



\$~19

* IN THE HIGH COURT OF DELHI AT NEW DELHI + CS(COMM) 726/2023, I.A. 20126/2023, 20127/2023, 20128/2023

FSN E-COMMERCE VENTURES LTD & ANR. Plaintifs Through: Mr Saikrishna Rajagopal, Mr Vivek Ayyagari, Mr Angad S Makkar & Mr Rishabh Rao, Advs. (M: 9897896284)

versus

PINTU KUMAR YADAV & ANR.
Through: None...... DefendantsCORAM:
JUSTICE PRATHIBA M. SINGH
O R D E R
12.10.2023.....

1. This hearing has been done through hybrid mode.

I.A. 20128/2023 (for exemption)

2. This is an application filed by the Plaintiffs seeking exemption from filing originals/certified/cleared/typed or translated copies of documents, left side margins, electronic documents, etc. Original documents shall be produced/filed at the time of Admission/Denial, if sought, strictly as per the provisions of the Commercial Courts Act and the DHC (Original Side) Rules, 2018.

3. Exemption is allowed, subject to all just exceptions.

4. Accordingly, application is disposed of.

I.A.20127/2023 (for additional documents)

5. This is an application filed by the Plaintiffs seeking leave to file additional documents under the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 (hereinafter, 'Commercial Courts Act'). The Plaintiffs, if it wishes to file additional





documents at a later stage, shall do so strictly as per the provisions of the Commercial Courts Act and the DHC (Original Side) Rules, 2018.

6. Application is disposed of.

CS (COMM) 726/2023

7. Let the plaint be registered as a suit.

8. Issue summons to the Defendants through all modes upon filing of Process Fee.

9. The summons to the Defendants shall indicate that the written statement(s) to the plaint shall be positively filed within 30 days from date of receipt of summons. Along with the written statement(s), the Defendants shall also file an affidavit of admission/denial of the documents of the Plaintiffs, without which the written statement(s) shall not be taken on record.

10. Liberty is given to the Plaintiffs to file the replication(s) within 15 days of the receipt of the written statement(s). Along with the replication(s), if any, filed by the Plaintiffs, an affidavit of admission/denial of documents of the Defendants, be filed by the Plaintiffs, without which the replication(s) shall not be taken on record. If any of the parties wish to seek inspection of any documents, the same shall be sought and given within the timelines.

11. List before the Joint Registrar for marking of exhibits on 1st December, 2023. It is made clear that any party unjustifiably denying documents would be liable to be burdened with costs.

12. List before Court on 5th April, 2024.

I.A. 20126/2023 (u/O XXXIX Rules 1 & 2 CPC)

13. Issue notice.

CS(COMM) 726/2023





14. The Plaintiff No.1- FSN E-Commerce Ventures Ltd. and Plaintiff No.2- Nykaa E-Retail Pvt. Ltd. have filed the present suit seeking protection of the trademark 'NYKAA' against misuse by the Defendant No.1-Mr. Pintu Kumar Yadav and Defendant No.2- Cosmetify.

15. The case of the Plaintiffs is that the Plaintiffs are engaged in the manufacture, sale and distribution of several cosmetic products including makeup, skincare, haircare, fragrances, bath and body as also clothing, footwear, accessories, jewellery and other wellness products. The Plaintiffs also run an online wellness store since 2012, when they adopted the mark 'NYKAA'. The online platform also showcases and offers for sale various branded cosmetics of third parties such as Lakme, Estee Lauder, Huda Beauty etc.

16. The <u>www.nykaa.com</u> platform which was registered by the Plaintiff No.1 on 5th March, 2012 claims to be one of the most well-known ecommerce platforms with a large range of products especially focusing on products for women, including their own brand products manufactured by them, under various trademarks, including 'NYKAA'. These include skincare products, hair products, personal care and wellness products. The Plaintiffs currently claim to be enjoying market capitalization or 5.25 billion dollars and is one of the well-known companies in India in the cosmetic and wellness sector. The Plaintiffs also have 145 stores which are dedicated for beauty and personal care products and 9 fashion stores across 60 cities in India.

17. The mark 'NYKAA', since adoption in 2012 is stated to have evolved into one of the well-known trademarks in India. The Plaintiffs' claim that they have applied for the well-known status, bearing application no.816588





before Trade Mark Registry. The said mark and its distinctive logo are used on the online and offline platforms and stores. The Plaintiffs also run a Beauty and Makeup Blog- 'Beauty Book' which is accessed through Nykaa Platform answering questions related to beauty, health, nutrition and personal care. The Plaintiffs' claim that their blog 'Beauty Book' boasts approximately 7.5 million page views with 4 lakh unique visits per month.

