



* IN THE HIGH COURT OF DELHI AT NEW DELHI

Judgment Reserved on: 13th May, 2025
 Judgment Pronounced on: 1st July, 2025

+ <u>CS(COMM)</u> 715/2024 with I.A. 37339/2024, I.A. 41462/2024, I.A. 41504/2024, I.A. 44387/2024 and I.A. 49076/2024

M/S PRODUCTS AND IDEAS (INDIA) PVT. LTD

.....Plaintiff

Through: Mr. J. Sai Deepak, Sr. Advocate with

Mr. Aditya Yadav, Mr. Vijay Kasana, Mr. Luv Virmani, Mr. Lakshay Kaushik, Mr. Chirag Verma, Mr. Gaurav Chaudhary and Mr. Vishal

Chaudhary, Advocates.

versus

NILKAMAL LIMITED AND ORS

....Defendants

Through: Mr. Arvind Nigam, Sr. Advocate with

Mr. Rohit Kumar Singh, Mr. Sajid Mohammad, Mr. P.R. Mala, Mr. Mitesh Mutha, Ms. Rajlakshmi Singh, Ms. Vidushi Srivastava and Ms. Rambha Singh, Advocates for D-2. Mr. Sanjeev Kr. Singh, Mr. Rahul Chitnis, Mr. Devansh Shekhar and Mr. Jitendra Pandey, Advocates for

D-5.

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

JUDGMENT

AMIT BANSAL, J.





I.A. 37339/2024 (under Order XXXIX Rules 1 and 2 of CPC)

I.A. 41504/2024 (filed by the defendant no. 2 under Order XXXIX Rule 4 of CPC)

I.A. 49076/2024 (under Order XXXIX Rules 1 and 2 of CPC)

- 1. By way of this judgment, I will dispose of the applications, I.A. 37339/2024 and I.A. 49076/2024 under Order XXXIX Rule 1 and 2 of the Code of Civil Procedure, 1908 (hereinafter "CPC") filed by the plaintiff and I.A. 41504/2024 filed on behalf of the defendant no. 2 under Order XXXIX Rule 4 of CPC seeking vacation of *ex parte ad* interim injunction order dated 27th August, 2024.
- 2. Arguments were heard on behalf of counsel for the parties on 25th October, 2024, 28th October, 2024, 25th March, 2025, 15th April, 2025 and 13th May, 2025, when the judgment was reserved.

CASE SET UP IN THE PLAINT

- 3. The case set up by the plaintiff in the plaint is as under:
- 3.1. The plaintiff company, M/s Products and Ideas (India) Pvt. Ltd., is dealing in commercial kitchen and bakery equipment in India. The plaintiff company is selling commercial induction cooktops under the brand name 'STELLADEXIN'.
- 3.2. The 'STELLADEXIN' mark was adopted by Stella Industrial Co. Ltd. (defendant no. 5), which is a Chinese company founded in 1983. The defendant no. 5 is a high-tech enterprise specializing in the development, production and sales of electromagnetic household appliances.
- 3.3. The plaintiff company and the defendant no. 5 have been dealing with each other since 2015. The defendant no. 5 licensed/allowed the plaintiff company to use the mark/ brand name 'STELLADEXIN' and authorised the





plaintiff to register the said trademark.

- 3.4. The plaintiff and defendant no.5 entered into an Exclusive Agency Agreement on 1st April, 2017, wherein the plaintiff was appointed as the exclusive agent for the distribution, sale and promotion of induction cookers under the brand 'STELLA'. The said agreement was valid for two years i.e., w.e.f. 1st April, 2017 till 31st March, 2019. On 12th December, 2018, a fresh agreement was executed for a period of 3 years. Thereafter, the third agreement was sent by the defendant no. 5 on 26th September, 2022 with a validity period of five years starting from 1st April, 2022 to 31st March, 2027.
- 3.5. The defendant no. 5 is only an OEM (Original Equipment Manufacturer) and was supplying goods to the plaintiff company through its local partners under the Exclusive Agency Agreement.
- 3.6. The trademark 'STELLADEXIN' has been successfully registered by the plaintiff company as a word mark in classes 7, 9 and 11 in India. The details of the said registrations as given in paragraph 27 of the amended plaint (hereinafter referred to as "the plaint"), are reproduced below:

S. No.	Trademark	Application	Date of	Class	Status
		No.	Application		
1.	STELLADEXIN	5316035	5 th February,	11	Registered
	(Word Mark)		2022		
2.	STELLADEXIN	5316034	5 th February,	9	Registered
	(Word Mark)		2022		
3.	STELLADEXIN	5316033	5 th February,	7	Registered
	(Word Mark)		2022		

3.7. The plaintiff has also applied for the registration of the trademark







under class 11, which has been objected by the Trade Marks Registry.

3.8. The plaintiff has also obtained copyright registration for the artistic



work of " Stella Dexin" under application number 28076/2024-CO/A.

