

Order below exhibit-5

- (1) This is an application filed by the Plaintiff under Order-39 Rule-1 & 2 read with Section-151 of the Code of Civil Procedure, 1908 for seeking temporary injunction restraining defendants from using trading style KANAIYA CREATION and mark KANAIYA had trading style KANAIYA READYMADE STORES until final disposal of this suit.
- (2) The notice was issued by the Court and it was duly served to the defendant. The plaintiff has submitted document vide mark- 3/1 to 3/13. The defendant has submitted his written reply against the present application vide Exh. 13 and submitted document vide Exh. 20/1 to 20/20 and 31/1 to 31/19. The plaintiff has submitted re-joinder against such reply vide Exh. 15.

Submission on behalf of plaintiff.

- (3) Heard the Ld. Advocate for the plaintiffs have submitted written argument vide Exh. 38 wherein he has argued that the plaintiffs has adopted style and trade mark KANAIYA READYMADE STORES for their business and also uses KANAIYA READYMADE trademark since 1973-1974. He further argued that the defendant is using deceptive similar style and business name KANAIYA CREATION in Surat for identical business and thereby defendant has committed passing off of the plaintiff's trade name and style. He further contended that there is, prima facie, case

in favour of the plaintiff against defendants and the balance of convenience is also in his favour. He further contended the plaintiff would suffer irreparable loss if the injunction would not be granted in favour of plaintiff. Hence prayed for temporary injunction.

Submission on behalf of defendants.

(4) The Ld. Advocate for the defendant has submitted written argument vide Exh. 39 wherein it is argued that the KANAIYA constituted jointly owned business mark of the Sumani Family and Mr. Kanaiyalal and Mr. Ghanshyamdas had adopted Mark of KANAIYA from the name of Kanaiyalal Sumani since 2000. The defendant is the wife of Mr. Ghanshyamdas who entered into a license user agreement on 16.04.2009 with Kanaiyalal of its sister concern M/s. Kanaiya Fashion to use trademark Kanaiya and she also entered into another license agreement on 18.04.2010 with Kanaiya to use registered trade mark and thereby the defendant is bonafide and permitted user of the trademark KANAIYA. He further submitted that the plaintiff has failed to prove prima-facie case in their favour and balance of convenience and irreparable injury are in favour of defendant. He further submitted that the plaintiff has filed present suit in the year 2021 and have not actively pursued the said case till now. So no injunction should be granted to the plaintiff.

Principles governing grant of temporary injunction

(5) This is an application for temporary injunction and there are three basic principles for granting or refusing to grant

temporary injunction i.e. prima facie case in favour of the party seeking injunction, balance of convenience in favour of such person and last there must be a irreparable loss which are likely to be caused to party if injunction is not granted to such person. And an injunction being an equitable remedy is always at the discretion of the court. However, such discretion must be based on sound judicial principles and guided by rules of Equity and the peculiar facts and circumstances of the case. Apart from three basic principles, the court is also required to see the conduct of party seeking equitable relief of temporary injunction since the granting of injunction is an equitable relief and is drastic or serious order. There are two basic maxims of equity which are important to be considered at the time of deciding injunction application which are “He who seeks equity must do equity” and “He comes to equity must come with clean hand”.

(6) The Hon'ble Supreme Court in the case of Pernod Ricard India Private Limited And Another Versus Karanveer Singh Chhabra reported in 2025 (0) INSC 981 has held as under;

(F) LEGAL PRINCIPLES GOVERNING GRANT OF INJUNCTION

36. The Trade Marks Act, 1999 does not prescribe any rigid or exhaustive criteria for determining whether a mark is likely to deceive or cause confusion. Each case must necessarily be decided on its own facts and circumstances, with judicial precedents serving to illuminate the applicable tests and guiding principles rather than to dictate outcomes.

36.1. As a general rule, a proprietor whose statutory or common law rights are infringed is entitled to seek an injunction to restrain further unlawful use. However, this remedy is not absolute. The considerations governing the grant of injunctions in trademark infringement actions broadly apply to passing off claims as well. That said, a fundamental distinction remains: while a registered proprietor may, upon proving infringement, seek to restrain all use of the infringing mark, a passing off action does not by itself confer an exclusive right. In appropriate cases, the court may mould relief in passing off so as to permit continued use by the defendant, provided it does not result in misrepresentation or deception.