18. The Plaintiffs have also obtained registrations for the said marks and logos 'NYKAA' in various classes as set out in paragraph 26 of the plaint, these include classes 3, 16, 24,25, 35, 42 and 44. The Plaintiffs also have global registrations for the mark 'NYKAA' in countries like Singapore, UAE, United Kingdom, Bangladesh, Kuwait, Qatar *etc.* as stated in paragraph 27 of the plaint.

19. The Plaintiff No.2 claims to be the owner of the copyright in original, artistic and graphical representations on the website, www.nykaa.com, as well as the various textual information provided thereunder, such as Terms & Conditions, Shipping Policy, etc.

20. The coining of the mark is stated to have been made by the founder of the Plaintiffs as a modification of the word 'Nayaka' which signifies actress or one in the spotlight. Thus, the mark 'NYKAA' is claimed to be a distinctive invented mark without any dictionary meaning. The mark 'NYKAA' has been licensed by the Plaintiff No.1 to Plaintiff No.2.

21. The grievance in this case is that the Defendants applied for the mark 'OYKAA' bearing number 5734479 on 23th December, 2022 in respect of a large range of cosmetic products in class 3 on a *proposed to be used basis*, the same stands opposed by the Plaintiff No.1. The Defendants are engaged in identical goods and services *i.e.*, makeup, skin care, wellness products for





women and men under the mark 'OYKAA'. As per paragraph 36 of the plaint, Defendant No.1 is marketing various cosmetic products and also runs a website <u>www.oykaa.com</u>. Defendant No.2 is the manufacturer of such products, who claims to run the website <u>www.cosmetify.in</u>, which is a cosmetic company providing services in skincare, hair care etc. The trademark journal advertisement of the Defendants' application which was filed on proposed to be used basis is set out below:

Trade Marks Journal No: 2105 , 22/05/2023 Class 3

oykaa

5734479 23/12/2022 PINTU KUMAR YADAV (TRADING AS OYKAA ENTERPRISES) H NO.-88A KH NO.18/4 G/F, KAILASH VIHAR, PANSALI LANDMARK CHAT POOJA GROUND, New Delhi, North Delhi, Delhi, 110042 Individual (Sole Proprietor) Address for service in India/Attorney address: AKSHANSH AGARRWAL MOH MAHESHPURA,STATION ROAD KASHIPUR,244713,UTTARAKHAND Proposed to be Used DELHI

Bleaching preparations and other substances for laundry use; cleaning; polishing; scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions, dentifrices

22. Ld. counsel for the Plaintiffs submits that the Plaintiffs' revenue is more than Rs. 4660.22 crore in the year 2022-2023 with a substantial amount being spent on advertising and publicity. Mr. Saikrishna, ld. Counsel for the Plaintiffs submit that this is a case where the Defendants have adopted the mark 'OYKAA' which can be termed as a deceptively identical mark despite the absence of the letter 'N'. He submits that there can be no justification for the Defendants to adopt this mark as also a similar look and feel for the website in respect of identical goods and services i.e., cosmetic products.

CS(COMM) 726/2023





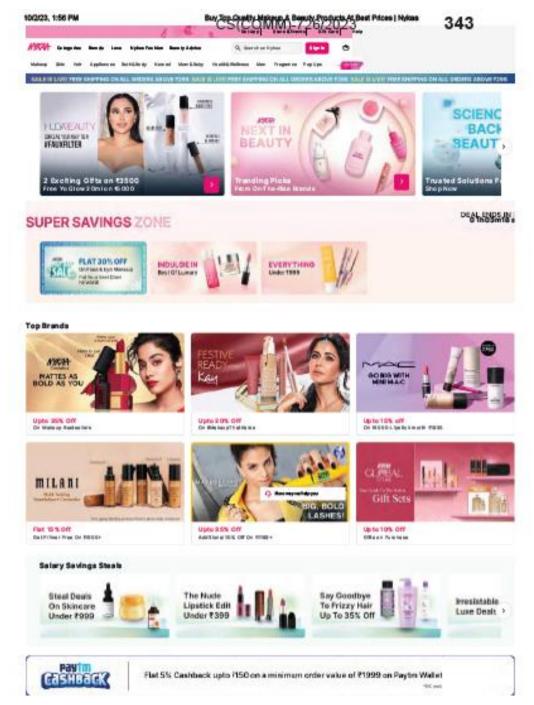
23. Two of the physical products have also been handed over to the Court which would show that the mark 'OYKAA' is written in prominence on the product itself and a perusal of the website along with the trademark which is used would show that there is a considerable chance of confusion which can take place between the two names and products. As per the WHOIS record the Defendants have registered the domain name on 7th October, 2021 but the trademark application has been filed in the year 2022 on *a proposed to be used basis*. It is, therefore, clear that the adoption of the Defendants is quite recent. The mark, the name as also the overall look and feel of the website gives a clear impression that Defendants are making a deliberate attempt to imitate and copy the Plaintiffs name/mark 'NYKAA' only to gain monetarily by such deception. A comparative chart of the Plaintiffs' and Defendants' mark, as also the website is set out below:

Plaintiffs' Marks	Defendant's Impugned Marks
NYKAA	ОҮКАА
NYKAA	букаа
https://www.nykaa.com/	https://www.oykaa.com





<u>Plaintiff's Website</u>

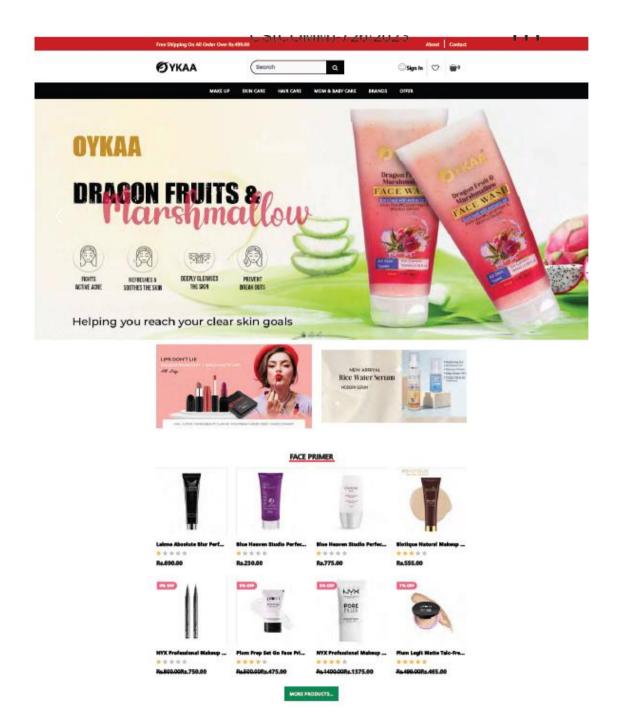


CS(COMM) 726/2023





Defendant's Website



CS(COMM) 726/2023





24. Ld. counsel has also highlighted the fact that even the terms and conditions on the Defendant's website are identical to that of the Plaintiffs' website including those terms and conditions which may not even be applicable for Defendant. For example, the Defendants are not an incorporated company, and the email id <u>support@oykaa.com</u> does not exist, but they find a mention in the Terms & Conditions, only because the same has been copied. Thus, the copying has been to such an extent that the Defendants have not even cared to change the terms and conditions to suit their own business needs.

25. After having perused the trademark adopted by the Defendants and considering the fact that this is a case where services and goods are identical, the trade channel and customers are identical and the Defendants' marks is almost imitative and identical to that of the Plaintiffs' mark, shows that the *'TRIPLE IDENTITY TEST'* has been satisfied by the Plaintiffs against the Defendants.

26. In *Ahmed Oomerbhoy v. Gautam Tank* (2007 SCC OnLine Del 1685), the word 'Postman' as well as the device mark 'Postman' was registered and in that context, this Court held that since the impugned mark 'Super Postman' was similar, goods were the same and the area in trade is also common, test of *"triple identity"* was satisfied, and a case for infringement and passing off were made out. This Court observed as follows:

"25. The mark used by the defendants is similar, the goods are the same and the area of trade is also common. <u>If these three factors are same or</u> <u>quite similar, then the second manufacturer</u>





should not be allowed to sell its product under the same name. This principle which is also termed as triple identity principle has been invoked in a number of cases. A Single Judge of this Court in Lal Sons Machines v. Sachar E & M Stores 1986 Raj LR 165 had held that in case of triple identity where the mark used by defendant is the same, the goods are the same and also the trade area it is the duty of the Court to protect the registered trademark. Another Single Judge of Calcutta High Court in Kalyani Breweries Ltd v. Khoday Brewing and Distilleries Industries Ltd. had invoked the triple identity rule. It was explained that where after marks were identified, the goods were identified and the areas over which the goods are going to be sold are identified, a second manufacturer can not be allowed to sell its product under the same trade name. Comparison of two marks, prima facie, show that the essential features of the trademark of the plaintiffs have been adopted by the defendant nos. 1 & 2. In these circumstances the minor differences in the getup, packaging and other writings on the goods or on the packets in which the goods are sold by the defendants indicating clearly the different trade origin different from the registered proprietor of the mark of the plaintiff would not be very material. The added matter, prima facie, will not be sufficient to avoid any confusion or deception. The alleged superior quality of goods of the defendants also does not entitle the defendants to any such rights as has been claimed by the defendants.