- 3.9. The plaintiff company has grown over the last 10 years and the brand name 'STELLADEXIN' has acquired a huge reputation and goodwill for commercial induction products across India. The year-wise annual turnover of the plaintiff from the financial years 2015-2016 to 2022-2023 is provided in paragraph 23 of the plaint. The annual turnover of the plaintiff company for the year 2022-2023 for products sold under the mark 'STELLADEXIN' is to the tune of Rs. 16.27 Crores.
- 3.10. Defendant no. 1 company is in the business of manufacturing and selling molded plastic furniture and material handling products. The defendant no. 1 company also has a joint venture with USA-based company Cambro USA, known as Cambro-Nilkamal Pvt. Ltd., defendant no. 2. As per the defendant no. 2's LinkedIn page, it is in the business of selling products including kitchen equipment.
- 3.11. The defendant nos. 3-4 are alleged to be the distributors of the impugned products. Their involvement in the distribution chain is evidenced by their direct supplying of the contested items to the consumers.
- 3.12. In and around June, 2024, it came to the knowledge of the plaintiff company that the defendants have been selling the induction cooktops under the brand name 'STELLA' which is similar to the plaintiff's registered





trademark.

3.13. Aggrieved by the aforesaid, the plaintiff filed the present suit seeking the relief of permanent injunction along with other ancillary reliefs.

PROCEEDINGS IN THE SUIT

- 4. Initially, the suit was filed against the defendants no. 1 to 4.
- 5. Summons in the present suit was issued on 27th August, 2024. On the same date, this Court granted an *ex parte ad* interim injunction in favour of the plaintiff restraining the defendants no. 1 to 4 from using the mark 'STELLA' and/ or any other mark/ name/ label/ device/ domain name that is identical to and/or deceptively similar/ infringing to the plaintiff's registered

mark 'STELLADEXIN' and device mark

date, this Court appointed a Local Commissioner to visit the premises of the defendant no. 3 to inventorize and seize the products bearing the impugned mark.

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- 6. On 7th November, 2024, an application filed on behalf of Stella Industrial Co. Ltd. seeking impleadment in the present suit was allowed and Stella Industrial Co. Ltd. was impleaded as the defendant no. 5.
- 7. This Court also allowed amendment application being I.A. 49075/2024 filed by the plaintiff and took the amended plaint on record *vide* order dated 25th March, 2025.

SUBMISSIONS ON BEHALF OF THE PLAINTIFF

- 8. Mr. J. Sai Deepak, Senior Counsel appearing on behalf of the plaintiff, has made the following submissions:
- 8.1. The plaintiff obtained trademark registrations with respect to the word mark 'STELLADEXIN' with the consent of the defendant no. 5. This is





evident from the permission letter dated 21st June, 2024 issued by Ms. Kristy Lin, the sales director of the defendant no. 5.

- 8.2. The conversations exchanged between the representatives of the plaintiff and the defendant no. 5 since 2019 on "WeChat", a messenger app used in China, show that the defendant no. 5 was exclusively selling its products to the plaintiff in India and defendant no. 5 was also aware of the trademark registrations carried out by the plaintiff.
- 8.3. The use of the mark 'STELLA' by the defendants, which is deceptively similar to the plaintiff's registered mark amounts to infringement.

SUBMISSIONS ON BEHALF OF THE DEFENDANT NO. 2

- 9. The stand of the defendant no. 2 in its reply as well as in the oral submissions made on its behalf by Mr. Arvind Nigam, Senior Counsel, is as follows:
- 9.1. The Exclusive Agency Agreement only granted a license to the plaintiff to use the mark 'STELLADEXIN' and not the permission to apply for registration of the same.
- 9.2. The permission letter dated 21st June, 2024 wrongly spells the mark used by the plaintiff as 'STELLADIXEN' instead of 'STELLADEXIN'. Further, the aforesaid letter has not been signed by an authorised person of the defendant no. 5 company.
- 9.3. The trademark registration obtained by the plaintiff in respect of 'STELLADEXIN' is only on a 'proposed to be used' basis.
- 9.4. Since the defendant no. 5 company has been using the said marks in India prior to the plaintiff's user as well as prior to the plaintiff's registration, in terms of Section 34 of the Trade Marks Act, 1999, there





cannot be any infringement by defendant no. 5.

9.5. Both the defendant no. 2 and plaintiff are importing the products bearing the impugned mark from defendant no. 5 company, who is the original owner and proprietor of the said marks. Therefore, no case of infringement can be made out against defendant no. 2 as well.

SUBMISSIONS ON BEHALF OF THE DEFENDANT NO. 5

- 10. The stand of the defendant no. 5 in its reply as well as in the oral submissions made on its behalf by Mr. Rahul Chitnis, , is as follows:
- 10.1. Since 2002, the defendant no.5 has secured multiple registrations, particularly in China, with respect to the marks **SHELLA** (STELLA),

(DEXIN) and / **STELLA MENT** (STELLADEXIN) (hereinafter collectively referred to as "Stella Marks").

