

IN THE COURT OF X ADDL. DISTRICT AND SESSIONS JUDGE,
(DEDICATED COMMERCIAL COURT)
BENGALURU RURAL DISTRICT, BENGALURU

Present: Sri. Basavaraj Chengti
B.Com., LL.B.(Spl.)
X Addl. District & Sessions Judge,
Bengaluru Rural District, Bengaluru.

DATED THIS THE 14th DAY OF JANUARY 2022

COMMERCIAL O.S. NO.1019/2021

Plaintiff : ACC Limited,
Having its Registered Office
at Cement House, 121,
Maharshi Karve Road,
Mumbai – 400 020.

Also at (Regional Sales office),
4th Floor, 414-421,
Splendor Forum Building,
3, Jasola District Center,
Jasola, New Delhi – 110 025.

Represented by its Authorised
Signatory Rajiv Kumar Choubey,
S/o Mr. Surya Nath Choubey,
aged about 48 years.

(Represented by Sri. Vikram Unni,
Advocate)

V/s

Defendant : ACC Steel Pvt.Ltd.,
Having registered office at :
Teethi Bunde, Gokare,
Devanahalli Taluk,
Bengaluru Rural – 562 110.
Represented by its Managing
Director.

(Represented by Sri. Vinodkumar
Kotabagi, Advocate

PARTIES TO I.A.No.I TO III

Applicant : ACC Limited

(Represented by Sri. Dhyan Chinnappa,
Designated Senior Advocate)
Also by Sri. Vikram Unni, Advocate)

V/s

Respondent : ACC Steel Pvt.Ltd.,

(Represented by : Sri. S.S.Nagananda,
Designated Senior Advocate)
Also by Sri. Vinodkumar Kotabagi,
Advocate

ORDER

The plaintiff has filed these I.As U/o 39 Rule 1 and 2 R/w Sec. 94 and 151 of CPC. Since these I.As. are inter related, I have taken them together for disposal by a common order.

2. I.A.No.I is filed for grant of ad-interim order of T.I. restraining the defendant and his men from using upon or in relation to its business and products/ services including as part of its trading style/ company name, the mark ACC, ACC TMT 550D, in any manner whatsoever, amounting to infringement of plaintiff's registered trademarks ACC, pending disposal of the application.

3. I.A.No.II is filed for grant of ad-interim order of T.I. restraining the defendant and his men from using upon or in relation to its business and products/ services including as part of its trade name, the mark ACC, ACC TMT 550D or any other mark similar and/ or deceptively similar to the plaintiff's marks ACC, in any manner whatsoever, including the unique colour combination of red and white, get up, layout on its product packaging, or any other colour

combination mark/ trade dress which is deceptively similar to the plaintiff's well known and distinctive trade dress/ colour combination in any manner whatsoever, amounting to passing off its goods/ services as those of the plaintiff pending disposal of the application.

4. I.A.No.III is filed for grant of ad-interim order of T.I. restraining the defendant and his men from using and or reproducing the plaintiff's registered copyright in its logos ACC, in any manner whatsoever, amounting to infringement of copyright of the plaintiff pending disposal of the application.

5. It is stated in the affidavits filed in support of I.As. that the plaintiff is a company incorporated under the Indian Companies Act, 1913 (as amended) having its principal office at Mumbai. The plaintiff is one of India's leading manufacturers of cement and ready mix concrete with 17 cement factories, 75 ready mix concrete plants, over 6,700 employees, a vast distribution network of 50,000+ dealers and retailers and a countrywide spread of sales offices. The plaintiff, for over 80 years, has earned the country's trust and goodwill through its valued products portfolio, ethical business practices and governance, focus on sustainable

development and its contribution to society. Synonymous with cement and enjoying high equity in the Indian market, the plaintiff has consistently set benchmarks in cement and concrete technology since its inception in 1936. From the Bhakra Nangal Dam in 1960 to the Mumbai-Pune Expressway, the plaintiff's ACC cement is at the foundation of iconic landmarks across the country.

6. The plaintiff company was formed in 1936 when ten existing cement companies came together under one umbrella in a historic merger. These companies belonged to four prominent business groups- Tatas, Khataus, Killick Nixon and F E Dinshaw groups and the plaintiff company was formally established on 01.08.1936 by the name Associated Cement Companies Limited. The abbreviated name of the company i.e., ACC has been used by the plaintiff both as the company name and trading style and as a trademark on its products for over 8 decades. With effect from 01.09.2006, the name of Associated Cement Companies Limited was changed to ACC Limited and a new ACC logo was also adopted.

7. The plaintiff is the manufacturer and marketer of various grades and types of superior quality of cement and

construction related products such as ready-mix concrete, water-proofing chemicals etc., all of which are marketed under the umbrella brand ACC which is also India's first name in Portland Cement and Ready Mixed Concrete. The brand ACC is a hallmark of quality and durability in Cement and Ready Mixed Concrete – to build homes for the masses of India in its cities, towns and villages as well as enduring structures for infrastructure and industry. The plaintiff also extends post sale services to the cement users.

8. The plaintiff uses a unique font for depicting its trademark which is ACC and also uses a unique colour combination of white and red, including the getup and layout which forms part of the trade dress of the plaintiff's product packaging. The said colour combination/trade dress of the plaintiff's products is eye-catching and has become synonymous with the plaintiff's products, so much so that a similar third party product with the same/similar colour combination/trade dress would create confusion in the minds of the consumers as to the source of its origin.

9. The plaintiff has also won several awards and recognition for both its corporate initiatives as well as its

product innovations. The plaintiff has also secured statutory trademark registrations in respect of the word mark “ACC” and various ACC Logo marks and ACC formative marks in various classes in India. The plaintiff is the registered proprietor of the mark ACC and over 70 other trademarks where the acronym ACC appears prominently. Some of the important registrations and pending applications in favour of plaintiff are under:

Sl. No.	Reg. No.	Mark	Proprietor	Appln Date	Use
1.	1388 518	A C C	Associated Cement Companies Limited	30/09/2005	01/04/1952
Class & Goods:[Class: 19]- Building Cement of All Kinds, Cement Slabs, Refractory Cements, Stone, Lime, Mortar, Plaster, Gravel, Road Making Material Pitch, Asphalt, Bitumen, Concrete Blocks and All Other Building Materials Included in Class 19.					
2.	1495 731		Associated Cement Companies Limited	11/10/2006	11/10/2006

<p>Class & Goods:[Class: 19]- Building Cement of All Kinds, Cement Slabs, Refractory Cements, Stone, Lime, Mortar, Plaster, Gravel, Road Making Material Pitch, Asphalt, Bitumen, Concrete Blocks and All Other Building Materials Included in Class 19.</p>					
3.	1495 732	ACC	Associated Cement Companies Limited	30/09/2005	01/04/1952
<p>Class & Goods:[Class: 19]- Building Cement of All Kinds, Cement Slabs, Refractory Cements, Stone, Lime, Mortar, Plaster, Gravel, Road Making Material Pitch, Asphalt, Bitumen, Concrete Blocks and All Other Building Materials Included in Class 19.</p>					
4.	1495 733	ACC	Associated Cement Companies Limited	30/09/2005	01/04/1952
<p>Class & Goods:[Class: 19]- Building Cement of All Kinds, Cement Slabs, Refractory Cements, Stone, Lime, Mortar, Plaster, Gravel, Road Making Material Pitch, Asphalt, Bitumen, Concrete Blocks and All Other Building Materials Included in Class 19.</p>					

5.	1495 734	ACC	Associated Cement Companies Limited	11/10/2006	11/10/2006
<p>Class & Goods:[Class: 19]- Building Cement of All Kinds, Cement Slabs, Refractory Cements, Stone, Lime, Mortar, Plaster, Gravel, Road Making Material Pitch, Asphalt, Bitumen, Concrete Blocks and All Other Building Materials Included in Class 19.</p>					
6.	3745 879	ACC PROTECT+	ACC Limited	06/02/2018	Proposed to be used
<p>Class & Goods:[Class: 19]- Building Cement of All Kinds, Cement Slabs, Refractory Cements, Stone, Lime, Mortar, Plaster, Gravel, Road Making Material Pitch, Asphalt, Bitumen, Concrete Blocks.</p>					
7.	3773 535	ACC F2R	ACC Limited	09/03/2018	Proposed to be used
<p>Class & Goods:[Class: 19]- Cement; flyash, building materials not of metal, which includes recyclable material; cement slabs, earth for bricks, slabs, not of metal which includes flyash and other recyclable material; tiles, paving blocks; building blocks, concrete blocks used for building</p>					

which includes flyash and other recyclable material; semi-ready mix concrete material used for simple concrete works such as levelling, flooring, waterproofing, rcc filling, pcc filling.

