

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 10.09.2018

DELIVERED ON : 08.10.2018

CORAM:

THE HON'BLE MR. JUSTICE M.SATHYANARAYANAN
AND
THE HON'BLE MR.JUSTICE N.SESHASAYEE

O.S.A.No.110 of 2018
and CMP.No.7079 of 2018

M/s.Kaleesuware Refinery Pvt. Ltd.,
No.53, Rajasekarn Street,
Opp. Kalyani Hospital,
Radhakrishnan Salai,
Chennai-600 004. ... Appellant/Respondent/Defendant

Vs.

M/s.S.N.R.Dhall Mill,
A Partnership Firm,
Represented by its Managing Partner R.Surendran,
No.2/4, Vaidyanatha Mudali Street,
Tondiorpet,
Chennai-600 081. ... Respondent/Applicant/Plaintiff

Prayer: Original Side Appeal filed under Order XXXVI Rule 9 of Original Side Rules read with Clause 15 of the Letters Patent against the order dated 20.03.2018 made in O.A.No.224 of 2017 in C.S.No.164 of 2017.

O.A.224 OF 2017 : Petition filed under Order XIV Rule 8 of OS.Rules read with order 39 Rule 1 & 2 Praying to pass an interim ad-interim injunction restraining the Respondent/Defendant, its directors, all their principal, officers, staff, men, agent, servant, successors, assigns in business, representatives and any other person from infringing the trademark by using the words Gold Winner together, or any other word/words/device that the identical or deceptively similar to the said registered Trademark of the Applicant having Registration No.1232740 in class 30 in relation to manufacturing, packaging, distribution, sale, offering for sale, advertising on any of the Respondent /Defendant products or from in any manner dealing with dhall varieties, and thereby restraining them from claiming any right through or under the Respondent from in any manner infringing the registered

trademark and passing off its products as that of the Applicant's/Plaintiff under trade mark "GOLD WINNER".

C.S.NO. 164 OF 2017 : Plaint filed under Order VII Rule 1 of C.P.C read with Order IV Rule 1 of Original Side Rules read with sections 28, 29, 134 and 135 of the trade marks Act 1999 praying

a) A Permanent injunction restraining the Defendant, its directors, all their Principal Officers, Staff, men agent, servants, Successors, assigns in business, representatives and any other person from infringing the trademark by using the Words "GOLD WINNER" together or any other word/words/device that are identical or deceptively similar to the said registered Trademark of the plaintiff having Registration No.1232740 in class 30 in respect of dhall varieties, and thereby restraining them from claiming any right through or under the Defendant from in any manner infinging the registered trademark and passing off its products as that of the Plaintiff's under trade mark "GOLD WINNER" and thus render justice.

b) That the Defendant be ordered and directed to pay to plaintiff a sum of Rs.10,00,000 (Rupees Ten Lakhs only) by way of damages.

c) A Preliminary Decree be passed in favor of the Plaintiff directing the Defendant to render a true and faithful accounts of all profit made by them, using the Plaintiff's said Trademark in particular the "GOLD WINNER" and a final decree be passed in favor of the plaintiff for the amount of profit thus found to have been made by the Defendant, together with interest, after the Defendant has rendered accounts.

d) That the Defendant be directed to deliver-up to the plaintiff for destruction, all labels, all other print materials, stickers, signage, visiting cards, letter heads, catalogues, pamphlets, brochures, all other advertising and promotional material, all stationary, and such other material used for infringing and passing off.

e) for the costs of the Suit

For Appellant : Mr.P.S.Raman, Senior Counsel
assisted by
Mr.G.Kalyan Jhabakh
for M/s.Surana and Surana

For Respondent : Mr.Ramesh Ganapathy
for M/s.Mission Legal

JUDGMENT

M.SATHYANARAYANAN, J.

The respondent in O.A.No.224 of 2017 in C.S.No.164 of 2017 is the appellant. The respondent herein filed C.S.No.164 of 2017 on the file of this Court praying for a judgment and decree for permanent injunction restraining the defendant, its directors, all their principal officers, staff, men, agent etc., from infringing the trademark by using the words "GOLD WINNER" together, or any other word/words/device that are identical or deceptively similar to the said registered trademark of the plaintiff having Registration No.1232740 in Class-30 in respect of dhall varieties and thereby restraining them from claiming any right through or under the defendant from in any manner infringing the registered trademark and passing off its products as that of the plaintiff's trademark "GOLD WINNER" and also for a direction to pay to plaintiff a sum of Rs.10,00,000/- by way of damages and also for a preliminary decree to render accounts and for delivery to the plaintiff for destruction, all labels, all other print materials etc and such other materials used for infringing and passing off.

