

JITENDRA SHANKAR NIJASURE Digitally signed by JITENDRA SHANKAR NIJASURE Date: 2025.11.13 18:05:40 +0530

IN THE HIGH COURT OF JUDICATURE AT BOMBAY ORDINARY ORIGINAL CIVIL JURISDICTION IN ITS COMMERCIAL DIVISION

INTERIM APPLICATION (L) NO.31555 OF 2024 IN

COMM IPR SUIT (L) NO.31230 OF 2024

The Indian Express (P) Ltd.

...Applicant /

Plaintiff

Versus

Express Publications (Madurai) Pvt. Ltd.

...Defendant

Mr. Darius Khambata, Senior Counsel, Mr. Arun Mohan, Dr. Abhinav Chandrachud, Mr. Pranit Kulkarni, Ms. Chanan Parwani, Ms. Tejasvi Ghag and Mr. Shivam Singh i/b. Ms. Poorvi Kamani, for the Applicant / Plaintiff.

Mr. Zal Andhyarujina, Senior Counsel, Ms. Revati Desai i/b. Mr. Deepak Chitnis for the Defendant.

CORAM: R.I. CHAGLA J.

Reserved on : 26TH JUNE, 2025.

Pronounced on: 13TH NOVEMBER, 2025

ORDER:-

1. By this Interim Application, the Applicant / Plaintiff has sought an Order of injunction restraining the Defendant from breaching, violating or acting contrary to the terms and conditions of the Memorandum of Settlement dated 5th February, 1995 recorded as a decree on 16th April, 1997 in C.S. Nos.1246 and 1247 of 1992

by the Madras High Court and the Supplemental Agreement dated 12th August, 2005 executed between the Plaintiff and Defendant. The Applicant has also sought an injunction restraining the Defendant from infringing and / or passing off or misrepresenting the Plaintiff's registered trademarks, by using the Plaintiff's trademarks or the title "The New Indian Express" for any purpose or event or program or business outside the specified states of Karnataka, Kerala, Tamil Nadu, Andhra Pradesh and Orissa and the Union Territories (UTs) of Pondicherry, Enam, Andaman Nicobar Islands and Lakshadweep islands as specified under the Memorandum of Settlement dated 5th February, 1995 recorded as a decree on 16th April, 1997 in C.S. Nos.1246 and 1247 of 1992 by the Madras High Court and the Supplemental Agreement dated 12th August, 2005 executed between the Plaintiff and Defendant or in any other manner likely to cause confusion, deception or mistake among the public.

- 2. The brief background of facts is as under:-
 - (i) Shri Ramnath Goenka was the founder of the Indian Express Group. All the newspapers were held by a holding company called Nariman Point Building Services & Trading Pvt.

Ltd. ("NPBS"). Ramnath Goenka divided NPBS shareholding between his two grand sons Vivek Goenka, son of Krishna Khaitan, and Manoj Kumar Sonthalia, son of Radhadevi Sonthalia. NPBS shareholding comprised of 25,000 equity shares of which Vivek Goenka was given 15,680 shares (62.72%) and Manoj Kumar Sonthalia was given 9280 shares (37.12%). Additionally, Manoj Kumar Sonthalia's mother Radhadevi Sonthalia held 40 shares (0.16%).

- (ii) In 1990, Ramnath Goenka adopted Vivek Goenka as his son. The adoption deed was registered and eminent personalities were witnesses.
- (iii) Sometime in 1990, Manoj Kumar Sonthalia had a disagreement with Ramnath Goenka over the NPBS shares given to him. Ramnath Goenka demanded that the shares be returned. Manoj Kumar Sonthalia returned the shares with a covering letter. It is pertinent to note that in January, 1991, in a board meeting, the shares were transferred back to Ramnath Goenka.
 - (iv) On 5th October, 1991, Ramnath Goenka died intestate.

- (v) In September, 1992, Manoj Kumar Sonthalia filed Civil Suit Nos.1246 and 1247 of 1992 in the Madras High Court. The principal prayer in Civil Suit No.1246 of 1992 was that the shares of NPBS which Manoj Kumar Sonthalia returned to Ramnath Goenka were never transferred back to Ramnath Goenka and the board meeting dated 5th January, 1991 was purportedly illegal, null and void and subsequent EGM dated 23rd January, 1991 at which the shares were transferred were purportedly illegal and void.
- (vi) In February, 1995, Vivek Goenka and Manoj Kumar Sonthalia, along with the companies entered into a Memorandum of Settlement ("MoS") dated 5th February, 1995 to settle disputes in the aforesaid Civil Suits. It is pertinent to note that in the MoS, Manoj Kumar Sonthalia and his mother Radhadevi accepted and confirmed that Vivek Goenka was lawfully adopted by Ramnath Goenka as his son. The 9280 shares in NPBS were transferred to Manoj Kumar Sonthalia and thereafter transferred back to Vivek Goenka. The 40 shares held by Manoj Kumar Sonthalia's mother were also transferred back to Vivek Goenka. The MoS was signed by Indian Express Group ("IEG") consisting of Vivek Goenka,

Nariman Point Building Services & Trading Pvt. Ltd., (NPBS) and Indian Express Newspapers (Bombay) Ltd. ("IENB"), the Plaintiff on one side, and the other group consisting of Radhadevi Sonthalia, Manoj Kumar Sonthalia, Indian Express (Madurai) Ltd. ("IEM"), the Defendant on the other side. IENB was a subsidiary of NPBS and IEM was a subsidiary of IENB.

- (vii) IEM came to be controlled and owned by Manoj Kumar Sonthalia only post the MoS dated 5th February, 1995 and Manoj Kumar Sonthalia has no control in NPBS (which holds IENB) and which is completely owned and controlled by Vivek Goenka.
- (viii) The MoS was decreed by an Order dated 16th April, 1997 passed by the Madras High Court in CS Nos.1246 and 1247 of 1992.
- (ix) The Supplemental Agreement dated 12th August, 2005 was entered into between the parties and vide Order dated 16th September, 2005, the Madras High Court took on record the Supplemental MoS dated 12th August, 2005.
 - (x) Trademark Registration was obtained by the Defendant

ial-31555-2024.odt

for "The New Indian Express (Label)" on 24th September, 2005.

- (xi) A Suit was filed by the Plaintiff in the Delhi High Court inter alia seeking to restraint the Defendant from carrying out any reference to the term "New Indian Express" in the Defendant's Sunday Standard Publication in Delhi.
- (xii) An order was passed by the Delhi High Court on 10th October, 2011 refusing to grant any interim relief to the Plaintiff.
- (xiii) The Delhi High Court vide Order dated 6th May, 2015, dismissed the Suit filed by the Plaintiff on account of non-prosecution.
- (xiv) An Order came to be passed by the IPAB on 18th June, 2015 in the rectification proceedings filed by the Plaintiff against the registration of the Defendant's trade mark, inter alia directing Registrar of Trademark, Chennai to restrict the use of the Defendant's trademark to the specified southern states and Union Territories (UTs).
- (xv) The Plaintiff learnt that the Defendant is conducting an event in Mumbai called "The New Indian Express Mumbai

Dialogues" on 20th September, 2024. The said event was organised by the Defendant in Mumbai on 21st September, 2024.

(xvi) The present Suit was filed by the Plaintiff in this Court on 9th October, 2024 and the present Interim Application was taken out in the Suit.