10.2. The defendant no. 5 is the prior adopter of the Stella Marks, its stylized versions including the trademark viz. "STELLADEXIN" which is nothing but an English translation of the defendant no. 5's trademark

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- 10.3. In 2017, the defendant no. 5 through its local agent, submitted Application No. 3603360 dated 31st July, 2017 before the Trade Marks Registry, Delhi, seeking registration of the mark 'STELLA/*STELLA*, under class 11, however the said trademark application was later deemed abandoned since the objections were inadvertently not dealt with.
- 10.4. Defendant no. 5's products have also been sold in India through M/s Mittal International since the year 2013, as evidenced by the invoices and shipping receipts dating back to the year 2013.





- 10.5. The plaintiff is one of the resellers of defendant no. 5's products in India. The defendant no. 5 has no exclusive contractual relationship with the plaintiff.
- 10.6. Defendant no. 2 has been authorized by the defendant no. 5 to import and sell its products through a documented and verified arrangement facilitated by Ningbo Agsun Electronics Co., Ltd., the Chinese agent of defendant no. 2. Letters dated 5th March, 2024 and 5th June, 2024 substantiate the defendant no. 2's authorization to distribute defendant no. 5's products.
- 10.7. The exclusive agency agreement between the plaintiff and the defendant no. 5 was terminated *vide* letter dated 13th November, 2024.

ANALYSIS AND FINDINGS

- 11. I have heard the counsel for the parties and perused the material on record.
- 12. The undisputed position obtaining in the present case is that the defendant no. 5 company is the prior adopter and user of the Stella Marks in China since 2002. Defendant no. 5, Stella Industrial Company Limited, was established in 1983 in Taiwan and has a global presence.
- 13. It is also the case of the defendant no.5 that its products bearing the aforesaid marks have been sold in India since the year 2013 through M/s Mittal International. In this regard, the defendant no. 5 has placed on record invoices to show that the products bearing the impugned marks were being sold by the defendant no. 5 in India since 2013 (filed as document no. 2 of the defendant no. 5's documents).
- 14. As per the case set up by the plaintiff, the dealings between the plaintiff and the defendant no. 5 began in 2015 and the first agreement





entered into between the plaintiff and the defendant no. 5 was in the year 2017. Even though the plaintiff claims use since 2015, the earliest invoice filed by the plaintiff is of the year 2017.

- 15. The position that emerges from the aforesaid narration is that the defendant no. 5 has been selling goods in India under the Stella Marks much before the plaintiff's use of the impugned mark in India or its trademark registrations in India.
- 16. Accordingly, the defendant no. 5 would be entitled to the defence under Section 34 of the Trade Marks Act being a continuous prior user since 2013, before the use by the plaintiff or the date when the plaintiff obtained registration.
- 17. In fact, the plaintiff has been one of the re-sellers of defendant no. 5's products in India, similar to the defendant no. 2, who is importing products from the defendant no. 5 and selling the same in India. Since, the sale of the products bearing the impugned marks by the defendant no. 5 cannot amount to infringement, axiomatically, the sale of the said goods by defendant no. 2, who is nothing but an authorized re-seller of the defendant no. 5, cannot amount to infringement.
- 18. It is not the case of the plaintiff that the defendant no. 2 is using the impugned mark in its own right. Like the plaintiff, the defendant no. 2 is also importing goods from the defendant no. 5, through the authorized distributors of defendant no. 5 and selling the same in India. The goods sold by the defendant no. 2 are genuine and original products of the defendant no. 5, imported and resold with full authorization from the defendant no. 5.
- 19. At this stage, it would be useful to appreciate the legal position with respect to import and resale of goods bearing the trademark of the registered





proprietor. The principle of international exhaustion is duly recognized under Section 30(3) of the Trade Marks Act. Any person in India has the right to legally import goods from abroad bearing the trademarks of an entity and sell the same in India. Such sale of original goods by an authorized reseller/importer would not amount to trademark infringement. Reference in this regard be made to judgment passed by the Division Bench of this Court in *Kapil Wadhwa v. Samsung Electronics Co. Ltd.*, 2012:DHC:6136:DB, which was followed by the Coordinate Bench in *Seagate Technology LLC v. Daichi International*, 2024:DHC:4193.

- 20. Keeping in view the aforesaid, I am of the opinion that the plaintiff has failed to make out a *prima facie* case for grant of interim injunction.
- 21. The balance of convenience is also in favour of the defendants as grant of an interim injunction would prevent the defendants from using the Stella Marks, which have been used by the defendant no. 5 in India since 2013. On the other hand, grant of interim injunction would create the monopoly in favour of the plaintiff who only imports the goods bearing the Stella Marks from the defendant no.5.
- 22. In light of the discussion above, the interim injunction order passed by this Court on 27th August, 2024 stands vacated and it is ordered that the defendants shall be permitted to sell goods under the marks 'STELLA/SHELLA', 'STELLADEXIN' and SHELLA in India.
- 23. Accordingly, the I.A. 41504/2024 is allowed and I.A. 37339/2024 and I.A. 49076/2024 are dismissed.
- 24. Needless to state, any observations made herein are only for the





purpose of adjudication of the aforesaid applications and would have no bearing on the final outcome of the suit.

CS(COMM) 715/2024

25. List before the Joint Registrar for further proceedings on 11th August, 2025.

AMIT BANSAL (JUDGE)

JULY 01, 2025

Vivek/-