2. The respondent/plaintiff, pending disposal of the Suit, filed O.A.No.224 of 2017, praying for ad-interim injunction restraining the defendant from infringing the trademark "GOLD WINNER" and passing off its products as that of the plaintiff under the trade mark "GOLD WINNER".

3. Learned Single Judge of this Court, vide interim order dated 10.03.2017, has granted ad-interim injunction and the said interim order came to be modified, vide order dated 17.08.2017 by permitting the respondent therein/appellant herein to market the dhall currently held in stock with the existing packing within a period of four weeks for the purpose of ensuring that ready stocks shall not deteriorate as that would constitute a national waste and in the interregnum, parties were granted liberty to negotiate a settlement, if they are so inclined. The said order of ad-interim injunction came to be made absolute, vide impugned order dated 20.03.2018 and challenging the said order, the present appeal is filed.

4. Facts leading to the filing of the present appeal have been narrated in detail in the impugned order, which is the subject matter of challenge in this appeal and for the sake of brevity, it is unnecessary to restate the facts except to cull out the relevant facts for the purpose of disposal of this appeal.

4.1. It is the claim of the plaintiff that the trademark "GOLD WINNER" was originally coined and adopted by the plaintiff in the year 1999 in respect of different varieties of Dhall and Flour preparations and they are the leading manufacturer in respect of different varieties of dhall and flour preparations and has been continuously and extensively using the trademark "GOLD WINNER" ever since 1999 onwards. The plaintiff is a partnership firm formed in the year 1985 and subsequently there was a reconstitution and it is a registered dealer under the provisions of the Tamil Nadu Value Added Tax Act, 2006 [TNVAT Act] with TIN No.33843220597 and it is also registered with the Tamil Nadu Food Safety and Drug Administration Department having Licence No.12414002003140.

4.2. It is also the claim of the respondent/plaintiff that in order to safeguard the rights acquired over the said trademark, they applied and obtained registration for the mark "GOLD WINNER (Label)" under Application No.1232740 in Class-30, wherein the word "GOLD WINNER" is prominent along with the device of a man and during the registration of the said trademark, the exclusive right towards "Device of Man" was disclaimed and the said registration has been renewed from time to time and it is valid till 05.09.2013 and as such, the respondent/plaintiff is the registered proprietor of the trademark "GOLD WINNER (Label)" having registration trademark No.1232740 in Class-30. The plaintiff also claims that due to its exclusive and extensive usage of the plaintiff's products, earned enormous amount of goodwill and reputation among trade circle and general public and it is also a market leader all over India in respect of dhall and flour preparations and for the financial year 2015-2016, their sales turnover is Rs.1,14,26,39,357/-.

4.3. According to the respondent/plaintiff, the appellant/defendant has been doing the business of selling sunflower oil & vanaspathi under the trademark "GOLD WINNER", which came to be registered in Class-29 and also started selling dhall varieties under the trademark "SREE GOLD" from 2005 and the same is registered in Class-30. The defendant has filed a rectification petition before the Trademark Registry on 27.02.2006, challenging the registration of the plaintiff's trademark "GOLD WINNER" and subsequently, the said application was dismissed as withdrawn on 30.01.2013 by the Registrar of Trademark. It is the specific case of the plaintiff that selling of dhall varieties by using the plaintiff's trademark "GOLD WINNER" creates confusion and deception and also violating the plaintiff's prior adopted and registered trademark "GOLD WINNER", despite knowing that the plaintiff is the registered proprietor of the trademark "GOLD WINNER" and it is in usage from the year 1999 and thus, the conduct of the

defendant/appellant was deliberate and unlawful and in that process, had also infringed their trademark and passed off their goods by using an identical and deceptively similar trademark to that of the plaintiff and therefore, came forward to file O.A.No.224 of 2017 praying for interim orders.

4.4. As already stated, initially, interim order was granted and subsequently, it was modified so as to enable the appellant/defendant/respondent in the application to dispose of their stocks.