- 3. Mr. Darius Khambata, the learned Senior Counsel appearing for the Applicant / Plaintiff has submitted that the settlement between the Plaintiff and Defendant vide MoS dated 5th February, 1995 and the Supplemental MoS dated 12th August, 2005 was not an equal division or equal partition of assets. The Plaintiff merely granted permitted user to the Defendant and Manoj Kumar Sonthalia Group of a derivative "New Indian Express" of the title "Indian Express". Absolute and total control of the title and mark "Indian Express" was retained by the Plaintiff, including its entire goodwill and reputation. He has submitted that the title "New Indian Express" was not a new mark created by the MoS. It was merely a derivative of the mark "Indian Express".
- 4. Mr. Khambata has referred to clauses in the MoS and Supplemental MoS to contend that the title "Indian Express"

absolutely vests in the Plaintiff in respect of the whole of India (Clauses 17 and 18 of the MoS). The title includes not only all rights in respect of all publications of an English language newspaper under the name "Indian Express" but also in relation to any use whatsoever whether in relation to print media, electronic media or any other medium whatsoever (Clause 18(ii) of the MoS). Further, the Plaintiff's rights and ownership is unlimited in point of territory or time (Clause 18(iii) of the MoS).

5. Mr. Khambata has submitted that the Defendant is permitted to use the title "New Indian Express" only on the condition that it can be used in the states of Tamil Nadu, Kerala, Karnataka, Andhra Pradesh and Orissa and the UTs of Pondicherry, Ennore, Andaman and Nicobar Islands and Lakshadweep islands (Clause 18 of the MoS) for the publication of an English language daily newspaper (Clause 18(iv) of the MoS). The Defendant is also permitted to publish any newspaper or periodical in any Indian language in the aforementioned five southern states and UTs, using the word "Express" (without any association with the word "Indian" or any derivative of the word "Indian") to publish a newspaper or periodical in an Indian language which is not in any manner

whatsoever in competition with an existing publication of the Plaintiff (Clause 7 of the Supplemental MoS). The Defendant is also permitted to use its title "The New Indian Express" or any of its derivatives / abbreviations on the internet for dissemination of news (Clause 8 of the Supplemental MoS). The Defendant is permitted to use the expression "New" along with the expression "Indian Express" in the manner they deem fit subject to the word "New" being legible to the naked eye. (Clause 9 of the Supplemental MoS).

- 6. Mr. Khambata has submitted that there are negative covenants i.e. restrictions / conditions of permitted use in the MoS and Supplemental MoS. The Defendant is permitted to use the expression "New Indian Express" only for the publication of an English language daily newspaper in the specified five states and UTs (Clause 18(iv) of the MoS) and; dissemination of news on the internet (Clause 8 of the Supplemental MoS). The Defendant is not permitted to use the expression "New Indian Express" for any other purpose or any other area or territory for any use whatsoever. (Clause 18(iv) of the MoS).
- 7. Mr. Khambata has submitted that the negative covenants

therefore create restrictions on the metes and bounds of permitted use even within the specified five states and UTs itself, and impose an absolute restriction outside of this area. It is, therefore, clear that the Defendant cannot conduct events using the expression "New Indian Express" even within the specified five states and UTs and has no permission whatsoever for any manner of use, including for events, outside of this area. Further, the Defendant does not have the right to use the title "The New Indian Express" for television or Radio. The Defendant shall not have any right, title or interest in respect of the title "Indian Express" and shall not use the title "Indian Express" at anytime, anywhere (Clauses 18 and 19 of the MoS). The Defendant shall not at any time whatsoever directly or indirectly use or adopt any of the said titles in any way whatsoever or any title similar or resembling thereto save and except what is specifically permitted under the MoS and Supplemental MoS (Clause 17 of the MoS).

8. Mr. Khambata has submitted that a total of Rs.61 Crores was paid by the Plaintiff to the Defendant for the forbearance (Clause 22 of the MoS and Clause 12 of the Supplemental MoS), the sufficiency of which is mutually acknowledged.

- 9. Mr. Khambata has submitted that the MoS was carefully structured to ensure that the total and complete intellectual property rights of "Indian Express" vested absolutely in IENB i.e. the Plaintiff. The MoS proceeded on the basis that "Indian Express" was always meant to be owned and vested in IENB.
- 10. Mr. Khambata has submitted that vesting did not come as a result of the MoS. "Indian Express" was always vested in IENB, (which had been in use since 1932) which came to be registered as a trademark in favour of IENB on 23rd June, 1994, prior to the MoS. At no time was IEM the registered owner of the trademark "Indian Express". The Registration Certificate mentions that the mark had been used since 1st January, 1953.
- 11. Mr. Khambata has submitted that the MoS did not create two separate titles, it only gave the Defendant a limited permitted user of the phrase "Indian Express" in the form of "New Indian Express" for a limited purpose, within a limited territorial usage. The shareholding between the parties also proves that the MoS was not an equal partition of the business and Vivek Goenka always held a majority in the shareholding.

- 12. Mr. Khambata has submitted that both as per principles of interpretation of contract, more so given the fact that it is a decree of the Madras High Court, the plain meaning of the terms have to be given effect to. He has placed reliance upon the judgment of the Supreme Court in *Bangalore Electricity Supply Co. Ltd. Vs. E.S. Solar Power (P) Ltd.*, at paragraphs 16 and 17.
- 13. Mr. Khambata has submitted that any suggestion that some kind of purposive interpretation based on historical facts is untenable in law. That apart, the historical facts herein also bare out that there was no equal division of the business and that no independent right to use "New Indian Express" was conferred on the Defendant.
- 14. Mr. Khambata has submitted that the Plaintiff is the absolute proprietor of the title "Indian Express", "New Indian Express" / "The New Indian Express" is only a derivative of the mark Indian Express with the addition of the descriptive word "New". The dominant features of "New Indian Express" are "Indian Express". He has submitted that the Defendant has been given a limited, permitted use of the derivative mark, only for publication, in the five southern states and UTs and nothing more. By merely adding "New" to the

^{1 (2021) 6} SCC 718.

Plaintiff's registered mark, the Defendant cannot claim that their limited user includes absolute and unregistered user of the mark "New Indian Express" outside of the five southern states and UTs. Neither can it be contended that "New Indian Express" is a distinct mark which was created by virtue of the MoS. He has placed reliance upon the judgments of Delhi High Court in *M/s. Aviva Fiber Vs. M/s. Aviva Fibertech Pvt. Ltd.*² at paragraph 17 and of the Supreme Court in *Ruston and Hornsby Ltd. Vs. Zamindara Engineering Co.*³ at paragraphs 7, 8 and 9, in this context.

15. Mr. Khambata has submitted that the Defendant has claimed that the right to publication and circulation of the newspaper includes the purported right to advertise and promote his newspaper (even where there is no publication and circulation permitted) and that, the right to advertise is ancillary / incidental to the right to publication. He has submitted that even assuming that the Defendant's right to publication includes the right to advertise / promote, the ancillary right will have to be subject to the same restrictions as the primary right to publication. The Defendant cannot stretch the ambit of his right to advertise /promote (for publication)

^{2 2011} SCC OnLine Del 4541.

^{3 (1969) 2} SCC 727.

in a territory where it is restricted from publication. He has submitted that even otherwise, there is no commercial logic for the Defendant to advertise / promote its newspaper in a territory where it is not even permitted publication and circulation.

