requirement of similarity between the contesting goods that is likely to result in public confusion, in order to be entitled to an injunction on the premise of infringement of the trademark under 29(2)(a) or (b) of the Act.

Passing off

30. We now shift our focus to whether the Plaintiffs have sufficiently established their claim for an injunction on the basis of passing off. For this



determination, the Court shall now test Plaintiffs' marks *vis-à-vis* Defendants' 'ELEKTRON' word *per se*, which is also registered as a device 'elektron'. Essentially, a passing off action seeks to restrain the Defendant from misrepresenting their goods or services as those of the Plaintiff. This protective right, originating from common law, is independent of statutory provisions and acts as a safeguard for a business' goodwill against potential misrepresentation during the course of trade, thereby mitigating subsequent damages. To resolve this issue, we employ the three-pronged test validated in the landmark case of *Reckitt and Colman Products Ltd v. Borden Inc.*,²³ and later reinforced by the Supreme Court in *Laxmikant V. Patel v. Chetanbhat Shah and Anr.*²⁴ and other numerous judgments of this Court. The doctrine is fundamentally based on the notion that no party should be allowed to conduct business under the pretence of being another. In essence, a passing off action serves not only to protect the Plaintiffs' reputation, but also to safeguard the public's interests. In the context of 'prior user', the action is usually available to the owner of a distinctive trademark and the person utilizing it. When two business rivals claim to have independently conceived the same mark, the one who can demonstrate prior usage is usually favoured. The Supreme Court in *Satyam Infoway Ltd. v. Siffynet Solutions (P) Ltd.*,²⁵ has emphasised that precedence is determined by who came first, noting that establishing a long history of use is not essential to assert reputation in a passing off case. Instead, the focus is on sales volumes and the extent of advertising. In the

²³ [1990] 1 WLR 491.

²⁴ (2002) 3 SCC 65.

²⁵ (2004) 6 SCC 145.



context of misrepresentation in relation to passing off action, it is important to note that the term ‘misrepresentation’ does not necessitate proof of the Defendants’ ill-intent. The Plaintiffs’ task is to establish a likelihood of confusion among the public, including existing or potential customers, that the Defendants’ goods are being mistaken as those of the Plaintiffs’. This evaluation considers the imperfect recollection of an average consumer.

31. Considering the afore-noted principles, we must be mindful of the fact that Plaintiffs have *prima facie*, established that they are the prior user of the mark ‘ELEKTRON’ for electric wires and cables. In addition, to substantiate their extensive reputation and goodwill claims, Plaintiffs have furnished rate contracts executed between Plaintiff No. 1 and various Governmental authorities for ‘ELEKTRON’ brand of wires and cables, performance certificates for the said products as well as material evidencing publicity through brochures, yellow pages and other publications from as early as 2002. They also maintain an active website [www.elektron.com], which displays the goods and services offered by them under ‘ELEKTRON’ mark. In terms of sales, Defendants’ figures do not come close to those of the Plaintiffs. Plaintiffs’ sales of electrical products under the ‘ELEKTRON’ trademark from 2010 to 2022 amounted to Rs. 3,24,15,64,315/-, while Defendants’ sales were abysmal. There is thus hardly any use of ‘ELEKTRON’ for wires and cables by the Defendants. Nothing has been filed to show that Defendants have, over the years, acquired distinctiveness in respect of ‘ELEKTRON’ for wires and cables. Except for a few sale invoices, there is no material in the nature of advertisements or promotions that would suggest that Defendants have a reputation for wires and cables.



Thus, in view of the Plaintiffs' documents indicating extensive and continuous use of 'ELEKTRON' for wires and cables, the Court finds merit in their assertion that the 'ELEKTRON' trademark has come to be exclusively associated with them and they enjoy goodwill for electric wires and cables.