4.5. The appellant/respondent, has filed a counter affidavit denying the averments made in the plaint as well as in the application for ad-interim injunction and took a stand that it is a private limited company incorporated under the provisions of the Companies Act, 1956 and carrying on the business of manufacturing, marketing and selling various kinds of edible oils, lamp oils, agricultural products, foods products etc., and it is ranked among 100 FMCG consumer brands in India, being number one in edible oils category in South India [ORG-MARG] survey. The defendant would claim that it is the registered proprietor of the mark "GOLD WINNER" and it is having international trademark registrations in Singapore, Malaysia, USA, Australia in respect of the mark "GOLD WINNER" and by virtue of the exclusive use, statutory registration as well as publicity, enjoys exclusive proprietary rights over the mark "GOLD WINNER".

4.6. It is further averred by the respondent in the application/defendant in the counter affidavit that during the year 2006, it came across the plaintiff's trademark registration No.1232740 in Class-30 for the trademark "GOLD WINNER (Label)" registered on 12.09.2005 and though it filed a rectification petition, having noted even an iota of evidence regarding the use of the alleged trademark by the respondent/plaintiff, thought fit to not press the same. It is also the stand of the respondent/appellant that the mere existence of mark in the register cannot be a proof of use of the mark and it was given to understand that the petitioner/plaintiff has never used the mark "GOLD WINNER" in trademark sense and the mark "GOLD WINNER SREE GOLD" has been continuously and extensively used in respect of dhall since 2005 to till date and it is also the registered proprietor of the trademark "GOLD WINNER SREE GOLD" registered under Trademark Registration Nos.1399085, 1399087 and 1399088 in Class-30 dated 16.11.2005 and the plaintiff, with malafide and dishonest intention, for the purpose of unjustly enriching themselves on the goodwill and reputation of the defendant, has copied the respondent's trademark and in the light of registration of the trademark "GOLD WINNER" including "SREE GOLD" in Class-30 under 3 registration numbers dated 16.11.2005

and that the mark "GOLD WINNER" registered under Class-29 came to be registered as early as on 27.08.1993 and took a stand that the respondent is not entitled to any interim orders and prayed for vacating the same.

4.7. The respondent/defendant/appellant has also filed an additional counter affidavit stating that it is using the mark "GOLD WINNER" for dhalls packed in 500 gms, 1 Kg., and lesser quantity packs for selling in retail market and the investigation reports confirm that the plaintiff is selling dhalls under different brand name and the trade mark "GOLD WINNER" was not mentioned in any of the packets and therefore, prayed for vacating the interim orders.

5. The learned Single Judge, after dealing with the factual aspects, relevant provisions as well as the decisions relied on by the respective learned counsel appearing for the parties, found that the respondent/plaintiff is the prior user in dhall and the defendant is the prior use in oil and both products fall in different classes i.e., Class-30 and Class-29 and also dealt with the issue relating to disclaimer and rendered a finding that the disclaimer is only with regard to "Device of Man (athlete)" and the words "Toor Dhall", which is descriptive of the product. The learned Judge, in paragraph 48 of the impugned order, observed that the plaintiff/respondent is the prior user of the trademark "GOLD WINNER" in dhall and having taken note of the fact that the interim order is in subsistence from 10.03.2017, continued the same for a period of one year and also fixed time line for the disposal of the Suit itself, vide impugned order dated 20.03.2018. The appellant/respondent/defendant in the Suit, aggrieved by the continuance of the interim order, had filed this appeal.

6. Mr.P.S.Raman, learned Senior Counsel assisted by Mr.G.Kalyan Jhabakh, learned counsel appearing for the appellant made the following submissions:

(i) There is no separate registration in favour of the respondent/plaintiff for the word mark/trademark "GOLD WINNER", except for the label "Device of Man" and admittedly, the respondent/plaintiff caters to wholesale market and whereas the appellant/defendant cater to retail market and even as per the registered trademark of the plaintiff, which is the label, it has been clearly indicated that the packing is for 100 Kg Toor dhall and since the appellant/defendant never deals in wholesale trade in respect of Toor dhall, the respondent/plaintiff out not to have been granted with interim orders.

(ii) The respondent/plaintiff, in order to get

over the fact that he deals only in wholesale market, managed to get the mark as if he deals in retail market also and since the said act is not a bonafide one and has been done deliberately, it ought not to have been shown indulgence in the form of benefit of interim orders.