16. Mr. Khambata has submitted that the learned Senior Counsel for the Defendant gave an oral clarification before this Court during the hearing on 16th April, 2025 that the argument of the Defendant is not that its right to publish includes the right to promote but that it independently has a right to promote its publication outside the five southern states and UTs. He has submitted that the Defendant's interpretation is plainly contrary to the express provisions of the MoS and the Supplemental MoS. He has submitted that Clause 18 (ii) of the MoS draws a clear distinction by referring to the rights of publication and further "also in relation to any use whatsoever". Clause 18(iv) allows a permitted use of the expression "New Indian Express" "only for the publication of an English language daily newspaper in the specified five states and Union Territories". He has submitted that the language may be contrasted with the all pervasive language used in Clause 18(ii) which refers to the right of the Plaintiff as "that this title includes not only all rights in respect of all publications of an English language newspaper under the name "Indian Express" but also...."

- 17. Mr. Khambata has submitted that user granted in Clause 18(iv) is expressly curtailed by the words "and for no other purpose or any other area or territory for any use whatsoever".
- 18. Mr. Khambata has submitted that the MoS repeatedly reaffirms that the Plaintiff is the absolute owner of the title "Indian Express", and the same "vests absolutely in IENB" and that "IEM" shall not have the right, title or interest in respect thereof".
- 19. Mr. Khambata has submitted that by Clause 19 (iv) it is provided that the Defendant shall not "directly or indirectly use the title, IE or any of its derivatives or any title similar or resembling thereto at any time whatsoever". The only exception to this is "what is stated in Clause 19 (iii)". He has submitted that it is clear that user is limited to publication and does not extend to promotion of the publication or running of a business using the name "New Indian Express".
- 20. Mr. Khambata has submitted that the MoS and

Supplemental MoS being detailed contracts incorporated into a decree of the Madras High Court, must be construed strictly and not by implication. When read literally, they confer no such right on the Defendant, on the contrary, they expressly limit and restrict the Defendant's rights.

21. Mr. Khambata has submitted that if the clear language of the MoS was interpreted to extend the meaning of the term publication to even promotion, that too outside the five southern states and UTs, it would result in an anomalous position. It would impinge upon the absolute rights of the Plaintiff in the name and title "Indian Express". Further, it would render the provisions of Clause 8 of the Supplemental MoS otiose, since it provides that "NIEG shall not have the right to use the title, "The New Indian Express" for Television or Radio and further would render unnecessary and otiose the restriction of the liberty granted in the first portion of Clause 8 for the "use of the title" "The New Indian Express" or any of its derivatives / abbreviations on the internet for dissemination of news". Additionally, the forbearance and non-compete amount in Clause 22 of the MoS would also be rendered meaningless.

- 22. Mr. Khambata has submitted that it is well settled that a compromise decree is as much a decree as a decree passed on adjudication. A Consent Decree is composed of both a command and a contract. He has placed reliance upon *Rama Narang Vs. Ramesh Narang*⁴ at Paragraph 23 in this context.
- 23. Mr. Khambata has submitted that the Defendant having acknowledged the Plaintiff's absolute right to the title 'Indian Express' and taken benefit of the limited permitted user of 'New Indian Express Madurai' is therefore, estopped from claiming any proprietary rights in the usage of the term, 'New Indian Express Madurai'. He has submitted that it is evident that the Defendant has no statutory entitlement to any rights under the Trade Marks Act, 1999. In fact, the IPAB Order dated 18th June, 2015 at Paragraph 5 has expressly curtailed any such claim. This is by restricting the use of the impugned trademark "The New Indian Express" only to the five southern states and UTs. The Defendant by accepting this restriction has therefore accepted that it has no independent proprietary right to use 'New Indian Express'.
- 24. Mr. Khambata has submitted that the user by the Defendant

^{4 (2006) 11} SCC 114.

ial-31555-2024.odt

cannot confer any goodwill or proprietary rights on it. It is well settled that no benefit can be reaped by a Defendant based on user with knowledge of the Plaintiff's right. He has placed reliance upon judgment of this Court in *Mysore Deep Perfumery Household Vs.*Sunil Kumar Amrutlal Jain, 5 at paragraphs 50 – 51.

- 25. Mr. Khambata has submitted that by the Defendant claiming proprietary rights, this would be contrary to the terms, conditions, obligations and restrictions contained in the MoS and the Supplemental MoS which also amounts to violating a consent decree. He has submitted that there cannot be any expansion of the Defendant's rights as a permitted user, when its scope has been explicitly provided. The Defendant by claiming goodwill or proprietary rights would amount to infringement and passing off of the Plaintiff's registered trademarks.
- 26. Mr. Khambata has submitted that it is well settled that there cannot be acquiescence or waiver of the conditions of a consent decree. He has placed reliance upon the judgments of the Supreme Court in *Sanwarlal Agrawal Vs. Ashok Kumar Kothari*⁶, at paragraph

^{5 2022} SCC OnLine Bom 1019.

^{6 (2023) 7} SCC 307.

21, *Lalchand Vs. Piayare Lal*⁷, at paragraphs 6 and 8 and *Shivshankar Gurar Vs. Dilip*⁸, at paragraphs 10.2, 12, 13.2 and 14.

27. Mr. Khambata has submitted that there has been no acquiescence by the Plaintiff of the use of NIEM outside of the five southern states and UTs. The Defendant's case with regard to usage of the NIEM logo in pan India events such as the Devi Awards is misconceived. He has submitted that the NIEM logo has been used in conjunction with and under the masthead of the Sunday Standard and or the Morning Standard (not independently as sought to be done in Mumbai). He has submitted that the Defendant is aware that it cannot use NIEM outside of the 5 southern states and UTs and hence the need for a camouflage so as to underhandedly use NIEM outside of its permitted user. He has submitted that acquiescence requires knowledge and the Plaintiff had no knowledge of this usage. Assuming without admitting that there has been inaction, inaction in every case does not necessarily lead to an inference of implied consent or acquiescence; and consent involves some affirmative acceptance, not merely a standing by and absence of objection. He has placed reliance upon the judgment of Union of India Vs.

^{7 (2010) 15} SCC 608.

^{8 (2014) 2} SCC 465.

*Divyangna Kumari Harisinh Parmar*⁹ at paragraph 22 in this context.

- 28. Mr. Khambata has submitted that the interim Order of the Delhi High Court dated 10th October, 2011 in I.A No.7619 of 2011 in CS (OS) 1134 of 2011 and Order dated 22nd November, 2011 in FAO (OS) No.565 of 2011 are not binding on this Court and have been overtaken by subsequent events but are also patently erroneous. He has submitted that they are neither *res judicata* nor precedents. He has place reliance upon the judgment of the Supreme Court in *Ebix Singapore Pvt. Ltd. Vs. Committee of Creditors of Educomp Solutions Ltd.* 10 at paragraphs 181 and 183, *Sheodan Singh Vs. Daryao Kunwar* 11 at paragraph 9 and *State of Assam Vs. Barak Upatyaka DU Karamchari Sanstha* 21 at paragraph 21.
- 29. Mr. Khambata has submitted that the issue raised by the Defendant in its Reply of the Order dated 10th October, 2011 under Section 28 of the Trade Marks Act, 1999 on concurrent use of registered trademarks, no longer survives in view of the fact that the IPAB Order dated 18th June, 2015 at paragraph 5, restricts use of the trade mark 'The New Indian Express' only to the five southern states

^{9 2005} SCC OnLine Bom 179.