8.	3773 537	ACC SURAKSHA POWER	ACC Limited	09/03/2018	Proposed to be used
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Class & Goods:[Class: 19]-

Cement; flyash, building materials not of metal, which includes recyclable material; cement slabs, earth for bricks, slabs, not of metal which includes flyash and other recyclable material; tiles, paving blocks; building blocks, concrete blocks used for building which includes flyash and other recyclable material; semi-ready mix concrete material used for simple concrete works such as levelling, flooring, waterproofing, rcc filling, pcc filling.

The aforesaid registrations are currently valid and subsisting. The plaintiff company and the aforesaid trademarks have been promoted and advertised by way of print, television, digital and outdoor campaigns for the various products offered by the plaintiff. The plaintiff's corporate name and the aforesaid trademarks including the logo are conspicuously displayed on the plaintiff's website. The plaintiff also hosts an interactive website,

www.acclimited.com through which it intends to educate the customers of its varied range of products. In view of the substantial resources, time and money invested by the plaintiff in advertising, publicizing and promoting their brand nation-wide including through its website and social media platforms, the services of the plaintiff under its trademark have acquired an enviable reputation and goodwill all over India. The plaintiff company has spent vast sums of money on promotion of the Intellectual Property Rights (IPR's) including the subject trademarks and the details of these expenses for the last few years are as under:

Year	Advertising Expenditure (In INR) (Crores)
Jan-Dec 2014	10,682
Jan-Dec 2015	11,013
Jan-Dec 2016	8,057
Jan-Dec 2017	8,717
Jan-Dec 2018	7,194
Jan-Dec 2019	11,160

10. The immense popularity and success of the plaintiff and its trademarks is also demonstrated by the fact

that the revenue turnover of the plaintiff has steadily increased over the last few years as per the details given below:

Financial Year	Turnover (In INR) (Crores)
Jan – Dec 2014	10,720.28
Jan – Dec 2015	10,465.26
Jan – Dec 2016	11,314.19
Jan – Dec 2017	12,692.83
Jan – Dec 2018	13,171.09
Jan – Dec 2019	13,870.08

From the above and as per the provisions of The Trade Marks Act, 1999, the trademark “ACC”, qualifies as a well-known trademark under Section 2(1)(z)(g) of the Trademarks Act, 1999.

11. The plaintiff also obtained copyright registration for the artistic work in the ACC Logo marks as detailed hereunder:

S.No.	Copyright Details	Copyright Registration No.
1	ACC (White letters in Red Background)	A-84998/2009
2	ACC (Red in White Background)	A-84997/2009
3	ACC (Black & White Block Label)	A-69321/2005

12. It was learnt that the defendant is engaged in manufacturing and selling Metal Building materials, Metal Building bars, etc., for use in construction under the mark 'ACC'. Being in the same line of business, the defendant is aware of the plaintiff's prior and superior rights in the trademark ACC. The impugned mark used by the defendant is identical to the plaintiff's registered mark ACC. Further, the mala fide intentions and the bad faith involved in the manner of use of the Impugned Mark ACC TMT 550D is clear from the fact that the defendant has (i) used the mark ACC as part of its trade name i.e. ACC Steel Pvt. Ltd., and (ii) imitated the RED and WHITE colour combination, and also the style of font used by the plaintiff for its well-known logo ACC, in order to mislead consumers into believing an association of the defendant's products with that of the plaintiff. Therefore, use

of the Impugned Mark amounts to infringement of the registered mark ACC under Section 29 of the Trade Marks Act, 1999 and passing off. Recently, the plaintiff came across an advertisement of the defendant and its product 'TMT Bars' being used under the brand ACC/ ACC TMT 550D (hereinafter referred to as the 'Impugned Mark') in local newspapers. The defendant had used the mark ACC as part of its trade name i.e., ACC Steel Pvt. Ltd., which was subsequently confirmed by the plaintiff from the online database of the Ministry of Corporate Affairs. Upon further investigation, the plaintiff learnt that the defendant was incorporated on 04.12.2019, and has recently been aggressively advertising its product 'TMT Bars' under the Impugned Mark in various newspapers. The plaintiff during its investigation came across other marketing material of the defendant. The plaintiff also obtained some photographs of 'TMT Bars' being sold at construction retail shops under the Impugned mark. The plaintiff's representatives after physically noticing the defendant's products sold under the Impugned Mark were shocked to learn that the defendant was using an identical colour combination of RED and WHITE, and font style to depict the Impugned Mark as that of the plaintiff's ACC Logo. The plaintiff thereafter conducted a

search on the online database maintained by the trade mark registry, and to its utter shock, noticed that the defendant had obtained registration for the mark ACC (logo) under no.3409808 in Class 6 covering goods such as 'Common metals and their alloys, Metal hardware, Metal building materials, TMT bars, Metallic bars'. The application for the said registration was filed in 2016 on a 'proposed to be used basis'. The details of the aforementioned registration in the name of defendant are mentioned below:

REG.NO.	MARK	APP.DT	USE	GOODS
3409808	ACC TMT 500	14 th Nov. 2016	Proposed to be used	Common metals and their alloys, Metal hardware, Metal building materials, TMT bars, Metallic bars

13. The plaintiff thereafter on 23.07.2020 immediately filed Rectification against the aforementioned registration which is pending before the Intellectual Property Appellate Board (IPAB). Further search on the online database of the trademark registry revealed that the defendant has applied for three marks i.e., ACC ROOFINGS under Application

Nos.4547975 in Class 6; ACC TMT under Application No.4547974 in Class 6 and ACC Tubes under Application No.4547973 in Class 6. The said applications have been filed in respect of “Iron, Steel, Galvanized Steel, Steel Pipe, Steel Tube, Steel Sections and Steel and Iron Products” and currently stand objected by the Trade Marks Registry.

14. The defendant has adopted and surreptitiously registered the mark ACC TMT 500 whose essential feature is the term ‘ACC’, only with the malafide intention of taking advantage of the plaintiff’s well-known mark ACC in respect of construction and construction related products. A bare comparison of the pictorial representations of the Impugned Mark of the defendant, with the pictorial representations of the plaintiff’s ACC registered trademarks clearly demonstrates that the defendant has completely copied the plaintiff’s trademark including its representation, thereby amounting to copyright infringement of the plaintiff’s well-known and registered trademark ACC. The defendant’s intention and purpose is to mislead and cheat the end consumers by passing-off their products as being originating from the plaintiff.

15. From the comparative analysis and the conduct of the defendant, it is evident that the impugned Mark ACC, ACC TMT 550D has been adopted in bad faith, with full knowledge of the plaintiff's existing and well known trade mark ACC, and with a singular purpose of making illicit gains by riding on the goodwill and reputation of the plaintiff. The defendant has adopted a trade dress/colour combination of red and white on its products, which is identical to the colour combination forming part of the plaintiff's various registered trademarks and logos, and also its trade dress which it has been using in respect of its products bearing its well-known trademark ACC. Due to the popularity of the plaintiff's goods under the mark ACC, the plaintiff is constantly plagued with problems created by infringers and counterfeiters such as the defendant is selling impugned goods and other construction related products under the trademark and trade dress of the plaintiff.

16. The plaintiff is the owner of the copyright in the artistic work "ACC" and the "ACC" logos represented in the stylized manner. The said devices are protected as artistic works under Section 2(3) of the Copyright Act, 1957. The said artistic works are protected in India by virtue of Section 41 of

the Copyright Act, 1957 read with the International Copyright Order, 1999. The defendant has entirely copied the said artistic works of the plaintiff. By reproducing, printing and publishing the said artistic works on the packaging and marketing of its impugned goods, the defendant has infringed the plaintiff's copyright in the artistic works. In these circumstances, the plaintiff is entitled to a perpetual order of injunction from the Court, restraining the defendant from infringing the plaintiff's copyright in the said artistic work by reproducing it or any substantial part of it, in any material from and/or by publishing the same in any manner, whatsoever. Apart from being a civil violation, the impugned use, imitation and reproduction also constitutes cognizable criminal offense under the provisions of Sections 63 and 64 of the Copyright Act, 1957 which is punishable with imprisonment up to three years and penalty up to Rs.2 lakhs. Further, the use by the defendant of the identical colour combination as well as trademark of the plaintiff, is likely to dilute the distinctive character of the plaintiff's manner of use of its trademarks, and which is likely to be debased and eroded. Such debasement and erosion of the plaintiff's reputation and goodwill strike at the very root of their

existence and is not measurable in terms of money and cannot be adequately compensated monetarily.

17. In view of the above, it is evident from the activities of the defendant that it has left no stone unturned to ride upon the hard-earned goodwill of the plaintiff. The plaintiff's trade mark ACC enjoys enviable reputation and goodwill. The defendant is using the impugned trade mark ACC, ACC TMT 550D which is structurally, visually and phonetically identical to the plaintiff's well-known trade and house mark ACC. This is clearly done with the sole intention of misappropriating the plaintiff's well-known brand ACC with a view to deceive and cause confusion and to mislead the members of the trading consuming public and make unjust and illegitimate profits. The aforementioned acts of the defendant constitute the infringement of the plaintiff's brand, ACC and also constitute passing off of the plaintiff's registered trade marks.