(iii) The respondent/plaintiff's label/package is not the label/package for which registration has been given as per Class-30 by the Trademark Registry and they have also wilfully suppressed the fact that they cater to wholesale segment only and in the impugned order, it has been erroneously held that the respondent/plaintiff is the prior user of the mark "GOLD WINNER" as far as dhall is concerned and failed to take note of the evidence/materials that the appellant/defendant is the prior user of the mark "GOLD WINNER" and more importantly, the trademark of the appellant/defendant was also registered and the "GOLD WINNER" font alone has been increased and however, style of writing of the font remains the same and hence, it cannot be considered as infringement of the respondent's/plaintiff's label mark.

(iv) In the light of the fact that the appellant/defendant is the prior user of the mark "GOLD WINNER" and admittedly, device mark of the respondent/plaintiff came to be registered at a later point of time, the respondent/plaintiff is not entitled to any interim orders.

(v) The learned Judge has failed to take into consideration of the fact that the respondent/plaintiff is merely having registration for the label consisting of several parts including "GOLD WINNER", "Device of a Man", "Toor Dhall" etc., it does not have a separate registration for the word mark "GOLD WINNER" and as such, it does not have exclusive right over the word "GOLD WINNER" in terms of Section 17 of the Trade Marks Act, 1999 and even otherwise, the appellant/defendant, by producing ample evidence/material has substantiated it's case that it is the prior user of the word mark "GOLD WINNER".

(vi) Anti-Dissection principle operates solely in favour of the appellant/defendant for the reason that the label mark of the respondent/plaintiff should be viewed as a whole and it cannot be dissected into various parts and the learned Judge has failed to apply the test of likelihood of confusion and has erroneously

applied Anti-Dissection principle and the same is impermissible in law.

(vii) The appellant/defendant's packages consists of "GOLD WINNER" in the same style with respect to font and appearance as that of the defendant's various other products, including oil and dhall and that apart, they are the prior user of the word mark "GOLD WINNER" and since the respondent/plaintiff failed to show strong or substantial likelihood of confusion among the consumers and irreparable injury caused by the defendant's use of the work "GOLD WINNER" in respect of dhalls and other legal principles, the learned Judge has erroneously ordered the continuance of interim order of injunction.

(viii) Sections 28(3) and 30(2)(e) of the Trademark Act has been misconstrued and that the respondent/plaintiff cannot bring action of infringement against the appellant /defendant for the reason that the appellant/defendant has been using the mark "GOLD WINNER" in the "GOLD WINNER SREE GOLD" dhall packaging and the said packaging has been duly registered with the Trademark Registry and the learned Judge has failed to take note of the fact that the mere registration of the mark does not imply using of the mark and that apart, the trademark registration of the respondent/plaintiff pertains only to wholesale packaging and whereas the appellant/defendant is dealing in retail packaging and selling of the dhall.

(ix) The learned Judge has failed to take note of the fact that the appellant/defendant produced voluminous and quality evidence in support it's case that it is having wide market not only in India but also in abroad to use the proprietary mark, namely "GOLD WINNER" for nearly 2 ½ decades, across the food segment and it has also spent enormous amount on building the brand image for it's mark "GOLD WINNER" through advertising and promotional activities and on account of the impugned interim order, the appellant/defendant is put to grave hardship and irreparable loss and financial loss and also for the reason that the appellant/defendant is using the word mark, namely "GOLD WINNER", which has been honestly conceived and adopted by it.

Therefore, learned Senior Counsel appearing for the appellant/defendant, prays for allowing of this appeal with a consequential order to vacate the interim order granted by the learned Judge in dismissing the application. The learned Senior

counsel appearing for the appellant/defendant, in support of his submissions, placed reliance upon the following judgments:

- (i) The Registrar of Trade Marks v. Ashok Chandra Rakhit Ltd. [AIR 1955 SC 558]
- (ii) M/s. Nakoda Dairy (P) Ltd. v. M/s. Kewal Chand Vinod Kumar and Others [MANU/TN/4324/2011]
- (iii) South India Beverages Pvt. Ltd. v. General Mills Marketing Inc. [2015 (61) PTC 231 (Del)].

7. Per contra, Mr. Ramesh Ganapathy, learned counsel appearing for the respondent/plaintiff made the following submissions:

(i) The trademark of the respondent/plaintiff was registered in the name of Rathinaswamy Gomathy, Surendran, Amsadevi, Ravindran, Vijayalakshmi trading as S.N.R. Dhall Mill, 2/4, Vaidyanathamudali Street, Tondiorpet, Chennai-600081, bearing trademark No.1232740 registered on 05.09.2003, under Class-30 and valid upto 05.09.2013 and subsequently renewed for a period of ten years upto 05.09.2023 and as such, it is the prior user of the trademark "GOLD WINNER".