^{10 (2022) 2} SCC 401.

^{11 1966} SCC OnLine SC 98.

^{12 (2009) 5} SCC 694.

and UTs. The Registrar of Trademarks Chennai has entered these restrictions on its website which have not been challenged by the Defendant.

- 30. Mr. Khambata has submitted that Delhi High Court did not have the benefit of considering the Joint Advertising Agreement dated 18th April, 1997 nor its termination dated 21st July, 2010. The Delhi High Court thus did not consider that all invoices filed in support of advertising are between the period of 1997 to 2009, which is prior to the termination of the Joint Advertising Agreement in 21st July, 2010. The same invoices have again been wrongly relied upon in the present Petition before this Court, even though they have no correlation whatsoever to the present cause of action. He has submitted that the Joint Advertising Agreement constituted very limited permission to use the terms 'The New Indian Express' in advertising and hence there is not question of acquiescence in such user by the Plaintiff.
- 31. Mr. Khambata has submitted that the Delhi High Court did not consider that the usage by the Defendant was in breach of the Consent Decree of the Madras High Court (decreeing the MoS dated

5th February, 1995 and Supplemental MoS dated 12th August, 2005) and hence amounts to dishonest user and consequently no question of acquiescence can arise. He has placed reliance upon *Bal Pharma Ltd. Vs. Centaur Laboratories Pvt. Ltd.*¹³ at paragraph 8, *Emcure Pharmaceuticals Ltd. Vs. Corona Remedies Pvt. Ltd.*¹⁴ at paragraphs 16, 18 and 21, *Novarhs AG Vs. Wanbury Ltd.*¹⁵ at paragraph 28, *Colgate Palmolive Co. Vs. Anchor Health and Beauty Care (P) Ltd.*¹⁶ at paragraph 66.

- 32. Mr. Khambata has submitted that the findings of the Delhi High Court are only prima facie and only for the purpose of disposal of the Interim Application before it, as held in the Order dated 10th October, 2011.
- 33. Mr. Khambata has submitted that the Plaintiff is the absolute owner of the trademark 'Indian Express' along with the goodwill and reputation that the mark has generated, since 1932. He has submitted that the MoS and Supplemental MoS which grants a limited permitted user of the mark 'New Indian Express', being a derivative of the mark 'Indian Express' for a limited territory and no

^{13 2001} SCC OnLine Bom 1176.

^{14 2014} SCC OnLine Bom 1064.

^{15 2005} SCC OnLine Del 705.

^{16 2003} SCC OnLine Del 1005.

other purpose whatsoever, being incorporated in the consent decree by the Madras High Court, are binding and cannot be transgressed by the Defendant. He has submitted that the Defendant has no proprietary rights in the use of NIEM / New Indian Express and any use by the Defendant beyond the express terms of the MoS and Supplemental MoS is in violation of the consent decree and actionable. He has submitted that the present use of 'New Indian Express' in Mumbai by the Defendant, outside of the permitted territories, to promote its sponsored event is beyond the permissive user granted by the Plaintiff, contrary to the consent decree between the parties and amounts to infringement and passing off of the Plaintiff's registered trademark.

34. Mr. Zal Andhyarujina, the learned Senior Counsel for the Defendant has submitted that in the two Suits filed by Manoj Kumar Sonthalia in the year 1992, the transfer of shares that were held by him as well as the transfer of shares that were held for the benefit of Mr. Anil Sonthalia had been impugned. Anil Sonthalia is the elder brother of Manoj Kumar Sonthalia who is mentally challenged. The shareholding of NPBS, holding company of the Indian Express Group comprising of several group companies, were held by Ramnath

Goenka, Vivek Goenka and Manoj Kumar Sonthalia. Ramnath Goenka held 24.32% (the said shares were retained by Ramnath Goenka only for the benefit of Anil Sonthalia), Vivek Goenka held 50.40% and Manoj Kumar Sonthalia held 24.96% of NPBS.

35. Mr. Andyarujina has submitted that in the year 1989, it was proposed that the shares held by Ramnath Goenka for the benefit of Anil Sonthalia viz. 24.32% would be divided equally and kept in joint names of Manoj Sonthalia and Vivek Goenka. It was the contention of the Manoj Kumar Sonthalia that in the year 1990, 24.96% shareholding as owned and held by Manoj Kumar Sonthalia and 12.16% shareholding as held by Manoj Kumar Sonthalia in trust for Anil Sonthalia were transferred fraudulently in favour of Ramnath Goenka as a part of a larger conspiracy by Vivek Goenka to take over the entire management and ownership of NPBS and effectively, the entire Indian Express Group of Companies. It was also contended that the shares held by Vivek Goenka in trust for Anil Sonthalia were also retained and misappropriated by Vivek Goenka as his own. Thus, the transfer of 49.28% of the entire shareholding of NPBS was the subject matter of the dispute. This dispute was settled under the MoS.

- 36. Mr. Andhyarujina has submitted that under Clause 18(iv) of the MoS, the Defendant was entitled to use the expression "New Indian Express" only for the publication of an English language daily newspaper in the five southern states and UTs. The said Clause further imposed a negative covenant on the Defendant whereby the Defendant would not use the expression "New Indian Express" for any other purpose or any other area or territory for any use whatsoever. He has submitted that neither the said Clause nor any other clause of MoS or Supplemental MoS, as such, prohibited the Defendant promoting, outside of the five southern states and UTs, its publication having circulation in the five southern states and UTs.
- 37. Mr. Andhyarujina has submitted that the parties have always understood this to be the correct interpretation of the said clauses of the MoS / Consent Decree as is evident from their consistent conduct till date. The Plaintiff used the expression "New Indian Express" as well as the Defendant's logo in its newspapers in circulation outside of the five southern states and UTs, while advertising / promoting the Defendant's newspaper. Whereas the Defendant used the expression "Indian Express" as well as the Plaintiff's logo in newspapers in circulation in five southern states

ial-31555-2024.odt

and UT's while advertising / promoting the Plaintiff's newspaper.

- 38. Mr. Andhyarujina has submitted that it is well settled that extrinsic evidence of the acts of parties done under an instrument is a guide to the intention of the parties and is permissible where there remains a doubt as to its true meaning. He has placed reliance upon the judgment of Supreme Court in *Godhara Electricity Co. Ltd. and Anr. Vs. The State of Gujarat and Anr.* ¹⁷ at paragraphs 11 and 18 in this context.
- 39. Mr. Andhyarujina has submitted that the Delhi High Court in its Order dated 10th October, 2011 has also confirmed the Defendant's interpretation. He has placed reliance upon paragraph 13 of the said Order.
- 40. Mr. Andhyarujina has relied upon various publications of paid advertisements by the Defendant in the Plaintiff's newspapers having nationwide circulation. He has placed reliance upon use of the Defendant's logo by the Plaintiff in its newspaper supplements. He has also relied upon the advertisements by the Plaintiff in the Defendant's newspaper from 1997 to 2009. These documents have

17 (1975) 1 SCC 199.

been placed on record in the form of invoices for such advertisements.