36.2. The grant of injunction - whether for infringement or passing off - is ultimately governed by equitable principles and is subject to the general framework applicable to proprietary rights. Where actual infringement is established, that alone may justify injunctive relief; a plaintiff is not expected to wait for further acts of defiance. As judicially observed, “*the life of a trademark depends upon the promptitude with which it is vindicated.*”

36.3. The principles laid down in *American Cyanamid Co. v. Ethicon Ltd.* continue to guide the Courts while determining interim injunction applications in trademark cases. The following criteria are generally applied:

- (i) Serious question to be tried/triable issue: The plaintiff must show a genuine and substantial question fit for trial. It is not necessary to establish a likelihood of success at this stage, but the claim must be more than frivolous, vexatious or speculative.
- (ii) Likelihood of confusion/deception: Although a detailed analysis of merits is not warranted at the interlocutory stage, courts may assess the prima facie

strength of the case and the probability of consumer confusion or deception. Where the likelihood of confusion is weak or speculative, interim relief may be declined at the threshold.

(iii) Balance of convenience: The court must weigh the inconvenience or harm that may result to either party from the grant or refusal of injunction. If the refusal would likely result in irreparable harm to the plaintiff's goodwill or mislead consumers, the balance of convenience may favor granting the injunction.

(iv) Irreparable harm: Where the use of the impugned mark by the defendant may lead to dilution of the plaintiff's brand identity, loss of consumer goodwill, or deception of the public - harms which are inherently difficult to quantify - the remedy of damages may be inadequate. In such cases, irreparable harm is presumed.

(v) Public interest: In matters involving public health, safety, or widely consumed goods, courts may consider whether the public interest warrants injunctive relief to prevent confusion or deception in the marketplace.

36.4. In conclusion, the grant of an interim injunction in trademark matters requires the court to consider multiple interrelated factors: *prima facie* case, likelihood of confusion, relative merits of the parties' claims, balance of convenience, risk of irreparable harm, and the public interest. These considerations operate cumulatively, and the absence of any one of these may be sufficient to decline interim relief.

Analysis

(7) Looking to the materials on record, it appears that the plaintiff has filed present suit for passing off action against the defendant and restraining them from using trading style

KANAIYA CREATION and mark KANAIYA and KANAIYA READYMADE STORES.

(8) The Hon'ble Supreme Court in the case of "Heinz Italia v. Dabur India Ltd.," reported in (2007) 6 SCC 1 has held as under:

15. We have also considered the arguments with regard to the prior user of the trade mark "Glucon-D" and the specific packaging. It is the admitted case that the term "Glucose-D" has been used by the respondent from the year 1989 and that the packaging which is the subject-matter of dispute in the present suit has been in use from the year 2000. In *Century Traders* [AIR 1978 Del 250] it has been held that in an action for passing off, the plaintiff has to establish prior user to secure an injunction and that the registration of the mark or similar mark in point of time, is irrelevant. This Court in *Cadila Health Care case* [(2001) 5 SCC 73 : 2001 PTC 300] also laid down the tests in the case of passing off and observed as under: (SCC p. 80, para 10)

"In other words in the case of unregistered trade marks, a passing-off action is maintainable. The passing-off action depends upon the principle that nobody has a right to represent his goods as the goods of somebody. In other words a man is not to sell his goods or services under the pretence that they are those of another person. As per Lord Diplock in *Erven Warnink BV v. J. Townend & Sons* [1979 AC 731 : (1979) 3 WLR 68 : (1979) 2 All ER 927] the modern tort of passing off has five elements i.e. (1) a misrepresentation, (2) made by a trader in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him, (4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence), and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a quia timet action)

will probably do so.”