(ii) The appellant/defendant took out an application under Section 57 of the Trade Marks Act, 1999 to rectify the registration of the trademark by removal of the registered trade mark "GOLD WINNER (Label)" and subsequently, it was dismissed as withdrawn on 30.01.2013 and in the light of the said voluntary act on the part of the appellant/defendant, there cannot be any impediment as to the user of the said mark by the appellant.

(iii) Though the appellant/defendant is having registration under Class-30 with the mark "SREE GOLD" in respect of Moong Dhall, Toor Dhall, Orid Dhall, changed the appearance and get up of the packing by putting the word "GOLD WINNER" prominent in respect of "SREE GOLD" and it is not a well known trademark and by adopting such dubious practice, the appellant/defendant is getting into the doors of the plaintiff.

(iv) Though the respondent/plaintiff claim that it is the prior user of the mark "GOLD WINNER", did not raise any objection in terms of Section 33 of the Trade Marks Act, 1999 and the appellant, who claims to be the earlier Trade Mark holder, cannot test the validity of the registration of the plaintiff's mark and on that ground also, he is not entitled to any relief.

In sum and substance, it is the submission of the learned counsel appearing for the respondent that it has produced materials to show that it is also dealing in dhal in retail market also and the learned Single Judge, on a thorough consideration and appreciation of the materials placed, has rightly reached the conclusion to continue the interim order and this Court, in exercise of its appellate jurisdiction, though entitled to re-appreciate the same, cannot reach a different conclusion and prays for dismissal of this appeal with exemplary costs. The learned counsel appearing for the respondent/plaintiff, in support of his submissions, placed reliance upon the following judgments:

- (i) Khoday Distilleries Limited v. The Scotch Whisky Association and Others [2008 (37) PTC 413(SC) : (2008) 10 SCC 723]
- (ii) Rana Steels v. Ran India Steels Pvt. Ltd. [2008 (102) DRJ 503 : 2008 PTC (37) 24]
- (iii) A.Kumar Milk Foods Pvt. Ltd. v. Vikas Tyagi & Anr. [2013 (203) DLT 398]

8. During the course of arguments in this appeal, it was also brought to the knowledge of this Court by the learned Senior Counsel appearing for the appellant that though the appellant/defendant had used the wrapper "SREE GOLD" with the word "GOLD WINNER", had given up totally and started using the word "GOLD WINNER" with the word "SREE GOLD" and it was also suggested that why the wrapper/package is being used by the appellant/defendant and the word "SREE GOLD" should be prominently displayed with the reduction in size of the label font "GOLD WINNER".

9. This Court has carefully considered the rival submissions and also perused the entire materials placed before it.

10. It is the specific case of the respondent/plaintiff that it is a partnership firm registered under the provisions of the Indian Partnership Act and also a registered dealer under the Tamil Nadu Value Added Tax Act, 2006 with TIN No.33843220597 and also got registered with the Tamil Nadu Food Safety and Drug Administration Department under Licence No.12414002003140. The respondent/plaintiff with an intention to create a brand identity for quality products manufactured and sold by them, had conceived, conceptualized, adopted and used the trademark "GOLD WINNER" ever since 01.06.1999 and has been continuously, uninterruptedly and extensively using the same in relation to their products. The respondent/plaintiff, in order to safeguard the rights acquired over the said trademark, has applied and obtained registration for the mark "GOLD WINNER (Label)" under Application No.1232740 in Class-30, wherein the word "GOLD

WINNER" is prominent along with "Device of Man" and during the registration of the said trademark, the exclusive right towards the "Device of Man" was disclaimed and the registration has been renewed from time to time and it is valid till 05.09.2023. It is also stated that their turnover started increasing and for the Financial Year 2015-2016, the annual sales turnover was Rs.1,14,26,39,356/-.