- 41. Mr. Andhyarujina has submitted that on demurrer assuming while denying that there is a breach of the MoS / Consent Decree, the Plaintiff has acquiesced in and waived its right to complain against any breach of the MoS by the Defendant.
- 42. Mr. Andhyarujina has submitted that there is no judgment doctrine supporting the Plaintiff's proposition that the acquiescence does not apply to a consent decree. He has distinguished the judgments relied upon by the Plaintiff in support of its proposition. He has submitted that the judgment in Sanwarlal Agrawal (Supra) is distinguishable on the ground that the proposition laid down is that the executing Court cannot interpret an ambiguous decree by going behind the decree. He has submitted that this proposition is not applicable in the present case. He has also distinguished the judgment of Supreme Court in the case of *Lalchand* (Supra) on the ground that it was held that the conduct could not vary the compromise order (not the Defendant's case in the present matter). He has submitted that it is relevant to note that the Plaintiff

itself admittedly on its own case by the Joint Advertisement, proceeded on the basis that it has varied the agreement. He has also distinguished the judgment of the Supreme Court in *Shivshankar Gurar (Supra)* on the ground that in that case there was no acquiescence with regard to the compromise order / decree. The acquiescence was with regard to a subsequent order. In that case modification was done by the Court and not by the parties.

43. Mr. Andhyarujina has submitted that the Plaintiff waived its rights under the MoS / Consent Decree by committing various acts of acquiescence, and as such is now estopped from restricting the use of the expression "New Indian Express". He has submitted that even statutory rights are liable to be waived by persons who stand to benefit from such rights; as such, there cannot be any prohibition or bar against waiver of rights conferred by a consent decree / order of the Court. He has placed reliance upon the judgments of the Supreme Court in *Arce Polymers Private Ltd. Vs. Alphine Pharmaceuticals Pvt. Ltd. and Ors.* ¹⁸ at paragraphs 16 -26 and *Jaswant Singh and Anr. Vs. Ahmedabad Municipal Corporation and Ors.* ¹⁹ at paragraphs 8 – 14.

^{18 (2022) 2} SCC 221.

^{19 1992} Supp (1) SCC 5.

- 44. Mr. Andhyarujina has submitted that acquiescence, does not always require a positive act; acquiescence can also be implied from passive acceptance of a particular act. When combined with delay it becomes laches. He has relied upon *Union of India Vs. Murugesan*²⁰ at Paragraph 25 in this context.
- 45. submitted Mr. Andhyarujina has that waiver and acquiescence may be express or implied. It is to be found in the facts of each individual case. Waiver involves the voluntary relinquishment of a known legal right evincing awareness of the existence of the right and to waive the same. He has placed reliance upon the judgment of the Supreme Court in Kanchan Udyog Ltd. Vs. United Spirits Ltd.²¹ at paragraphs 21 – 22. He has submitted that this is particularly relevant given the various acts of acquiescence and waiver after the dispute had been heard by the Delhi High Court and the Delhi High Court Order had been passed.
- 46. Mr. Andhyarujina has submitted that some of the acts of acquiescence by Plaintiff were positive acts of acquiescence and some others amounted to tacit or passive acceptance. He has submitted

²⁰ **(2022) 2 SCC 25.**

^{21 (2017) 8} SCC 237.

that the expression "New Indian Express" as well as the Defendant's logo was used by the Plaintiff itself while advertising / promoting the Defendant's newspaper outside of the five southern states and UTs, which amounts to a positive act on the part of the Plaintiff. The Delhi High Court in its Order dated 10th October, 2011 also rendered a finding that such acts amounted to acquiescence.

- 47. Mr. Andhyarujina has submitted that it is pertinent to note that the Plaintiff, particularly after the Delhi High Court Order could be expected to raise every objection possible to restrict the use of the expression "New Indian Express" outside of the five southern states and the union territories. Further, despite knowledge of the events being organised by the Defendant since 2011, the Plaintiff did not take any action against the Defendant in respect of such events.
- 48. Mr. Andhyarujina has submitted that the Plaintiff's contention that the Defendant has organised and promoted the events surreptitiously and behind the back of the Plaintiff and that the events have been conducted by the Defendant in an "under the radar" manner is entirely false. The Defendant has published the news reports of the events from time to time in its newspapers having

circulation in Kolkata and Delhi, as well as in newspapers circulated in Madras and Bangalore. Videos of events held in Chhatisgarh, Kolkata, Mumbai and Lucknow were also uploaded on Youtube. As regards the news reports in the newspapers in Madras and Bangalore, copies of the said newspapers were also delivered to the offices of the Plaintiff. This has been averred in paragraph 14 of the Reply which have not been denied by the Plaintiff, and as such, are deemed to have been admitted. The Chief ministers of respective states and other luminaries have attended the said events which were widely publicized and widely attended.

49. Mr. Andhyarujina has submitted that another "positive act" of acquiescence was the apparent abandonment by the Plaintiff of the suit filed by it before the Delhi High Court. The Plaintiff allowed the suit before the Delhi High Court to be dismissed for non-prosecution. By abandoning the said suit by permitting the same to be dismissed for want of prosecution and by thereafter being aware of, and not taking any steps against, the Defendant's use of expression "New Indian Express", the Plaintiff has positively acquiesced in the continuing use of the said expression "New Indian Express" in the said manner by the Defendant. In doing so, it has clearly waived its

right to object to the same. Without prejudice to the above and in the alternative, the Defendant submits that the Plaintiff had, in fact, accepted the findings made by the Delhi High Court. This is evident, *inter alia*, from the fact that its appeal stood dismissed by the order of the appeal court dated 22.11.2011. He has submitted that for a long period from 2011 till the filing of the present suit, despite being aware of the said use of the expression "New Indian Express", it has never protested against the same.

- 50. Mr. Andhyarujina has submitted that the Plaintiff has sought to contend that the acts of acquiescence noticed by the Delhi High Court can be explained by the Joint Advertising Agreement. He has submitted that when the Defendant's defence of acquiescence was pleaded by the Defendant in the proceedings before the Delhi High Court, the Plaintiff did not plead the fact of execution of the Joint Advertising Agreement. Instead, the Plaintiff vaguely referred to "a comity and concurrence of commercial interest". He has submitted that a reliance on the Joint Advertising Agreement by the Plaintiff is clearly an afterthought.
- 51. Mr. Andhyarujina has submitted that the principal purpose

of the Joint Advertising Agreement was for All India Advertisements and the revenue sharing in respect of such advertisements. There is no reference whatsoever to the manner in which the expression "Indian Express" is to be used by the parties and, as such, the Joint Advertising Agreement did not, in any manner, alter the contractual rights of the parties. It is the Defendant's case that the advertisements were undertaken since the MoS / Consent Decree did not limit / prevent such use. He has submitted that the Joint Advertising Agreement has no bearing whatsoever on the Defendant's case that the Plaintiff has, time and again, acquiesced in the use of the expression "New Indian Express" outside of the five southern states and UT's.

- 52. Mr. Andhyarujina has submitted that the Plaintiff's argument that the Joint Advertising Agreement conferred a very limited permission to use the terms 'The New Indian Express'" cannot be reconciled with their own argument that a consent order cannot be altered by the parties.
- 53. Mr. Andhyarujina has submitted that the Delhi High Court has in the said order held that there was no prohibition in the

ial-31555-2024.odt

agreements between the parties, against promotion/advertisements of the newspaper "New Indian Express" outside the specified southern States and UT's specified therein. There can be no embargo placed on the Defendant's rights to advertise its newspaper "New Indian Express" outside the specified southern states and the UTs. Further, the Plaintiff has acquiesced in the use of the expression "New Indian Express" outside of the specified southern states and UTs, and as such, the Plaintiff was now estopped from objecting to such a use. It is further held by the Delhi High Court that no case for infringement of the Plaintiff's trademark was made out. The advertisement by the Defendant of the newspaper published by it from any of the specified southern states or UTs in any newspaper would not amount to passing off.