18. By virtue of the registrations and the provisions of the Trade marks Act, 1999, only the plaintiff has exclusive right to use the trade mark ACC in India. The use of the impugned mark ACC by the defendant constitutes

infringement of the plaintiff's registered trademarks. The plaintiff's registered trade mark ACC has enormous reputation and goodwill in India. By virtue of its reputation and goodwill, the trade mark ACC qualifies to be a 'well-known' trade mark and enjoys the highest and widest degree of statutory protection. Any unauthorized use of the said trade mark or any other confusingly similar mark by any unauthorized trader would inevitably lead to the erosion of the distinctiveness of the said registered trade mark of the plaintiff. By virtue of the acts of the defendant of using an identical trademark, identical representation/get up/colour combination and use of the mark ACC as its trading style, i.e., ACC Steel Pvt. Ltd., the purchasing public is likely to be deceived into thinking that the defendant's goods emanate from, or have some connection with the plaintiff when in fact no such connection exists. Such actions are also a misappropriation of the goodwill and reputation that vests in it, which constitutes violation of the plaintiff's statutory rights and infringement of its registered trademarks under Section 29 of the The Trade Marks Act, 1999. Further, the defendant has registration is inconsequential since it is settled law that a suit for infringement can lie even against a registered proprietor.

19. That apart from confusion and deception among the members of public and prospective customers, even the members construction industry are likely to be deceived and confused into believing that the defendant has any association and connection with the plaintiff since Cement and TMT bars are both allied and cognate goods and are often sold through the same trade channels and shops. The plaintiff has also come across instances of actual confusion where a person named Mr. Ragesh, who was working with a distributor of ACC Cement in Kerala, contacted one of the executives of the plaintiff for prospective employment. The said person in his email mentioned that he had experience in selling TMT Bars and would be interested to work with ACC Steel, i.e., the defendant.

20. The defendant is misrepresenting itself as the plaintiff by not only adopting an identical mark with an identical representation, but also adopting the mark ACC as part of its trading style, i.e., ACC Steel Pvt.Ltd. By such use of the mark ACC, the defendant is deriving illegal benefit and gain from such misrepresentations. It is also evident that the defendant is procuring orders, business and financial benefits and recognition in the trade, leading to the promotion of their

business, by misusing and misappropriating the goodwill and the reputation of the plaintiff's trademarks and packaging and that the defendant is falsely passing off its goods as having an origin of source or connection with the plaintiff. The defendant is selling the impugned goods bearing the mark ACC in the open market, thereby deceiving and committing fraud upon consumers. Such misuse of the plaintiff's trade mark and packaging including the unique colour combination of red and white, get up, and layout by the defendant is fraudulent and constitutes misrepresentation and passing off. The use by the defendant of the identical colour combination as well as trademark of the plaintiff, is likely to dilute the distinctive character of the plaintiff's manner of use of its trademarks and which is likely to be debased and eroded. Such debasement and erosion of the plaintiff's reputation and goodwill strike at the very root of their existence and is not measurable in terms of money and cannot be adequately compensated monetarily.

21. In the light of the defendant's blatantly infringing actions, if interim relief as sought for is not granted, the defendants will continue infringing the trade mark and statutory rights vested in the plaintiff by continuing to use

the impugned marks, resulting in irreparable injury to the plaintiff. The plaintiff has a prima-facie case and the balance of convenience lies in favour of the plaintiff. Great hardship and irreparable injury will be caused to the plaintiff if the applications are not allowed. No hardship or irreparable injury will be caused to the defendants if the application is allowed. Hence, the plaintiff has sought for allowing the applications.

22. The defendant is represented by his counsel and has filed objections to the IAs wherein he has denied the allegations made by the plaintiff in the affidavits filed in support of IAs as false and contended that Prime Alloys, a registered Partnership firm having its office at 3/158, Chinnakanur Post, Cheyur, Avinashi Taluk, Tirupur, Tamil Nadu State with partners A. Moidutty & C. Musthafa were selling TMT steel rods using the brand "ACC TMT 500" from 2015 itself. They applied for registration of the said trade mark in Class 6 on 14-11-2016 vide application No.340908 before the Trade Mark Registry, Chennai. Prime Alloys authorized Mascom Steel India Pvt.Ltd., to make TMT Bars with "ACC TMT 500" trade mark and both Mascom Steel & Prime Alloys were selling TMT steel bars with the Trade mark

“ACC TMT 500”. Subsequently, A Moidutty & C. Musthafa (partners of Prime Alloys) and George Antony, Stephin K. George and Stenin George (Directors of Mascom Steel India Private Ltd.,) formed a new company in the name of ACC Steel Private Limited, which was incorporated on 04-12-2019. On 28-12-2019, Prime Alloys assigned the said trade mark ACC TMT 500 to the above ACC Steel Private Ltd., by virtue of an Assignment Deed dated 28-12-2019. The predecessors of the defendant have adopted the impugned mark ACC in the year 2015 in good faith and under honest intention and applied for the trade mark registration in the year 2016 itself. A. Moidutty & C. Musthafa, the partners of M/s Prime Alloys coined the mark ACC by taking first letters of their father’s name which is Moidutty’s father’s name is Aboobakkar (A), Musthafa’s father’s name is Chulliyil (C) and the place they started the business is Chinnakanur (C) in Tamil Nadu. These letters combined together to form as ACC. From May 2019, Mascom Steel India Private Limited was manufacturing and selling TMT Steel bars in the trade mark ACC TMT 500 under the authorization from Prime Alloys. From 01-05-2020, Mascom Steel India Private Limited is manufacturing and selling TMT steel bars in the trade mark ACC TMT 500 under License agreement with ACC Steel Private Limited. The details

of sales turnover of Mascom Steel India Private Limited using the trademark “ACC TMT 500” as under:

	Monthly Total (INR)
April 2019	81,04,202-50
May 2019	2,04,51,606-45
June 2019	1,50,11,998-00
July 2019	1,06,69,574-45
August 2019	86,17,690-10
September 2019	84,52,531-10
October 2019	52,65,153-75
November 2019	1,00,44,079-55
December 2019	1,16,19,623-40
January 2020	2,05,93,063-40
February 2020	2,31,42,810-35
March 2020	2,20,17,901-65
April 2020	27,58,172-55
May 2020	2,12,59,205-65
June 2020	3,78,19,246-87
July 2020	2,26,56,198-40
August 2020	3,30,12,904-55
September 2020	3,54,21,341057
October 2020	3,82,19,976-53

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November 2020	5,48,56,545-30
December 2020	6,19,98,451-85
Jan 2021	6,61,20,040-90
Feb 2021	4,33,64,766-86
Grand Total	58,14,77,085-93

23. The details of turnover of ACC Steel Private Limited using the trademark "ACC TMT 500" are as under:

	Monthly Total (INR)
August 2020	12,38,373-40
October 2020	27,44,194-60
November 2020	73,36,224-30
December 2020	62,06,252-45
January 2021	63,01,933-10
February 2021	27,81,725-95
Grand Total	2,66,08,703-80

24. The details of advertisement expenditures incurred by Mascom Steel India Private Limited for their steel products bearing the trademark "ACC TMT 500" from 01-04-2019 to 28-02-2021:

April 2019	15,00,000-00
August 2019	5,000-00
November 2019	7,07,860-00
December 2019	4,51,839-00
January 2020	40,000-00
February 2020	4,49,852-00
March 2020	35,90,234-50
May 2020	25,50,611-86
June 2020	21,47,211-86
July 2020	21,47,211-86
August 2020	14,18,381-96
September 2020	3,69,375-86
October 2020	5,98,871-72
November 2020	6,91,985-00
December 2020	1,00,000-00
January 2021	5,50,436-00
February 2021	3,52,620-00
Grand Total	1,70,48,956-00

25. The details of the strength of their business in terms of employees, machineries and overheads involved in

the said steel business using the trademark ACC TMT 500 are as under:

Particulars	Mascom Steel India Pvt.Ltd.,	ACC Steel Pvt.Ltd.
No.of Employees	450	60
2020-21	22,23,7,773.00	0
2019-20	16,27,51,439.00	0
Overheads		
2020-21	16,52,28,632.00	13,51,041.00
2019-20	6,49,25,870.00	0

26. The business of the defendant is spread all over India and the defendant has dealers & distributors for their steel product bearing the trademark "ACC TMT 500". Mascom Steel India Private Limited has got 39 dealers, whereas ACC Steel Private Limited has got 31 dealers. The defendant is engaged in the well established business of iron, steel, galvanized steel, steel pipe, steel tubes, steel sections and steel and iron products under the trademark ACC. The defendant is a true, honest and lawful proprietor of the trade mark ACC in respect of said goods. The said trade mark was

honestly and with bonafide interest adopted by the defendant in order to distinguish his goods from that of the others.