11. It is contended by the respondent/plaintiff that after registration of the trademark in the year 2005, the appellant/defendant took out an application for rectification in Rectification No.215502, before the Trademark Registry, Chennai on 27.02.2006, challenging the registration of the plaintiff's trademark "GOLD WINNER" and during final stage, the said rectification application was dismissed as withdrawn on 30.01.2013. It is also contended that though their registered trademark is "SREE GOLD" with the word "GOLD WINNER" in a small font, they were selling their products with that packaging, subsequently given up the word "SREE GOLD" and started using the word "GOLD WINNER" alone and the said act on the part of the appellant, despite being aware of the fact that the respondent/plaintiff had already captured the market in respect of dhall varieties, would amount to deliberate intention to cause wrongful loss to them with corresponding wrongful gain and in that process also, infringed their trademark and also passing off their goods and they are using an identical and deceptively similar trademark to that of their trademark "GOLD WINNER".

12. Per contra, it is contended on behalf of the appellant/defendant/respondent in the application for ad-interim injunction that it is the registered owner of the trademark "GOLD WINNER" in Class-29 for Sunflower Oil in Trade Mark No.605323 dated 27.08.1993 and it is also the registered proprietor of the trademark "GOLD WINNER SREE GOLD" registered under Trademark Nos.1399085, 1399087 and 1399088 in Class-30 dated 16.11.2005 and therefore, they own exclusive right, proprietorship and copyright for the artistic feature of the mark "GOLD WINNER" by virtue of their registration and their trademark "GOLD WINNER" had gained high level of distinctiveness and goodwill on account of maintaining excellent quality of their products and marketing them at reasonable price and for the reason that they have spent crores of rupees towards advertisement etc. It is further contended by the appellant/defendant that the respondent/plaintiff with an intention to piggy backing on the respondent's popularity and reputation, had illegally filed and registered the said deceptively similar trademark in Class-30 and though an application for rectification was filed before the Trademark Registry and since they could not find an iota of evidence regarding the use of the alleged trademark by the

respondent/plaintiff, especially with regard to wholesale trade, was advised to withdraw the application and accordingly, it was dismissed as withdrawn.

13. It is the specific case of the appellant/defendant that mere existence of mark in the register cannot be a proof of use of the mark and they never use the mark "GOLD WINNER" in the trademark sense and it is also one of the top 100 FMCG consumer brands in India and ranked 63rd in the India's top 100 FMCG brands as per Brand Equity - ET AC Nielsen Survey and since the appellant/defendant is the registered proprietor of the trademark "GOLD WINNER SREE GOLD" since 2005, the respondent/plaintiff is barred from taking action under Sections 29 and 33 of the Trade Marks Act, 1999 and in the light of the fact that it is the prior user and adoptor of the mark "GOLD WINNER" since 1993 and it has been using the mark "GOLD WINNER SREE GOLD" in respect of dhall from the year 2005 and being the registered proprietor of the mark "GOLD WINNER" including "GOLD WINNER SREE GOLD" registered under Trademark Nos. 1399085, 1399087 and 1399088 in Class-30 dated 16.11.2005, the respondent/plaintiff is not entitled to any relief. It is also the case of the appellant/defendant that the respondent/plaintiff has fraudulently and dishonestly adopted the trademark, which is identical and deceptively similar to that of their trademark and it has been done deliberately and thereby, caused irreparable loss and hardship.

14. The sum and substance of the case of the appellant/defendant is that it has been using the mark "GOLD WINNER" in respect of dhalls at-least from the year 2005 and it is the registered proprietor of the trademark "GOLD WINNER" including "GOLD WINNER SREE GOLD" registered under Trademark Nos. 1399085, 1399087 and 1399088 in Class-30 dated 16.11.2005 and it is a well known mark and it is the prior user and adoptor of the mark "GOLD WINNER" since 1993 and as such, the respondent/plaintiff is not entitled for continuation of interim orders.

15. Additional counter affidavits and reply affidavits have also been filed reiterating the same. Originally, the respondent/plaintiff had the benefit of interim orders in O.A.No.224 of 2017 in C.S.No.164 of 2017 and subsequently, it is modified, vide order dated 17.08.2017, permitting the respondent/plaintiff to market the dhall currently held in stock with the existing packing within a period of four weeks and to ensure that ready stocks shall not deteriorate as that would constitute a national waste and liberty was also granted to negotiate a settlement, if they are so inclined.