- 54. Mr. Andhyarujina has submitted that principles akin to res judicata apply, and as such, the Plaintiff is estopped from raising these issues once again before this Court. He has placed reliance upon the judgment of the Supreme Court in *Hope Plantations Vs.*Taluk Land Board²² at paragraphs 26 31 in this context.
- 55. Mr. Andhyarujina has submitted that since 17.01.2005 the

^{22 (1999) 5} SCC 590.

Defendant has been registered as the registered proprietor of the trademark "The New Indian Express" under Section 28 of the TM Act, 1999. The registration of the Defendant as proprietor of the trademark is inconsistent with the Plaintiffs case that the Defendant is not the proprietor. The Plaintiff's said argument is liable to rejected *in limine* on this ground alone.

- 56. Mr. Andhyarujina has submitted that the Plaintiff has never taken any steps to register the trademark "New Indian Express" as an associated trademark under Section 16 of the Trademarks Act, 1999. The Plaintiff, however, has on its own showing, registered itself as the registered proprietor of "Indian Express" and not the expression "The New Indian Express".
- 57. Mr. Andhyarujina has relied upon the definition of permitted use in Section 2(1) (r) of the Trademarks Act, 1999. This clearly evidences the fact that the Defendant is neither a registered user under Section 2(1) (r) (i) nor is he a person "other than the registered proprietor and user in relation to goods and services" under Section 2(1) (r) (ii).
- 58. Mr. Andhyarujina has submitted that such an arrangement

is contrary to and the very antithesis of the agreement under the MoS i.e. to separate the Indian Express group between the disputing parties. The effect of such license would be that there would have to be a connection being maintained between the Defendant's newspapers and the trademark Indian Express which would be contrary to the very purpose of separation which was sought to be achieved by the MoS. He has submitted that no royalty or any consideration for the permitted use is payable, or even contemplated, under the MoS / Consent Decree which is the normal feature of a license / permitted use. He has submitted that quite to the contrary, under Clause 22 of the MoS, the Defendant was to receive a sum of Rs.56 Crores as a "non-competing and forbearance capital fee" and not towards such royalty.

59. Mr. Andhyarujina has submitted that if the Defendant was a permitted user/licensee of the Plaintiff, then the Defendant would have been registered as a user in respect of the trademark "Indian Express" and/or "New Indian Express". He has referred to the Sections 48 and Section 49 of the Trade Marks Act, 1999 read with Rule 86 of the Trademark Rules, 2017 in this context.

- Mr. Andhyarujina has relied upon Section 53 of Trademarks Act, 1999, which provides that a non-registered permitted user has no right to institute any proceedings for infringement. He has submitted that Clause 6 of the Supplemental Agreement modifying Clause 19(v) of the MoS grants liberty to NIEG to take necessary actions as NIEG deemed necessary against any infringement by any one of its title 'The New Indian Express' in the five southern states and UTs without first calling upon IEG to take any action, would be rendered meaningless if the Defendant was merely a permitted user. He has submitted that this combined with the fact that the Defendant is in fact registered as a proprietor of the trademark shows that the right against infringement recognized by the amended Clause 19(v) was its right as a proprietor against infringement.
- Mr. Andhyarujina has submitted that the MoS / Consent Decree makes no statement with regard to the Plaintiff's ownership of the expression "The New Indian Express". He has submitted that the word "Indian Express" and "its derivatives" has been used in contradistinction to "New Indian Express". He has submitted that the MoS / Consent Decree is to be understood to be an overall settlement of the dispute in the suit that was filed before the Madras High Court

ial-31555-2024.odt

by dividing the business on terms as set out therein. The MoS / Consent Decree expressly refers to the settlement as a 'corporate cum family settlement' between the parties. He has submitted that it is inconceivable that the Defendant would agree to a division of business of publication of newspapers based on a mere permissive license. The MoS / Consent Decree does not meet necessary ingredients to constitute a license.

- 62. Mr. Andhyarujina has submitted that the MoS expressly provides that the Defendant shall use the expression "New Indian Express". Subsequently thereto, the Defendant has gained a reputation associated with the expression "The New Indian Express" and "The New Indian Express" as its trademark. The registration of trademark under Section 28 of the Trademark Act, 1999 recognizes the Defendant as the registered proprietor of the same.
- 63. Mr. Andhyarujina has submitted that it is settled law that registration only recognises the proprietary rights that are pre-existing in common law and does not create any rights. He has placed reliance upon the judgment of the Supreme Court in *Syed Mohideen Vs. Sulochana Bai*²³ at paragraphs 26 and 33.

^{23 (2016) 2} SCC 683.

- Order is merely to limit the benefits of Section 28 to the five southern states and UTs. It has no further effect. He has submitted that even under the Trademarks Act,1999, the Registrar of Trademarks has the right to restrict only the exclusive use of the trademark, and not the use of the trademark that inheres in the proprietor under common law. This is evident from the definition of 'limitation' under Section 2(1)(1) read with Section 18(4) of the Trademarks Act, 1999.
- 65. Mr. Andhyarujina has submitted that the IPAB Order only took note of the geographical extent of the Defendant's use of the trademark as set out in the MoS by extending to the Defendant, the protection under Section 28 with regard to the southern states and UTs. However, as regards all other contentions that were raised by the Plaintiff in the rectification application, the IPAB observed that "it is open to the parties to agitate the same either in the suit filed by the applicant and pending on the file of the Hon'ble Delhi High Court or by initiating any proceedings before the appropriate forum". He has submitted that by the time the IPAB Order was passed, the Plaintiff had already abandoned the Delhi High Court Suit. Thus, the Plaintiff has acquiesced in the Defendant's use of the trademark "The New

ial-31555-2024.odt

Indian Express" outside the five southern states and UTs and waived its rights to object.

- 66. Mr. Andhyarujina has submitted that the Plaintiff's conduct amounts to acquiescence in the context of trademark infringement. He has submitted that principles governing Acquiescence in trademark infringement have been laid down by the Supreme Court in *Power Control Appliances Vs. Sumeet Machines Pvt. Ltd.*²⁴ at paragraph 26. This includes sitting by when another is invading the rights and spending money on it. Course of conduct inconsistent with the claim for exclusive rights in a trade mark, trade name etc. and implies positive acts; not merely silence or inaction such as is involved in laches.
- 67. Mr. Andhyarujina has submitted that the expression 'standing by' was elaborated in *Codes Vs. Addis and Son*²⁵, followed in *Power Control Appliances (supra)*, wherein the Court was pleased to observe that the plaintiff is not entitled to shut his eyes to the actions of his rivals. He has submitted that the defence of acquiescence shall be available only if, there has been an open use of

^{24 (1994) 2} SCC 448.

^{25 (1923) 40} RPC 130, 142

the Plaintiff's mark; the Plaintiff ought to have known about such use and the Plaintiff has failed to take immediate action to prevent continuance of such use.