27. It is further contended that the product of the plaintiff is cement which falls under Class 19 of the NICE Classifications, that the product of the plaintiff and the defendant are completely different and falling under two different classes i.e., Class 19 and 6, that the plaintiff has listed details of 8 trademark applications, among them application No.1388518 was applied in the year 2005 claiming the user date from 1952, but no evidence is produced before the trade mark registry for the said use, that the application Nos.1495731, 1495732, 1495733 and 1495734 were filed in the year 2006 with the user claim of 2006, whereas the application Nos.3745879 and 3773535 were filed in the year 2018 as proposed to be used, that the plaintiff has filed these trade marks only in the year 2005 and 2006 with no proof for their user claim, that these user claims are contrary to the averments of para Nos.6 to 8 of the plaint that the plaintiff has been using trade mark ACC for the last 8 decades and hence, the said averments are completely false and misleading. It is further contended that to claim the status of a well known, a trade mark should be

declared as well known in any legal proceedings in the court of law or it should be registered as well known trade mark with the Registrar of Trademarks in India as per 2017 Trademark Amendment Rules, that there is a list of well-known trademarks maintained by the Indian Trademark Registry and there are 97 well-known trademarks in the list, but the plaintiff's trademark ACC is not there in the list and hence, the plaintiff's mark is not a well-known trade mark as claimed, that the copy right registration does not have any role to play in trademark registration, that it is settled principle that the copyright registration does not give any protection for the title of the work or the word/words mentioned in artistic work, that the dispute is with regards to Acronym ACC and hence, copyright registration does not serve any purpose, that 2 trade marks of plaintiff having application Nos.1211629 and 1223001 filed in the year 2003 were not valid as the plaintiff has failed to renew in the year 2013, that there were no valid conflicting marks and based on the submissions made by the defendant during the hearing, the Registrar of Trademark has allowed the said trademark and the same was registered by following the due process of law, that the plaintiff has never preferred to file any opposition after the said mark of the defendant published in

the trade mark journal, that the failure of the plaintiff in not renewing the application Nos.1211629 and 1223001 for the trademark ACC in Class 6 clearly shows that they are not interested in protecting their trade mark ACC in Class 6 and for the products covered in the said class and hence, the defendant's use of the trademark ACC will neither amounts to infringement of trademark under Section 29 of Trademarks Act nor passing off. It is further contended that the plaintiff is very well aware about the defendant and their registered trademark ACC, about the registration of the defendant company with the Registrar of Companies under Companies Act, 2013 as these are public records which are easily accessible, that ACC is not just the trademark, but it is also the trade name of the defendant now, that the colours red, white and black and their combination is common to trade for TMT bars, iron, metal, metallic bars and alloys, that most of the brands in the market have this combination of red, white and black. It is further contended that when a trade mark is registered, according to Section 28 of Trademarks Act, 1999, the registered proprietor has exclusive right to use the trademark in respect of goods and services for which the trademark is registered, that the registration of trade mark ACC by the plaintiff in Class 19 in respect of cement will in no

way gives right to the plaintiff to use the same mark in Class 6 as per Section 28 of the Trademarks Act, 1999, that especially when the plaintiff has failed to renew the trademark ACC which were registered in Class 6, that the protection cannot cut across from one class of goods to another class of goods. It is further contended that if the plaintiff is really aggrieved by the registration and use of the trademark ACC by the defendant, he should have filed the suit first seeking appropriate relief before filing the Rectification Petition on 23-07-2020 with IPAB, that according to Section 124 of the Trademarks Act, 1999, the plaintiff should have moved an application and established a prima-facie case on their stand of invalidity and obtained the leave of this court before filing of current Rectification Petition, that to surpass this legal procedure, the plaintiff has cleverly filed Rectification Petition first on 23-07-2020 and tried to get ex parte order, that failing in that effect, then filed the suit after few months and got an ex parte ad-interim injunction on 09-10-2010 behind the back of the defendant by suppressing the material facts, that on 26-10-2020, during the admission hearing at IPAB, the plaintiff by showing ex parte injunction passed by the court, has obtained stay on the registration of the defendant's registered trademark and

hence, the plaintiff is doing forum shopping and is guilty of forum convenience. It is further contended that the plaintiff's prior use of the mark ACC in different class which is 19 does not prevent the defendant from registering the trade mark ACC in Class 6 in which the plaintiff does not have any valid trade mark and specifically they waived their right and interest in Class 6 by not renewing two trade marks which applied in the year 2003, that the plaintiff has waived off his rights and interest in the year 2013 and is trying to revive his rights now after long gap of 7 years in 2020 by filing the cancellation petition with IPAB and this suit, that the act of the plaintiff would amount to estoppel. It is further contended that the plaintiff does not do any business in respect of products falling under Class 6, there is no question of likelihood of confusion between the plaintiff's products and products of the defendant, that when the products of both the parties are completely different, there is no question of copy right infringement, specially the said colours are common to the concerned trade, that the plaintiff cannot claim monopoly over particular colour combination in respect of goods and services falling under all 45 classes, that the buyers are an enlighten class of customers for cement/steel and products are not sold off the shelf as in the case of consumer goods

where the test is different, the buyers in the case of cement and steel do not decide to buy merely on trade name and trade mark and definitely make enquiries about the goods, their quality, origin, certification, test certificates and market experience based on the advice of the engineer, contractor, project management consultant or architect and therefore, there is no chance of any confusion when the market is aware that the plaintiff is exclusively a cement manufacturing company and does not manufacture or deal in construction steel as the defendant is doing. It is further contended that the plaintiff has no prima facie case and balance of convenience is entirely in favour of the defendant and against the plaintiff, that the plaintiff has approached the Court with unclean hands. Hence, he has sought for dismissal of the I.As. with exemplary costs.

28. Heard both the sides and perused the records.

29. Now the points arise for my consideration are:

- 1) Whether the plaintiff has made out prima facie case of infringement of his registered trademark and copyright and passing off by the defendant?

- 2) Whether the balance of convenience lies in favour of the plaintiff?
- 3) Whether the plaintiff will be put to irreparable loss if the reliefs sought under the I.As. are not granted?
- 4) What order?

30. My findings to the above points are as under:

Points No.1 to 3 : In the Affirmative;
Point No.4 : As per final order,
for the following;

REASONS

31. **POINTS NO.1 TO 3**: These points are interlinked and hence, I have taken them together for common discussion to avoid repetition of facts.

32. The facts pleaded by the parties are elaborately mentioned above and it is not necessary to repeat the same. In support of his case, the plaintiff has produced the following documents:

- 1) Copies of Board Resolution and Power of Attorney.
- 2) Copy of MCA record.
- 3) Copy of the Memorandum and Articles of Association inclusive of Certificate of Incorporation.
- 4) Copy of Cover of Annual Report dated 1938 – 39.
- 5) Copy of the Certificate of Incorporation consequent upon Change of Name.
- 6) Printout of the photographs of company products.
- 7) Copies of various awards and felicitations received by the company.
- 8) Copies of legal proceedings certificate and online status for trademark application Nos.1388518, 1495734, 3745879, 3773535, 3773537, 1495731, 1495732 and 1495733 issued by the Trademarks Registry.
- 9) Printouts of various articles pertaining to the company.
- 10) Screenshots of company website along with printouts of Whois details of the company website www.acclimited.com.
- 11) Copy of the catalogue and pamphlets of the company's Goods and Services.
- 12) Printouts of relevant extracts from the Annual Reports of the company for the years 2014-15, 2015-16, 2016-17, 2017-18, 2018-19.
- 13) Copy of the statement of sales for the years 1975-76 to 2018.

- 14) Copies of the Copyright Registrations held by the company.
- 15) Printout of MCA record of the defendant.
- 16) Printouts of the defendant's advertisements.
- 17) Printout of the photographs of the defendant's products.
- 18) Copy of the online status of the defendant's TM Application No.3409808, along with registration certificate.
- 19) Copy of the Rectification filed by the company against defendant's Registration for the mark "ACC" (Logo) bearing Application No.3409808.
- 20) Printout from the online records of the Trade Mark Registry in respect of the pending trade mark application No.4547975, 4547974 and 4547973 filed by the defendant.
21. Copy of e-mail sent by Mr. Ragesh to the company.
22. Printout of extract from Nice Classification of goods followed by India (Class 1).
23. Screen shots of ACC Steel Facebook home page and about page
24. Copy of order dated 26-10-2020 passed by IPAB

33. The counsel for the plaintiff has relied upon the following rulings:

- 1) (2004)6 SCC 145
(Satyam Infoway Ltd., V. Siffynet Solutions (P) Ltd.)