16. The learned Judge, after taking into consideration the

plaint averments as well as in the affidavit filed in support of the application, counter and reply statements and after considering the case laws cited by the respective learned counsel appearing for the parties, observed that infringement of a registered trademark occurs only when a mark is identical or deceptively similar to a registered trademark and with regard to the claim of the appellant that it is a well known trademark and also taken note of the fact that the registration of the trademark "GOLD WINNER" is in Class-29, has formulated a question as to whether the appellant/defendant's use of the mark "GOLD WINNER" from the year 1993 for the product oil in Class-29 will give any right to the defendant to object to the use of the mark for another product i.e., dhall in Class-30 will ultimately depend on defendant being able to establish the reputation of its mark in the trial.

17. The learned Judge has also gone through the issue of disclaimer and found in paragraph 43 of the impugned order that the interpretation of the disclaimer clearly shows that the disclaimer is only with regard to running man (athlete) device and words "Toor Dhall" which is descriptive of the product and there is no disclaimer with regard to "GOLD WINNER". The learned Judge has also considered the claim of the appellant/defendant that the respondent/plaintiff is not in retail market and whereas they are in retail market and observed that it is based upon investigation reports, which have to be tested during the course of trial. In paragraph 48 of the impugned order, the learned Judge concluded that the respondent/plaintiff is the prior user of the mark "GOLD WINNER" in dhall and therefore, deem it appropriate to hold that the interim order already granted by this Court on 10.03.2017, which has been extended subsequently, to be continued for a further period of one year and also fixed upper time limit for completion of pleadings and further proceedings as per the provisions of the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015. The respondent in the application/defendant, aggrieved by the continuance of the interim order, has filed this appeal.

18. It is not in dispute that the respondent/plaintiff is having Certificate of Registration under Section 23(2) of the Trade Marks Act, 1999 r/w. Rule 62 of the Trade Marks Rules, 2017, bearing Reg.No.1232740 dated 05.09.2003 in respect of dhall varieties etc., and it was renewed for a period of ten years from 05.09.2013 and it is a device trademark under Class-30 in respect of goods and services. One of the conditions is that registration of the said trademark shall give no right to the exclusive use of "Device of a Man" and descriptive matters appearing in the said label. The label/device mark of the appellant/defendant is "SREE GOLD"(label) in Class-30 and the

label/device of the respondent plaintiff is "GOLD WINNER" including "GOLD WINNER SREE GOLD" registered under Trademark Nos. 1399085, 1399087 and 1399088 in Class-30 dated 16.11.2005. It is relevant to extract the label/device mark of the respondent/plaintiff and the appellant/defendant as under:

Respondent/Plaintiff's Label/Device Mark:



Appellant/Defendant's Label/Device Mark



19. Sometime thereafter, the appellant/defendant started using the mark "SREE GOLD" and "GOLD WINNER" in dhall under the following package:



20. The primordial submission of the learned Senior Counsel appearing for the appellant/defendant is that the learned Judge, instead of applying the test of likelihood of confusion, has erroneously applied Anti-Dissection principle and also failed to take note of the fact that the respondent/plaintiff is dealing in wholesale market and whereas the appellant/defendant is dealing in retail market and if the respondent/plaintiff label mark and the appellant/defendant label mark are placed side by

side and examined as a whole for trademark infringement, both of them are completely different and no mark of confusion might be caused in the minds of the consumers. It is the further submission of the learned Senior Counsel appearing for the appellant/defendant that the respondent/plaintiff is having registration for the label consisting of several parts, which includes "GOLD WINNER", "Device of Man", "Toor Dhall" and does not have separate registration of the mark "GOLD WINNER" and as such, it does not have exclusive right for the trademark "GOLD WINNER" under Section 79 of the Trade Marks Act, 1999. It was also pointed out that the appellant/defendant is the prior user of the mark "GOLD WINNER" atleast from the year 1993 in respect of oil in Class-29 and in respect of alleged infringement of the mark "GOLD WINNER SREE GOLD" (Label), it is having three registration Nos.1399085, 1399087 and 1399088 in Class-30 dated 16.11.2005 and in the light of the fact that both parties are having registration in Class-30, there cannot be a restraint order against each other in using the same and the said legal aspect has been completely overlooked by the learned Judge in extending the interim orders.

21. Per contra, it is the stand of the respondent/plaintiff that admittedly, there are having prior registration and though the appellant/defendant has got the registration "GOLD WINNER SREE GOLD" and marketed their products under the said label, subsequently, deviated deliberately and started marketing their products with the package titled as "GOLD WINNER" - range of dhalls and failed to indicate "SREE GOLD" which would definitely leads to confusion on the mind of the public to purchase the said products and the learned Judge has rightly taken note of the factual aspects and legal position and rightly extended the interim orders.