- 68. Mr. Andhyarujina has submitted that the Plaintiff did not object to any of the said events, and stood by as the Defendant continued to use the expression for organizing its events. The Plaintiff even abandoned the Delhi High Court Suit, which was later dismissed for non prosecution.
- 69. Mr. Andhyarujina has submitted that the Plaintiff has not made out any case for infringement of its mark 'Indian Express'. There is no deceptive similarity in the logo used by the Defendant for the said event from that of the Plaintiff's logo. He has submitted that use of the word 'New Indian Express' in the event 'Mumbai Dialogues' is also followed by the words "Group Madurai". The use of both the trademarks was contemplated under the MoS / Consent Decree.
- 70. Mr. Andhyarujina has submitted that the use of the mark "New Indian Express" is for the purpose of organizing events for promoting the Defendant's business and not for publication of newspapers, outside the five southern states and UTs. The Defendant

Indian Express" who has not curtailed its rights except as stated in the MoS / Consent Decree under Clause 18 (iv). The use of the mark "The New Indian Express" was expressly permitted by the Delhi High Court and under the MoS / Consent Decree and thus, the use of the mark is by way of honest concurrent user.

- 71. Mr. Andhyarujina has accordingly submitted that the present Interim Application has no merit and deserves to be rejected.
- 72. Having considered the submissions, the background of entering into the MoS is a relevant factor. The MoS had settled Civil Suits filed by the Manoj Kumar Sonthalia in the Madras High Court impugning the transfer of his NPBS shares as well as the NPBS shares held by him for the benefit of Anil Sonthalia. It was Manoj Kumar Sonthalia's contention that the shares of NPBS which he had returned to Ramnath Goenka were never transferred back to Ramnath Goenka. It is pertinent to note that Vivek Goenka had been given 15,680 shares of NPBS i.e. 62.72% of the NPBS shareholding and which was undisputed. Thereafter, in the MoS, Manoj Kumar Sonthalia and his mother Radhadevi had accepted and confirmed

Vivek Goenka was lawfully adopted by Ramnath Goenka as a son. The 9280 shares in NPBS were transferred to Manoj Kumar Sonthalia and thereafter transferred back to Vivek Goenka. The 40 shares held by Manoj Kumar Sonthalia's mother were also transferred back to Vivek Goenka.

73. The MoS has accordingly recorded a settlement of the parties and which has thereafter been decreed by Order dated 16th April, 1997 passed by the Madras High Court. It is apparent from the MoS and Supplemental MoS dated 12th August, 2005 that the Plaintiff merely granted a limited permitted user to the Defendant and Manoj Kumar Sonthalia, Group of a derivative "New Indian Express" of the title "Indian Express". The Consent Decree of the Madras High Court mentions that the allegations made by Manoj Kumar Sonthalia with regard to shares being purportedly held in trust for his brother Anil Kumar Sonthalia were made without reference to Anil Kumar Sonthalia and further that neither in the lifetime of Shri Ramnath Goenka nor thereafter has Anil Kumar Sonthalia himself ever made such a claim. These allegations made by Manoj Kumar Sonthalia stood withdrawn by the said Consent Decree. This has been recorded in paragraphs 6 and 31 of the said Consent Decree.

- 74. Vivek Goenka has at all times held the majority shareholding in NPBS and continues to hold absolute and total majority in the shareholding of the Plaintiff Company, being the absolute owner of the accumulated goodwill, reputation in the Plaintiff's registered trademark "Indian Express". The Defendant had by way of the MoS been granted limited permitted user of the phrase "New Indian Express" in the five Southern states and UTs only for publication.
- 75. Clause 18 (iv) of the MoS imposes a negative covenant on the Defendant by which the Defendant would not use the expression "New Indian Express" for any other purpose or any other area or territory for any use whatsoever. The Defendant has by its own interpretation not been able to justify the use of the phrase "only for the publication" and "for no other purpose or any other area or territory for any use whatsoever". The said Clause read with Clause 19(iv) makes it clear that the Defendant only has a limited permissive user to the extent of publication within the five Southern states and UTs and cannot use "Indian Express" or any of its

derivatives or any title, similar or resembling Indian Express <u>at any</u> <u>time whatsoever</u>. In my prima facie view, the limited permission to the Defendant conferred by the MoS is only to use for publication in the five Southern States and specified UTs and for no other purpose. The Defendant cannot promote its publication outside the five Southern states and specified UTs.

- 76. The event which has been organized by the Defendant with the use of the phrase "New Indian Express" in Mumbai viz. "New Indian Express Mumbai Dialogues on 20th September, 2024 has given rise to the filing of the captioned Suit and the present Interim Application. This event is not merely a promotion of its publication but a standalone event with sponsors which brings in additional revenue and amounts to a separate business and income stream altogether, which in my prima facie view is prohibited by the terms of the MoS.
- 77. It is further evident from the Clauses of the MoS in particular Clauses 17, 18(iv), 19(ii), (iv), that the Plaintiff has an absolute and all-encompassing ownership of "Indian Express". The parties have agreed that such provisions conferring obligations and

restraints are valid and reasonable and do not amount to restraint of trade or business and that the same may be enforced by way of declaratory and injunctory proceedings in case of breach.

78. The Defendant has sought to contend that it is not a "permitted user". This is contrary to Clause 18 (iv) of the MoS which is the only source of permission to use the expression "New Indian Express" by the Defendant i.e. only for publication of an English language daily newspaper in the specified five states and UTs and for no other purpose whatsoever. There is no common law or equitable basis for the Defendant to seek any manner of right beyond or contrary to such permission. The Defendant is therefore estopped in law and equity from taking a position to the contrary in a manner that is wholly self-serving. The Defendant in attempting to do is establishing its intent to derail the terms of the MoS and Supplemental MoS. Given the overarching principle of "one mark, one source", the source / origin of the mark "Indian Express" is wholly vested with the Plaintiff as per the clause of the MoS and the Defendant cannot seek to usurp the same in derogation of the language of the MoS.

- 79. Further, under Clause 6 of the Supplemental MoS dated 12th August, 2005, the Defendant is entitled to initiate infringement actions in respect of its title "The New Indian Express" and that this shall not be in derogation to the rights of the Plaintiff to take action against any infringement of its rights under the MoS. This right granted to the Defendant is in-line with the scheme of the Trademark Act, 1999 for permitted users, and does not in any way derogate or dilute the absolute ownership vested upon the Plaintiff as per the plain language of the MoS. It is evident from the MoS and Supplemental MoS that the Defendant's rights are restricted to the extent of its permitted use and territories, and does not have the broad swathe of rights as those vested with the Plaintiff and any argument of the Defendant on parity of rights between the parties is wholly perverse to the scheme of the MoS.
- 80. The IPAB in its Order dated 18th June, 2015 has restricted the statutory right claimed by the Defendant geographically i.e. to the five southern states and UTs. Thus any statutory rights claimed by the Defendant is subject to the MoS and does not have any standalone basis, establishing that the sole source of permitted use by the Defendant is through the MoS.

- 81. The contention of the Defendant that it is not a permitted user under the MoS and Supplemental MoS for want of agreed royalty between the parties is misplaced. Clause 22 of the MoS read with Clause 12 of the Supplemental MoS records sufficiency of consideration paid by the Plaintiff to the Defendant in exchange of permitting the Defendant to use its title "The New Indian Express" as per the provisions of the MoS and the Supplemental MoS.
- 82. The Joint Advertising Agreement which was executed between the parties does not in any way modify, expand or amend any of the rights in the MoS and the Supplemental MoS. Under Clause 18(i) and (ii) of the MoS, the title "Indian Express" belongs to the Plaintiff absolutely and which include all rights in relation to any use whatsoever. The Plaintiff's action of entering into the Joint Advertising Agreement with the Defendant was part of its use as the absolute owner of Indian Express and not in variation of, or a waiver of any rights accrued under the MoS. The Joint Advertising Agreement was nothing but a revenue splitting arrangement between the parties which had no bearing on the rights that had accrued in terms of the MoS / Consent Decree. The Plaintiff had also terminated the said Agreement on 21st July, 2010 upon learning of its misuse by

the Defendant.