- 2) (2002)2 SCC 147
Mahendra & Mahendra Paper Mills Ltd., V. Mahindra & Mahindra Ltd.,
- 3) 2013 SCC Online Del 2237
(The Timken Company V. Timken Services Pvt.Ltd.)
- 4) (2001)5 SCC 73
(Cadila Health Care Ltd., V. Cadila Pharmaceuticals Ltd.
- 5) (1972)1 SCC 618
Parle Products (P) Ltd., Vs. J.P. & Co.,
- 6) 2014 SCC Online Del 1953
(M/s South India Beverages Pvt.Ltd., Vs. General Mills Marketing Inc. and Anr.
- 7) 2019 SCC Online Cal 3148
(ITC Limited V. Whole Leaf Tobacco Venture Pvt.Ltd., and Ors.)
- 8) AIR 2014 Delhi 156
(Societe Des Produits Nestle. S.A. Vs. Montu Sadhu)
- 9) AIR 1971 SC 898
(National Bell Company V. Metal Goods Manufacturing Company Private Limited)
- 10) 1990 (Supp) SCC 727
(Wander Ltd., and Ors. V. Antox India P.Ltd.)

- 11) (2004)3 SCC 90
(Midas Hygiene Industries (P) Ltd. And Anr. V. Sudhir Bhatia and Ors.)
- 12) (1965)1 SCR 737
(Kaviraj Pandit Durga Dutt Sharma V. Navratma Pharmaceutical Laboratories.)
- 13) 1975 SCC Online Kar 22
(The Nilgiri Dairy Farm Vs. S.A. Rathnasabhaphy)
- 14) (1996)5 SCC 714
(N.R. Dongre and Ors. V. Whirlpool Corporation and Anr.)
- 15) (2002)3 SCC 65
(Laxmikant V. Patel V. Chetanbhai Shah and Anr.)
- 16) ILR (2014) III Delhi 1734
(Abbott Healthcare Pvt.Ltd., V. Raj Kumar Prasad and Ors.)
- 17) ILR 1993 Kar 2393
(Mangalore R.K. Beedies V. Mohammed Hanif)
- 18) 2019 SCC Online Del 8468
(Lifestyle Equities C.V. V. Royal Cpuntry of Berkshire Polo Club Ltd.,)
- 19) (2016)2 SCC 672
(Neon Laboratories Limited V. Medical Technologies Limited and Ors.)

- 20) 2017 SCC Online Del 6381
(FDC Limited v. Docsuggest Healthcare Services Pvt.Ltd.
And Anr.)
- 21) 1990 SCC Online Del 360
(Ceat Tyres of India Ltd. V. Jai Industrial Services)
- 22) (1960)1 SCR 968
(Corn Products Refining Co. V. Shangrila Food Products
Ltd.)
- 23) (2018)2 SCC 112
(Patel Field Marshal Agencies and Anr. V. P.M. Diesels
Ltd. And Ors.)
- 24) Order of the Telangana High Court in CRP 3690 of 2018
- 25) 2003 SCC Online Del 1005
(Colgate Palmolive Company and Anr. V. Anchor Health
and Beauty Care Pvt.Ltd.,)

34. In support of his defence, the defendant has produced the following documents:

- 1) Copy of trademark registration certificate of the company and related documents (Colly).
- 2) Copies of documents related to plaintiff's trademarks (Colly)
- 3) Copy of list of well-known trademarks published by Trademark Office.

- 4) Copies of organization details of the company & related documents (Colly).
- 5) Copy of Board Resolution of the company.
- 6) Copy of details of sales turnover & advertisement expenditure of the company.
- 7) Copies of Bills/Invoices of the company (Colly).
- 8) Copies of Advertisements of the company (Colly).
- 9) Copies of various recognition for the company (Colly).
- 10) Copies of various TMT bar products having same colour combinations (Colly).
- 11) Copy of the Counter Statement filed by the company in IPAB.

35. The counsel for the defendant has relied upon the following rulings:

- 1) (1997)4 SCC 201
(Vishnudas Trading Vs. Vazir Sultan.
- 2) 2013 SCC Online Del 3439: (2013)203 DLT 398:
(2014)5 AIR Del R 176
(A. Kumar Milk Foods Pvt.Ltd., Vs. Vikas Tyagi & Anr.)
- 3) (2018)75 PTC 209 (SC)
Nandhini Deluxe Vs. Karnataka Co-Operative Milk Producers Federation Ltd.,

- 4) (2018)2 SCC 112
Patel Fields Marshal Agencies & Anr Vs. P.M. Diesels Limited and others.
- 5) 2008(102) DRJ 503
Rana Steels Vs. Ran India Pvt.Ltd.,
- 6) (1965)1 SCR 737: AIR 1965 SC 980
(Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories.)

36. The documents produced by the plaintiff prima facie reveal that the plaintiff is a company registered under the Companies Act, 1913 which is engaged in the manufacture of cement and ready-mix concrete; that the plaintiff company was incorporated on 01-08-1936 by the name of Associated Cement Companies Limited and got its name changed to ACC Limited with effect from 01-09-2006 by adopting new ACC logo; that the plaintiff is the proprietor of the registered trademark 'ACC' for word, device and label under application Nos.1388518, 1495731, 1495732, 1495733, 1495734, 3745879, 3773535, 3773537 for cement and allied products in Class 19 and is also the owner of copy right registration for the artistic work in 'ACC' logo mark/ label of different colour combination under Registration Nos.69321/2005, 84997/2009 and 84998/2009; that the

plaintiff is the leading manufacturer of cement and ready-mix concrete having turnover of more than Rs.10,000 crores per year from 2012 onwards; that the plaintiff has won several awards and recognitions for its product innovations including the National Award; that the plaintiff hosts a website 'www.acclimited.com' in which details of its products and services are available; that the plaintiff promotes and advertises its products through print and electronic media incurring advertisement expenses of about Rs.100 crores per year from 2014 onwards. It further discloses that the defendant is a limited company incorporated on 04-12-2019 and is engaged in the manufacture and sale of metal building materials, TMT bars, etc., under the registered trademark ACC TMT 500 vide application No.3409808 under Class 6; that the defendant is using the mark ACC as part of its trade name, same colour combination, style of fonts for its logo ACC; that the defendant has given publicity of his product through newspaper advertisements in which mark ACC is prominently appearing; that the defendant is selling its products at retail shops under the impugned mark ACC; that the defendant has applied for three trademarks i.e., ACC ROOFING, ACC TMT and ACC TUBES under application Nos.4547975, 4547974 and 4547973 in Class 6 in respect of

iron, steel, galvanized steel, steel pipes, steel tubes, steel sections, steel and iron products which stand objected by the Trade Marks Registry and pending registration; that the plaintiff has filed Rectification Petition against the registered trademark of the defendant before IPAB on 24-07-2020 seeking to expunge and remove the registered trademark No.3409808 in Class 6 of the defendant from register; that IPAB vide its order dated 26-10-2020 has stayed the registration trademark of the defendant; that one Mr. Ragesh working with a distributor of ACC cement in Kerala sent a mail to executive of the plaintiff for giving him an opportunity to work in ACC TMT; that the defendant has a business page on Facebook in which details of the business of the defendant are published in home page and about page and are updated till 06-11-2021.

37. The documents of the defendant prima facie go to show that M/s Prime Alloys is a registered partnership firm engaged in the manufacture, trading, etc., in all kinds of steel bars, alloys, iron, steel and other metal and non metals; that Sri. R.A. Moidutty and Sri. Musthafa are the partners of the said firm and the said firm came into existence on 23-06-2016; that M/s Prime Alloys has obtained registration

for its trademark 'ACC TMT 500' in Class 6 under application No.3409808 dated 14-11-2016 in respect of common metals and their alloys, metal hardware, metal building material, TMT bars, metallic bars; that partners of M/s Prime Alloys and directors of Mascom Steel India Private Ltd., by name George Antony, Stephin K. George and Stenin George formed a new company in the name of 'ACC Steel Private Limited' i.e., the defendant which was incorporated on 04-12-2019; that M/s Prime Alloys has assigned its trademark 'ACC TMT 500' to the defendant under Assignment Deed dated 28-12-2019 and the trademark registration of 'ACC TMT 500' is standing in the name of the defendant; that the defendant has granted licence to Mascom Steel India Private Ltd., to manufacture TMT Steel Bars of ISI grade of different sizes by applying the trademark 'ACC TMT 500' vide Trademark License Agreement dated 01-05-2020; that Mascom Steel India Private Ltd., has a sales turnover of 'Mascom TMT 500' brand TMT Steel bars to the tune of Rs.47,19,92,278/- for the period from April 2019 to December 2020, whereas the defendant has a sales turnover of Rs.1,75,25,045/- for the period from August 2020 to December 2020; that Mascom Steel India Private Ltd., has incurred advertisement charges of Rs.1,70,48,956/- for the period from April 2019 to February 2021; that steel samples