16. Likewise, it has been repeatedly held that before the use of a particular mark can be appropriated **it is for the plaintiff to prove that the product that he is representing had earned a reputation in the market and that this reputation had been sought to be violated by the opposite party.** In *Corn Products case* [AIR 1960 SC 142] it was observed that the principle of similarity could not to be very rigidly applied and that if it could be prima facie shown that there was a dishonest intention on the part of the defendant in passing off goods, an injunction should ordinarily follow and the mere delay in bringing the matter to court was not a ground to defeat the case of the plaintiff. It bears reiteration that the word “Glucon-D” and its packaging had been used by Glaxo since 1940 whereas the word “Glucose-D” had been used for the first time in the year 1989.

17. In *Cadila Health Care case* [(2001) 5 SCC 73 : 2001 PTC 300] it has also been held that in the case of a passing-off action the similarities rather than the dissimilarities have to be taken note of by the court and the principle of phonetic “similarity” cannot be ignored and the test is as to whether a particular mark has obtained acceptability in the market so as to confuse a buyer as to the nature of product he was purchasing. We observe that both Glucon-D and Glucose-D are items containing glucose and to us it appears that there is remarkable phonetic similarity in these two words.

(9) A perusal of both trade name and style of the plaintiff and defendant shows that there is no similarity between the two trade name. The plaintiff has been using trading style KANAIYA CREATION and mark KANAIYA and trading style KANAIYA READYMADE STORES whereas the defendant has been using name of KANAIYA FASHION

and KANAIYA CREATION and the word Kanaiya is common for both the parties. In the case of Pernod Ricard (supra) the issue was with respect to word PRIDE whereas in the present case issue is with respect to KANAIYA. The Hon'ble Supreme Court refused to grant temporary injunction in favour of the BLENDERS PRIDE against the use of LONDON PRIDE which were dealing with common goods of liquor. It is also well-settled that in order to bring an action of passing off, there has to appear a deceptive similarity in broad consideration of both the labels and from the perusal of the labels, first impression should be that the label accused of passing off should be confused with the label alleging its infringement. So, broad similarity between the two labels should be considered and in the absence of the same, it cannot be assumed that the label of the defendants is deceptively similar to that of plaintiffs. The trade mark of defendant is prima facie not found capable of confusing in the mind of consumer that it is the product of the plaintiff which are being sold by the defendants.

(10) So in view of the aforesaid fact this Court is of the opinion that the plaintiff has failed to establish prima-facie case in the present case against the defendant. It is well-settled that in case of infringement of any intellectual properties, the appropriate remedy is the injunction restraining the defendants from committing infringement. However, in the absence of prima-facie case, no temporary injunction can be granted in favour of the plaintiff. The Ld.

Advocate for the plaintiff has relied on some of the authorities in support of his arguments which are; 1. S. Syed Mohideen vs. P. Sulochana Bai reported in 2016 (2) SCC 683, 2. Dhariwal Industries Ltd. vs. M.S.S. Foods Products reported in 2005 (3) SCC 63, (3) Satyam Infoway vs. Siffynet Solution Pvt. Ltd. reported in 2004 (6) SCC 145, 4. Laxmikant V. Patel vs. Chetanbhai Shah reported in 2002 (3) SCC 65 wherein the principles relating to passing off action and refusing to grant temporary injunction has been laid down. It is also observed and held that though passing off is an essence an action based on deceit, fraud is not a necessary element of a right of action and that the defendant's state of mind is wholly irrelevant to the existence of a cause of action for passing off, if, otherwise the defendant has imitated or adopted the plaintiff's mark.

(11) The Hon'ble Apex court in the case of "Kashi Math Samsthan v. Srimad Sudhindra Thirtha Swamy" reported in (2010) 1 SCC 689 has held as under;

16. It is well settled that in order to obtain an order of injunction, the party who seeks for grant of such injunction has to prove that he has made out a prima facie case to go for trial, the balance of convenience is also in his favour and he will suffer irreparable loss and injury if injunction is not granted. But it is equally well settled that when a party fails to prove prima facie case to go for trial, question of considering the balance of convenience or irreparable loss and injury to the party concerned would not be material at all, that is to say, if that party fails to prove prima facie case to go for trial, it is not open to the court to grant injunction in his favour even if,