[....]

The defendants can not claim any rights, prima facie as they had given an undertaking contending categorically that they will withdraw their

CS(COMM) 726/2023





application for registration of the name `Super Postman', if the plaintiffs will raise any objection or opposition in future against the applied trade mark of the defendants. [...]"

27. Considering the above stated position in the judgment *Ahmed Oomerbhoy (Supra)* it is clear that in the present case also that the Defendants have adopted a deceptively similar mark to that of the Plaintiffs' mark/name 'NYKAA', in order to piggy back on the Plaintiffs' goodwill and reputation in an identical field of business, which will cause confusion to the customers.

28. Further, in *Laxmikant v. Patel v. Chetanbhai Shah & Ors.* (*MANU/SC/0763/2001*), the Supreme Court categorically observed that in cases where a case of infringement is made out, the Court ought to grant an immediate ex-parte injunction, and appoint Local Commissioners to ensure that the infringing products or services are not permitted to be sold or displayed. The relevant extract of the order is set out below:

"14.<u>Once a case of passing off is made out</u> the practice is generally to grant a prompt exparte injunction followed by appointment of local Commissioner, if necessary...."

17. We are conscious of the law that this Court would not ordinarily interfere with the exercise of discretion in the matter of grant of temporary injunction by the High Court and the Trial Court and substitute its own discretion therefore except where the discretion has been shown to have been exercised arbitrarily or capriciously or perversely or where the order of the Court under scrutiny ignores the settled principles of law regulating grant or refusal of interlocutory injunction. An appeal against exercise of discretion is said to be an appeal on principle. Appellate court will not

CS(COMM) 726/2023





reassess the material and seek to reach a conclusion different from the one reached by the court below solely on the ground that if it had considered the matter at the trial stage it would have come to a contrary conclusion. If the discretion has been exercised by the trial court reasonably and in a judicial manner the fact that the appellate court would have taken a different view may not justify interference with the trial court's exercise of discretion [(see Wander Ltd. v. Ant ox India P. Ltd. MANU/SC/0595/1990 and N.R. Dongre v. Whirlpool Corporation and Anr.: MANU/SC/1223/1996 (1996)5SCC714 : However, the present one is a case falling within the well accepted exceptions. Neither the Trial Court nor the High Court have kept in view and applied their mind to the relevant settled principles of law governing the grant or refusal of interlocutory injunction in trade mark and trade name disputes. A refusal to grant an injunction in spite of the availability of facts, which are prima facie established by overwhelming evidence and material available on record justifying the grant thereof, occasion a failure of justice and such injury to the plaintiff as would not be capable of being undone at a latter stage. The discretion exercised by the Trial Court and the High Court against the plaintiff, is neither reasonable nor judicious. The grant of interlocutory injunction to the plaintiff could not have been refused, therefore, it becomes obligatory on the part of this Court to interfere.

29. Considering the above position, the Plaintiffs have made out a *prima facie* case for grant of an *ex-parte ad-interim* injunction. The balance of convenience lies in favour of the Plaintiffs, considering that the products in the present case are cosmetic, healthcare and wellness products, and quality





of all such products is of utmost importance. Such products are for personal use of consumers. If the Defendants are not injuncted in the present case, it will cause irreparable loss/ harm not only to the Plaintiffs business but also to the customers using such products who are under the garb that the same is being manufactured by the Plaintiffs.

30. Accordingly, The Defendants and all others acting for or on their behalf are restrained from using the mark/name/logo 'OYKAA' or any other mark which is identical or similar to that of the Plaintiffs' mark/name/logo 'NYKAA' in respect of cosmetic, healthcare products, wellness products, clothing, jewelleries, accessories or any other cognate and allied goods. The website and other online listings shall also be taken down immediately.

31. Insofar as the website <u>www.oykaa.com</u> is concerned, the website shall be placed under lock and suspension by the concerned DNR. If the Defendants do not take down the said website, the Plaintiffs are given the liberty to approach the concerned DNR for locking and suspending the said domain name.

32. The Defendants' products are also listed on third party websites as is evident from the documents placed on record such as India Mart, Amazon and Flipkart. The said directories/ online platforms shall also take down the listings of the Defendants upon receiving the specific URLs by the Plaintiff, if the same are not taken down by the Defendants.

33. List on the above dates fixed.

PRATHIBA M. SINGH, J.

OCTOBER 12, 2023 *dj/ks*

CS(COMM) 726/2023