tests as to ACC Steel rods have given good results; that Sri. George Antony Kureekkal of G.K. Group of Companies has won several awards; that the defendant has filed application for registration of trademarks 'ACC ROOFINGS', 'ACC TMT' and 'ACC TUBES' in application Nos.4547975, 4547974 and 4547973 and same are pending as opposed; that several steel manufacturers are using red, white and black colour combination in advertising their products in media; that the defendant has filed counter statement before IPAB against the Rectification Petition filed by the plaintiff with counter affidavit against stay application. The defendant has produced word mark search report for ACC which reveals that the plaintiff has obtained registration for trademark 'ACC' under application No.1211629 on 04-07-2003 in Class 6 for Goods/ Service Rolled and Cast building material, metallic pipes and tubes, steel casting and under application No.1223001 on 14-08-2003 in Class 6 for Goods/ service bulk storage container and tanks for liquid and fluidizable and non fluidizable material, but the said trademarks are removed as the plaintiff did not get them renewed in the year 2013. It further discloses that one Manju Bhardwaj of Ambala city has applied for registration of word mark 'ACC' written in English with brick wall on backside under application No.3383330

dated 06-10-2016 in Class 6, but same was refused. The defendant has produced trademark search report from which it appears that the plaintiff is the proprietor of trademark 'ACC' since 20-08-1962 in Class 19 i.e., in respect of portland cement, that there are some other persons having registration of trademark 'ACC' in different style in Class 19 and in Class 6, some of the said trademarks were abandoned or refused, that the trademark of the defendant for 'ACC TMT 500' is registered, but now the registration is stayed by IPAB at the instance of the plaintiff, that the other trademark applications by the defendant are pending as opposed. The defendant has produced list of well-known trademarks in which the name of the plaintiff does not find place.

38. It is alleged that the defendant has infringed the registered trademark of the plaintiff, that the defendant is passing off his goods as the goods of the plaintiff and the defendant has infringed the registered copyright in ACC logo mark of the plaintiff. Hence, the plaintiff has sought for grant of Temporary Injunctions as prayed in the I.As. The defendant has denied the allegations of the plaintiff as to infringement of trademark and passing-off and sought for dismissal of the I.As. with cost. Ex-parte T.I. as prayed in I.A.No.I was granted

in favour of the plaintiff and as against the defendant on 09-10-2020 which has been extended from time to time and it is still in force. But, the plaintiff has produced screen shots of Facebook home page and about page which indicate that the defendant has continued marketing and publishing of its products under trademark 'ACC' till date.

39. 'ACC' is the trademark and trade name of the plaintiff and same in case of the defendant. The plaintiff company was incorporated in the year 1936 with its former name Associated Cement Companies Ltd., and got its name changed to ACC Ltd., from 2006. On the other hand, the defendant company was incorporated in the year 2019. The first trade mark of the plaintiff i.e., ACC was registered in the year 1962 and the present trademark is registered in the year 2006, whereas the trademark of the defendant was registered in the year 2016 which is now stayed by the IPAB on the Rectification Petition filed by the plaintiff.

40. The defendant denied the allegation that his trademark is identical or similar to the trademark of the plaintiff. He has contended that his mark is capable of distinguishing it from the mark of the plaintiff and even his

goods are capable of distinguishing it from that of the plaintiff. The defendant has further contended that he has adopted the impugned mark 'ACC' with added features in the year 2015 in good faith and under honest intention. He has relied upon Kaviraj Pandit Durga Dutt Sharma case in which it is held that additions to trademark is no infringement. But, it is not the defence of the defendant that he was not knowing about the trademark of the plaintiff in 2016 when he adopted the said trademark. Hence, it can be said that the defendant has adopted the mark 'ACC' with added features as his trademark and trade name knowing fully well that the plaintiff is doing his business in the said name since long time and selling his goods and services under the said trademark. It is his defence that A.Moidutty and C.Musthafa, the partners of M/s Prime Alloys coined the mark ACC by taking first letters of both partners' father's name which is Moidutty's father's name is Aboobakkar (A), Musthafa's father's name is Chulliyil (C) and the place they started the business is Chinnakanur (C) in Tamil Nadu and combination of these 3 letters to form 'ACC'. It prima facie indicates that the defendant has coined his trademark in such a way so as to copy the prominent features of the plaintiff's trademark. It appears that he has done it with an intention to encash the

goodwill and reputation of the plaintiff. In this way anybody can copy the trademark or trade name of any person. Invention of a trademark in that manner will defeat the intention of the legislature. If the defendant had adopted the said trademark in good faith and with honest intention, he would not have copied the trademark of the plaintiff in entirety including its unique font, colour combination, get up, layout and trade dress. He has even tilted the first letter 'A' of his trademark and trade name in the same manner as that of the plaintiff.

41. It is contended by the defendant that colours red, white and black and their combination is common to trade for TMT bars, iron, metal, metallic bars and alloys, that most of the brands in the market have this combination of colours. The documents produced by the defendant support his contention, but no other trader has copied the colour combination of the plaintiff to such an extent as it is done by the defendant. Hence, at this juncture it cannot be believed that the defendant was in good faith in adopting the 'ACC' as his trademark and trade name. With naked eyes anyone can say that the trademarks of the plaintiff and the defendant are identical and similar structurally, visually and phoenatically.

Hence, contention of the defendant that his trade mark is not identical with that of the plaintiff and he adopted it honestly and in good faith is liable to be rejected.

42. The defendant has started his business in the year 2019. The trademark of the defendant was registered for M/s Prime Alloys in the year 2016. Thus, the business of the defendant is of recent days when compared to the business of the plaintiff who is in the market since 1936 and his first trademark was registered in the year 1962. The Facebook page of the defendant describes the company as under:

“ACC, the renowned name in the construction field brings you TMT Steel bars of unmatched strength and superior quality. It is the first choice of the be.....”

The above description clearly indicates that the defendant wants the consumers/public to believe that the product of the defendant has its origin from the plaintiff or its associate. Therefore, it can be said that the defendant was not bonafide in adopting the mark ‘ACC’ as his trademark and trade name.

43. It is the specific defence of the defendant that the registration of trademark 'ACC' by the plaintiff is in Class 19 in respect of cement which in no way gives right to the plaintiff prevent him from using the same in Class 6 in respect of TMT bars that too when trademark of the defendant is registered and the trademark of the plaintiff in Class 6 is not renewed after 2013. The defendant has relied upon rulings in 'Vishnudas Trading' case and 'Nandhini Deluxe' mentioned supra in which it is held that there cannot be any monopoly in all goods falling under the same class. It is argued that in the present case, the goods of the plaintiff and defendant are not even fall under same class. The attention of the court was drawn to Sec.28 of the Trademarks Act, 1999 to point out that the defendant being the registered proprietor of trademark 'ACC' in Class 6, he has got exclusive right to use the same in respect of his goods and services. It is further argued that the plaintiff is dealing with only cement and not steel, that the goods and services of the plaintiff's mark is different from that of the defendant and hence, there is no question of misleading and cheating the consumer and passing off, that there is no question of infringement of trademark of the plaintiff. Rulings in A. Kumar Milk Foods Pvt. Ltd., case and in Rana Steels case described above were

relied upon by the defendant to show that protection in one class will not extend to another class.

44. Admittedly, the plaintiff is the prior user of trademark 'ACC' for its goods and services. The goods of the plaintiff i.e., cement falls under Class 19, whereas the goods of the defendant i.e., steel falls under Class 6 of the NICE Classification. Though, the said goods fall under different classes, both cement and steel are used in the construction field. The said goods are very essential in the construction work. We cannot make any construction work without using either of them. Therefore, it can be said that cement and steel are allied and cognate goods.

45. Sec.29 of the Trademarks Act, 1999 reads as under:

“Section 29 : Infringement of registered trade marks (1) *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 is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.*

(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.

(3) In any case falling under clause(c) of sub-section (2), the court shall presume that it is likely to cause confusion on the part of the public.

(4) 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--

(a) is identical with or similar to the registered trade mark; and

(b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and

(c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

(5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

(6) For the purposes of this section, a person uses a registered mark, if, in particular, he--

(a) affixes it to goods or the packaging thereof;

(b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark;

(c) imports or exports goods under the mark;
or

(d) uses the registered trade mark on business papers or in advertising.

(7) A registered trade mark is infringed by a person who applies such registered trade mark to a material intended to be used for labeling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee.

(8) A registered trade mark is infringed by any advertising of that trade mark if such advertising--

(a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or

(b) is detrimental to its distinctive character;
or

(c) is against the reputation of the trade mark.

(9) Where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly.

46. Hon'ble Supreme Court has held in the Timken Company case as under:

“8.4. In order to prove the case for infringement of trade mark, only the marks are to be compared by the Court. Where two marks are identical, it is not necessary for the plaintiff to prove further that the use of defendants mark is likely to deceive or cause confusion as the registration shows the title of the registered proprietor and the things speaks for themselves. No further proof is necessary, if the defendants mark is closely, visually and phonetically similar. It is not necessary for the plaintiff to adduce evidence of actual deception in order to prove the case of infringement.