- 83. The reliance placed by the Defendant upon the Delhi High Court proceedings and the said Order passed by the Delhi High Court is in my view misplaced. Further, the contention of the Defendant that the Plaintiff had abandoned the said Suit before the Delhi High Court which amounts to a purported positive act of acquiescence of the Defendant's use of the New Indian Express, Madurai is also in my view misconceived. This contention fails to take into account the purport of the said Order dated 10th October, 2011 passed by the Delhi High Court. This was merely an interim order which had directed the Defendant to use the word "Madurai" with the expression, "New Indian Express Group" for promotion of its publications from outside the five Southern states and UTs. This was permitted under the Joint Advertising Agreement between the Plaintiff and Defendant whereby they agreed to a revenue splitting arrangement.
- 84. It is pertinent to note that the said Suit before the Delhi High Court had been stayed vide Order dated 3rd February, 2015, awaiting the outcome of the Plaintiff's Application under Section 124

of the Trade Marks Act, 1999 before the IPAB. Inspite of there being a stay of the Suit, the Delhi High Court on the adjourned date i.e. 6th May, 2015 dismissed the said Suit for non-prosecution in the presence of the Defendants. Thereafter, by the IPAB Order dated 18th June, 2015, restriction was placed on the use of the trademark 'New Indian Express" only to the five southern states and UTs. This IPAB Order has not been challenged by the Defendant and has attained finality.

- 85. After the IPAB Order, the Defendant has stopped using New Indian Express under the masthead of the Sunday Standard in Delhi atleast after the December 2018. This fact has not been disclosed by the Defendant. The contention of the Defendant that the Plaintiff had abandoned the proceedings before the Delhi High Court and that this amounts to a positive act of acquiescence is misconceived apart from it being misleading.
- 86. The IPAB Order dated 18th June, 2015 which has clearly restricted the use of the impugned trademark "The New Indian Express" to the five southern states and UTs implies use of the trademark for any purpose, including advertising, promotion, and

events. The IPAB order is also in consonance with the terms of the MoS / Consent Decree. Under Section 2(2) (b) of the Trademark Act, 1999, use of a mark shall be construed as a reference to the use of printed or other visual representation of the mark. Further Section 2(2)(c) applies this in relation to goods and services. The wide and expansive understanding of use of a mark as defined by the statute in my prima facie view would include usage by the Defendant for promotion and advertising, which stands restricted to the five southern states and UTs by the IPAB Order.

87. I find much merit in the submission on behalf of the Plaintiff that there has been no acquiescence by the Plaintiff of the Defendant's use of the expression 'The New Indian Express, Madurai' outside of the five southern states and UTs. In any event, it is well settled that there cannot be an acquiescence or waiver of rights accrued under a consent decree. The judgments of the Supreme Court namely, *Sanwarlal Agrawal (Supra)*, *Lalchand (Supra)* and *Shivshankar Gurar (Supra)* are apposite. An attempt on the part of the Defendant to distinguish these judgments on the ground that they have been passed in the context of the executing Court interpreting a decree and hence not applicable is misconceived. A Court seized of a

subsequent dispute involving interpretation of a Consent Decree can certainly not validate the breach of the Consent Decree on the grounds of alleged acquiescence.

- 88. The Defendant has contended that even statutory rights are also liable to be waived by persons who stand to benefit from such rights. The judgments relied upon by the Defendants namely, *Arce Polymers Private Limited (Supra)* and *Jaswant Singh and Another (Supra)* are in the context of waiver of the benefit under a statute. This can be contrasted with the present case where the lis has been crystallized in the form of decree of a Court after the Plaintiff and Defendant have consented to their rights being molded in terms of the MoS and the Supplemental MoS.
- 89. The Defendant's contention on waiver of the Consent Decree strikes at the sanctity of a Consent Decree and provides a convenient avenue and defense for a party to flout the terms of a consent decree despite it being an order of a Court.
- 90. The contention of the Defendant that the Plaintiff has 'stood by' attributing acquiescence on the Plaintiff's part in the use of the expression "The New Indian Express" outside of the five southern

proof of delivery of its newspapers containing 'The New Indian Express' mark being used by them outside the territorial limitations under the MoS and the Supplemental MoS, to the Plaintiff's offices. The Defendant's contention has been denied by the Plaintiff in its Affidavit in Rejoinder dated 2nd December, 2024 at paragraph 16.

- I also find merit in the submission of the Plaintiff that the usage by the Defendant of the expression "The New Indian Express Madurai" does not confer any goodwill or proprietary rights on it since the said usage by the Defendant outside the permitted five southern states and UTs is dishonest. In *Mysore Deep Perfumery Household (Supra)*, it has been held that no benefit can be reaped by a Defendant based on user with knowledge of the Plaintiff's right. The usage by the Defendant is contrary to the terms, conditions, obligations and restrictions contained in the MoS and the Supplemental MoS which would amount to violating a Consent Decree. This usage also amounts to infringement and passing of the Plaintiff's registered trademark "Indian Express".
- 92. The expression "New Indian Express" / "The New Indian

Express" is only a derivative of the mark "Indian Express" by adding the word "New". The Plaintiff is the absolute proprietor of the mark "Indian Express". The Defendant has been given limited, permitted use of the derivative mark only for publication, in the five southern states and UTs and nothing more. By merely adding "New" to the Plaintiff's registered mark, the Defendant cannot claim that their limited user includes absolute and unregistered user of the mark "New Indian Express" outside of the five southern states and UTs. In my prima facie view "New Indian Express" is not a distinctive mark but one which was created by virtue of the MoS. Mere addition of 'New' does not make the mark distinctive. The judgment relied upon by the Plaintiff in this context namely *M/s. Aviva Fiber (Supra)* and *Ruston and Hornsby Ltd. (Supra)* are apposite.

93. The Plaintiff being the absolute owner of the trademark "Indian Express" along with goodwill and reputation that the mark has generated since 1932 is entitled to restrain the Defendant from the use of 'New Indian Express' outside of the permitted territories, to promote its sponsored events. Such use is beyond the permissive user granted by the Plaintiff, contrary to the consent decree between the parties and amounts to infringement and passing off of the Plaintiff's

ial-31555-2024.odt

registered trademark. The Defendant has no proprietary rights in the

use of "New Indian Express - Madurai" / "New Indian Express" and

any use by the Defendant beyond the express terms of the MoS and

Supplemental MoS is in violation of Consent Decree and actionable.

94. The Plaintiff has accordingly made out a strong prima facie

case for grant of interim relief. The balance of convenience is also in

favour of the Plaintiff, as such usage by the Defendant of "New

Indian Express" outside the permitted territory results in violation of

the express terms of the MoS and Supplemental MoS and dilution of

the Plaintiff's mark "Indian Express" of which the mark "New Indian

Express" is a derivative for limited territory and for no other purpose

whatsoever. Such usage would also result in irreparable harm being

caused to the Plaintiff.

95. The Interim Application is accordingly made absolute in

terms of prayer Clauses (a) to (d). There shall be no order as to costs.

[R.I. CHAGLA J.]

55/55