32. Therefore, even though 'ELEKTRON' is part of Defendants' first registered device, the use thereof for wires and cables subsequent to Plaintiffs' adoption would amount to taking unfair advantage of Plaintiffs' reputation in the trademark 'ELEKTRON'. Defendants' use would be detrimental to Plaintiff's' distinctive character and reputation associated with wires and cables. The phonetic similarities between the marks, identity of the goods, Plaintiffs' prior use of the 'ELEKTRON' mark for electric wires and cables, their reputation in the market and other factors noted above, lead the Court to hold that use of 'ELEKTRON' by Defendants in connection with wires and cables is likely to cause confusion amongst general public having imperfect recollection. Plaintiffs have a credible claim of passing off and have established a *prima facie* case in their favour for grant of an injunction.

33. Moving on to the aspect of the balance of convenience, it is worth noting that the Plaintiffs have a long-standing and significant market presence, as evidenced by their annual sales figures. Their trademark 'ELEKTRON' is associated with a wide range of goods, including electric wires and cables, and has earned considerable reputation and goodwill. The potential damage to this established reputation and the consequent loss of



business if the Defendants continue using the ‘ELEKTRON’ name, is of a much greater magnitude, when compared with any inconvenience that the Defendants might face due to an injunction. Defendants are relatively new to the wires and cables market and their association with the ‘ELEKTRON’ mark is minor in comparison to Plaintiffs’. Hence, they would be less impacted by an alteration in use of their trademark. The Court also recognizes that any potential monetary loss to the Defendants can be compensated, while the damage to the Plaintiffs’ reputation, if the injunction is not granted, is irreparable. Therefore, it is clear that the balance of convenience tilts in favour of Plaintiffs, further fortifying their case for an interim injunction.

Plea of Delay and laches

34. The Court is not persuaded to accept the Defendants’ plea of delay and laches on the part of the Plaintiffs. While it is true that trademark law requires vigilance on the part of a rights holder, it is also well-established that mere delay in initiating legal proceedings does not necessarily negate a party’s rights. In matters of trademark infringement, where the key objective is to prevent confusion in the marketplace and protect the goodwill of businesses, delay is not always of substantial importance. Mere delay or acquiescence cannot defeat the claim for passing off when the Plaintiffs can establish continual and concurrent use of the trademark. The Plaintiffs in the instant case have provided ample evidence to show continuous and extensive use of the ‘ELEKTRON’ trademark, signifying considerable goodwill in the market. Furthermore, it is pertinent to note that the alleged delay did not prejudice the Defendants, as they did not alter their position



relying on the Plaintiffs' inaction. As the detailed examination of the sequence of events has revealed, Plaintiffs have not, at any point, displayed any such "positive acts" that could be interpreted as assent or consent to the Defendants' use of the 'ELEKTRON' mark. The Plaintiffs' actions or lack thereof, cannot be deemed as a consent or approval for the Defendants to continue their usage of the contested marks. It is crucial to note that acquiescence cannot be construed as mere silence or inaction. Thus, considering the broader purpose of trademark law and the specific circumstances of this case, the plea of delay and laches is hereby rejected.

Conclusion and directions

35. For the foregoing reasons, the Defendants and anyone acting on their behalf, directly or indirectly, are restrained from using the trademarks 'ELEKTRON' and '**elektron**' in respect of electric wires and cables. However, the Court appreciates that an outright injunction may inadvertently cause undue hardship to the Defendants, especially in relation to goods that have already been manufactured and bear the disputed mark. Recognizing the need for a balanced approach, the injunction granted herein shall apply prospectively and shall not encompass products that have already been manufactured as on the date of this order. To ensure transparency, Defendants are directed to file an affidavit providing a detailed account of all existing stock, including but not limited to, the number of units, batch numbers, and product descriptions for wires and cables bearing the 'ELEKTRON' mark, within two weeks from today. This will ensure that Defendants are not unjustly penalized for goods produced prior to the issuance of the injunction, while still safeguarding the Plaintiffs' rights and



the public's interest against any further potential confusion or misrepresentation.

36. The application is allowed in the above terms.

SANJEEV NARULA, J

JULY 03, 2023

as/nk