8.5. There is a rebuttable presumption in favour of the plaintiff under Section 114 of the Indian Evidence Act that the defendant was aware of the plaintiffs trade mark at the time of adoption in 1989. The defense set up by the defendant that the defendant was not even aware about the plaintiffs name, trade mark and registration in 1989, When the defendant adopted the plaintiffs trade mark “Timken” is unbelievable. The plaintiff has placed sufficient material on record to show hat the plaintiff was a well-known mark as back as in 1989 when the defendant adopted the same. The defendants knowledge of the plaintiffs trade mark and copyright can be inferred from the fact that the defendant not only adopted the same name but also adopted similar art work, font and colour as that of the plaintiff, which could not have been possible unless the defendant had knowledge and

it chose deliberately to infringe the plaintiffs rights. If the defendant was aware of the plaintiffs trade mark and copyright in 1989, and the defendant willfully chose to infringe the plaintiffs right, the defendant is liable to be restraining from using the plaintiffs trade mark and copyright. The whole object of the Trade Mark Act and the Copyright Act is to stop the infringement of the trade mark and copyright”.

“8.26. The plaintiffs and defendants goods/services are similar inasmuch as the plaintiff offers its goods and services pertaining to heavy diesel engine as well as power transmission whereas defendants products also relate to power transmission and generation and therefore, likelihood of confusion is extremely high. Even otherwise, the remedy of passing off protects goodwill and reputation to a trade mark and name and it is not necessary to be in the same field or in the direct competition with each other”.

“8.33 . The plaintiffs and defendants goods/services are similar inasmuch as the plaintiff offers its goods and services pertaining to heavy diesel engine as well as power transmission whereas defendants products also relate to power transmission and generation and therefore, the plaintiff is entitled to protection under Section 29(2) and (3) of the Trade Mark Act. However, even if the goods and services of the plaintiff and defendant are taken to be not similar as contended by the defendant, the plaintiff is entitled to protection under Section 29(4) of the Trade Mark Act as the plaintiff has reputation in India, use of the infringing trade mark by the defendant is without any justification, the

defendant has taken unfair advantage and is detrimental to the distinctive character as well as repute of the plaintiffs registered trade mark”.

The above principles are aptly applicable to the facts of this case. If we consider the goods of the plaintiff and defendant as similar, then use of mark 'ACC' by the defendant is prima facie infringement of the registered trademark of the plaintiff U/s 29(2) of the Act. If the goods are considered as dissimilar, then also use of mark 'ACC' by the defendant is prima facie infringement of the registered trademark of the plaintiff U/s 29(4) of the Act.

47. In Abbott Healthcare case mentioned supra, it is held that a suit for infringement of trademark against a registered proprietor is maintainable. In FDC Limited case, Ceat Tyres case and Corn Products Refining Co., case, it is laid down that a suit for infringement would lie against dissimilar goods. In Mahendra & Mahendra case and Timken Company case, it is held that passing off action may be for different goods. Moreover, the registration of the trademark of the defendant is stayed by IPAB. Hence, contentions raised by the defendant in that regard are liable to be rejected.

48. It is argued on behalf of the defendant that the trademark of the defendant is different and distinct. The trademark of the defendant contains words 'TMT 500' with a picture of weightlifter in the background along with letters 'ACC'. But, the letters 'ACC' are prominent in the trademark of the defendant which are identical and similar to the trademark of the plaintiff. In Mangalore R.K. Beedies case, Lifestyle Equities case, Cadila Healthcare Ltd., case, Parle Products Ltd., case, M/s South India Beverages Pvt. Ltd., case and in ITC Limited case, the principle laid down is that both marks shall be compared as a whole and not in isolation. Essential feature of the defendant's trademark is 'ACC' which is the trademark of the plaintiff who is using the same since 1962. Even if it is considered from the date of registration, the plaintiff is the prior user of the trademark 'ACC' and his right to use the same prevails over the right of the defendant.

49. The defendant has contended that his business is spread all over India, that he has dealers and distributors for their steel products, that he has huge turnover in terms of sales and he is incurring huge expenditure for advertisement, that he has established his business with large number of

employees. It appears from the advertisement of the defendant that the defendant is trying to influence the consumers to believe that his product is from the plaintiff and is same quality as that of the plaintiff's goods. This can be gathered from the description published in Facebook page. Therefore, turnover, quality of goods, strength of staff, quantum of amount spent for advertisement are no grounds to believe that the defendant has established his business on his own efforts and strength without using the name and fame of the plaintiff.

50. The name of the plaintiff is not mentioned in the list of well known trademarks with the Registrar of Trademarks in India. Trademark of the plaintiff is not declared as well-known trademark in any legal proceedings in the court of law. But, looking to the definition of 'well-known trademark' in Sec.2(1)(zg) of the Act, it can be said that use of trademark 'ACC' to a goods would be taken by public as connection between the plaintiff and the said goods. Thus, prima facie the trademark of the plaintiff is a well-known trademark.

51. It is the further contention of the defendant that copyright registration has no role in trademark registration and it does not serve any purpose. The documents produced by the plaintiff indicate that the plaintiff has obtained registration of copyright as to artistic work in the word 'ACC'. In Societe Des Produits Nestle S.A. case, it is held that copyright also plays a significant role in trademark infringement. It was a case of Kit Kat Vs Ket Ket/ Kit Ket. A particular style was used in the logo. In this case also, the letters in the trademark of the plaintiff are written in a particular style with specific colour combination. The defendant has copied the same. Even letter 'A' in the trademark of the defendant is titled to the right side in the same manner as the letter 'A' in the trademark of the plaintiff. Thus, there is prima facie infringement of copyright of artistic work in 'ACC' logo/ mark.

52. The learned senior counsel for the defendant has argued that the plaintiff should have filed the suit first seeking appropriate relief before filing the Rectification Petition on 23-07-2020 before IPAB, that as per Sec.124 of the Act, the plaintiff should have moved an application and established a prima facie case on their stand of invalidity and

obtained the leave of the court before filing the Rectification Petition. He has relied upon ruling in Patel Field Marshal Agencies case and argued that prior permission from the court is mandatory when the suit is pending.

53. Section 124 of the Act reads as under:

Section 124: Stay of proceedings where the validity of registration of the trade mark is questioned, etc.

1) Where in any suit for infringement of a trade mark-

(a) the defendant pleads that registration of the plaintiff's trade mark is invalid; or

(b) the defendant raises a defence under clause(e) of sub-section(2) of section 30 and the plaintiff pleads the invalidity of registration of the defendant's trade mark,

the court trying the suit (hereinafter referred to as the court), shall,--

(i) if any proceedings for rectification of the register in relation to the plaintiff's or defendant's trade mark are pending before the Registrar or the Appellate Board, stay the suit pending the final disposal of such proceedings;

(ii) if no such proceedings are pending and the court is satisfied that the plea regarding the invalidity of the registration of the plaintiff's or defendant's trade mark is prima facie tenable, raise an issue regarding the same and adjourn the case for a period of three months from the date of the framing of the issue in order to enable

the party concerned to apply to the Appellate Board for rectification of the register.

(2) If the party concerned proves to the court that he has made any such application as is referred to in clause(b)(ii)of sub-section(1)within the time specified therein or within such extended time as the court may for sufficient cause allow, the trial of the suit shall stand stayed until the final disposal of the rectification proceedings.

(3) If no such application as aforesaid has been made within the time so specified or within such extended time as the court may allow, the issue as to the validity of the registration of the trade mark concerned shall be deemed to have been abandoned and the court shall proceed with the suit in regard to the other issues in the case.

(4) The final order made in any rectification proceedings referred to in sub-section(1) or sub-section(2) shall be binding upon the parties and the court shall dispose of the suit conformably to such order in so far as it relates to the issue as to the validity of the registration of the trade mark.

(5) The stay of a suit for the infringement of a trade mark under this section shall not preclude the court from making any interlocutory order (including any order granting an injunction, directing account to be kept, appointing a receiver or attaching any property), during the period of the stay of the suit.

54. Hon'ble Supreme Court has held as under in Patel Field Marshal Agencies case:

“28. In cases where in a suit for infringement of a registered trade mark the validity of the registrations of the trade mark is questioned either by the plaintiff or by the defendant, Section 107 of the 1958 Act provides that an application for rectification shall be made to the High Court and not to the Registrar notwithstanding the provisions contained in Section 46 or Section 56 of the 1958 Act. This would seem to suggest that in such cases (where a suit for infringement is pending) the legislative scheme is somewhat different.”

31. Rather, from the resume of the provisions of the 1958 Act made above, it becomes clear that all questions with regard to the validity of a trade mark is required to be decided by the Registrar or the High Court under the 1958 Act or by the Registrar or the IPAB under the 1999 Act and not by the civil court. The civil court, in fact, is not empowered by the Act to decide the said question. Furthermore, the Act mandates that the decisions rendered by the prescribed statutory authority [Registrar/High Court (now IPAB)] will bind the civil court. At the same time, the prescribed statutory authority will be the sole authority to deal with the matter. However, in a situation where a suit is pending (whether instituted before or after the filing of a rectification application) the exercise of jurisdiction by the prescribed statutory authority is contingent on a finding of the civil

court as regards the prima-facie tenability of the plea of invalidity.”

“33. The 1958 Act clearly visualises that though in both situations i.e., where no suit for infringement is pending at the time of filing of the application for rectification or such a suit has come to be instituted subsequent to the application for rectification, it is the Registrar or the High Court which constitutes the tribunal to determine the question of invalidity, the procedure contemplated by the statute to govern the exercise of jurisdiction to rectify is, however, different in the two situations enumerated. Such difference has already been noted.”

On perusal of the same, it can be said that there is no mandate of the law or of the Authority as to filing of the suit first and then filing of the Rectification Petition after obtaining permission. The provision speaks about both situation i.e., before filing of the suit and during the pendency of the suit. Hence, arguments of the counsel for the defendant holds no water.

55. It is further contended by the defendant that the plaintiff was aware of the registration of his company and trademark as the records are available in public domain and are easily accessible. The plaintiff has pleaded that he came

across advertisements of the defendant in May 2020 and then he made thorough investigation and collected documents. The plaintiff has filed Rectification Petition before IPAB on 23-07-2020 and filed the present suit on 06-10-2020. The plaintiff has filed the suit within 5 months from the date of cause of action. Thus, there was no delay in initiating action by the plaintiff.

56. It is further contended that the plaintiff has not renewed his trademarks in Class 6 and he is not dealing with products in Class 6 and as such the plaintiff has waived off his rights in the year 2013 and is trying to revive his rights after long gap of 7 years by filing Rectification Petition before IPAB and the present suit, that the act of the plaintiff would amount to estoppel. It is to be noted that there is no dispute that the plaintiff has not renewed his trademarks in Class 6 after 2013 and he is not dealing with the goods falling in Class 6, but he is continuously using the trademark 'ACC' for his goods and services in Class 19 and acquired goodwill and reputation in the market. The defendant cannot take advantage of the situation and use the trademark identical or deceptively similar to that of the plaintiff to pass off his goods and services that too when the plaintiff is still using his

trademark. Therefore, rule of estoppel has no application in this case.

57. It is argued for the defendant that grant of injunction will curtail the statutory right of the defendant who is the registered proprietor of the trademark which is still valid as long as it is not removed and any injunction against registered proprietor will be against law and violation of legal right. It is to be noted that the registration of the defendant's trademark is stayed by IPAB. Prima facie the defendant has adopted the registered trademark of the plaintiff as his trademark and trade name by making some additions. Thus, the trademark of the defendant is identical or deceptively similar to that of the plaintiff. It is already opined above that the defendant was not bonafide in adopting the registered trademark of the plaintiff as part of his trademark. Since, the registration of trademark of the defendant is stayed, the defendant has no valid trademark as of now, but he is using the trademark for his goods and services and advertising/ giving wide publicity to his products under the said trademark as can be seen from Facebook page. This act of the defendant is prima facie infringement of trademark of the plaintiff.

58. The plaintiff's trademark is in Class 19, whereas that of the defendant is in Class 6. The trademarks of the plaintiff in Class 6 are not renewed, but that itself does not give any right to the defendant or any other person to use the trademark of the plaintiff for his products. The letters in the trademark of the plaintiff are only English alphabets, but continuous use of the same in a specific manner has created distinct identity to the said letters. Use of letters ACC appears to have become synonymous with the plaintiff and his goods. Since, the goods of the plaintiff and the defendant are in different Class, the act of the defendant in adopting the trademark of the plaintiff as part of his trademark and trade name, marketing his goods in the colour combination, get up and trade dress of the goods of the plaintiff is prima facie passing off his goods as that of the plaintiff. It is held in Laxmikant V. Patel case mentioned above that elements of passing off action are (i) reputation of goods, (ii) possibility of deception and (iii) likelihood of damages to the plaintiff. It is further held that principles applicable for passing off action in case of trademark apply also to trade or business name and it is not necessary to prove the actual damage, but it is sufficient to show likelihood of damage. In this case, the defendant prima facie uses trademark of the plaintiff as his

trade mark and also as his trade name. The materials before the court go to show that the plaintiff has acquired goodwill and reputation in the market. The way in which the defendant has adopted the trademark and the manner in which he is describing himself on Facebook page indicate about possibility of deception by the defendant. The use of impugned mark with same colour combination, font style, get up and trade dress as that of the plaintiff appears to be an attempt by the defendant to misrepresent himself as the plaintiff or as his associate. The cement and steel are allied and cognate goods which are being sold under one roof and nearby. The trademark of the defendant is such that there is likelihood of creating confusion in the mind of consumers and even in the mind of members of construction sector. E-mail of one Mr. Ragesh to the executive of the plaintiff indicates creation of confusion in the mind of public due to the use of mark 'ACC' to his products by the defendant. The consumers may be misled to believe an association of the defendant with the plaintiff. In such event, there is likelihood of damages to the reputation and goodwill of the plaintiff.

59. The trademark of the defendant is structurally, visually and phonetically identical with that of the plaintiff.

The act of the defendant constitutes a prima facie case of infringement of trademark, of passing off and infringement of copyright. Principles governing grant of injunction in case of infringement and passing as laid down in Sathyam Infoway Ltd., case, Wander Ltd., case and Midas Hygiene Industries (P) Ltd., case are applicable to the facts of this case. Therefore, I am of the opinion that the plaintiff has made out a prima facie case of infringement of his registered trademark and copyright and passing off by the defendant. The defendant's registration in respect of impugned trademark is stayed by the IPAB. His applications as to registration of other trademarks are pending as opposed. His impugned mark is likely to create confusion in mind of consumer and public. E-mail of Mr. Ragesh indicates such confusion. Hence, balance of convenience lies in favour of the plaintiff and against the defendant. If the I.As. are not allowed and the defendant is permitted to use the mark 'ACC' to his goods and services, the plaintiff will be put to irreparable loss which cannot be compensated in terms of money. The defendant gets undue advantage of the goodwill and reputation of the plaintiff to have wrongful gain. On the contrary and even if the I.As. are allowed, the defendant can carry on his business by adopting a different trade name and trademark to market

his goods and services. If he succeeds in the suit, he can continue the use of impugned mark. His goods are not perishable or fragile goods. Hence, he can make use of his present stock later or sell it by using different mark. Thus, the defendant will not be put to any loss or hardship if I.As. are allowed. The rulings relied by the defendant are not helpful to establish his defence at this stage. On the other hand, the rulings cited by the plaintiff are applicable to the facts and circumstances of the case. Under the circumstances, I conclude that the plaintiff is entitled for reliefs as prayed in the I.As. and answer the points in affirmative.

60. POINT NO.4: In view of above discussion and findings, I proceed to pass the following:

ORDER

I.A. Nos.I to III under Order XXXIX Rules 1 and 2 read with Sections 94 and 151 of Code of Civil Procedure filed by the plaintiff are hereby allowed with cost of Rs.5,000/- each.

The defendant and his managers, employees, family, agents, etc., acting or claiming

under or through or on his behalf are hereby restrained by an order of temporary injunction from using upon or in relation to its business and products/ services including as part of its trading style/ company name, the mark ACC, ACC TMT 500 or any other mark similar and/or deceptively similar to the plaintiff's marks 'ACC' in any manner whatsoever, amounting to infringement of plaintiff's registered trademarks ACC till disposal of the suit.

The defendant and his managers, employees, family, agents, etc., acting or claiming under or through or on his behalf are hereby restrained by an order of temporary injunction from using upon or in relation to its business and products/ services including as part of its trading style/ company name, the mark ACC, ACC TMT 500 or any other mark similar and/or deceptively similar to the plaintiff's marks 'ACC' in any manner whatsoever, amounting to infringement of his registered copyright in logo ACC till disposal of the suit.

The defendant and his managers, employees, family, agents, etc., acting or claiming under or through or on his behalf are hereby restrained by an order of temporary injunction from using upon or in relation to its business and products/ services including as part of its trading style/ company name, the mark ACC, ACC TMT 500 or any other mark similar and/or deceptively similar to the plaintiff's marks 'ACC' in any manner whatsoever, amounting to passing off his goods and services as those of the plaintiff till disposal of the suit.

Ex-parte order of T.I. granted in favour of the plaintiff is made absolute.

(Dictated to the Judgment Writer, transcribed by her, corrected by me and then pronounced in the open Court on this 14th day of January, 2022)

(BASAVARAJ CHENGTI)
X Additional District Judge,
Bengaluru Rural District,
Bengaluru.