22. In the light of the said development, it is relevant to extract the packing wrappers of the dhal products by the



appellant /defendant



23. In *The Registrar of Trade Marks v. Ashok Chandra Rakhit Ltd.* [AIR 1955 SC 558], the scope of disclaimer in trademark came up for consideration and the Hon'ble Apex Court, in the said decision, after taking note of the relevant provisions in the Trade Marks Act, 1999, observed as follows:

"16. It is true that where a distinctive label is registered as a whole, such registration cannot possibly give any exclusive statutory right to the proprietor of the trade mark to the use of any particular word or name contained therein apart from the mark as a whole. As said by Lord Esher in *Pinto v. Badman* [8 RPC 181 at p 191] :

"The truth is that the label does not consist of each particular part of it, but consists of the combination of them all".

17. Observations to the same effect will be found also in *In re Apollinaris Company's Trade Marks* [LR (1891) 2 Ch 186], *In re Smokeless Powder Co.*, *In re Clement and Cie* [LR (1900) 1 Ch 114] and *In re Albert Baker & Company* and finally in the *Tudor* case referred to above which was decided by Sargant, J. This circumstance, however, does not necessarily mean that in such a case disclaimer will always be unnecessary. It is significant that one of the facts which give rise to the jurisdiction of the tribunal to impose disclaimer is that the trade mark contains parts which are not separately registered. It is, therefore, clear that the section itself contemplates that there may be a disclaimer in respect of parts contained in a trade mark registered as a whole although the registration of the mark as a whole does not confer any statutory

right with respect to that part."

24. In *Khoday Distilleries Limited v. The Scotch Whisky Association and Others* [2008 (37) PTC 413 (SC) : (2008) 10 SCC 723], the mark of whisky under the mark "Peter Scot" manufactured by the appellant therein viz., Khoday Distilleries Limited came up for consideration and one of the points urged was delay in approaching the Court and acquiescence and it is relevant to extract paragraph 31 of the said judgment:

"31. It would appear to me that where there is an honest concurrent user by the defendant then inordinate delay or laches may defeat the claim of damages or rendition of accounts but the relief of injunction should not be refused. This so because it is the interest of the general public, which is the third party for such cases, which has to be kept in mind. In the case of inordinate delay or laches, as distinguished from the case of an acquiescence, the main prejudice which may be caused to the defendant is that by reasons of the plaintiff not acting at an earlier point of time the defendant has been able to establish his business by using the infringing mark. Inordinate delay or laches may be there because the plaintiff may not be aware of the infringement by the defendant or the plaintiff may consider such infringement by the defendant as not being serious enough to hurt the plaintiff's business. Nevertheless, if the court comes to the conclusion that prejudice is likely to be caused to the general public who may be misled into buying the goods manufactured by the defendant thinking them to be the goods of the plaintiff then an injunction must be issued. The court may, in appropriate cases, allow some time to the defendants to sell off their existing stock but an injunction should not be denied."

In the said decision, comparison between two marks have also been dealt with and it is relevant to extract paragraph 67 of the said decision:

"67. That passage was cited with approval in *Cooper Engg. Co. Pty. Ltd. v. Sigmund Pumps Ltd.* [(1952) 86 CLR 536 : 1952 HCA 15], CLR at p. 538 and in *Woollen Mills* [*Australian Woollen Mills Ltd. v. F.S. Walton & Co. Ltd.*, (1937) 58 CLR 641], CLR at p. 658, where Dixon and McTiernan, JJ. described the comparative analysis as follows:

'In deciding this question, the marks ought not, of course, to be compared side by side. An attempt should be made to estimate the effect or impression produced on the mind of potential customers by the mark

or device for which the protection of an injunction is sought. The impression or recollection which is carried away and retained is necessarily the basis of any mistaken belief that the challenged mark or device is the same. The effect of spoken description must be considered. If a mark is in fact or from its nature likely to be the source of some name or verbal description by which buyers will express their desire to have the goods, then similarities both of sound and of meaning play an important part. The usual manner in which ordinary people behave must be the test of what confusion or deception may be expected. Potential buyers of goods are not to be credited with any high perception or habitual caution. On the other hand, exceptional carelessness or stupidity may be disregarded. The course of business and the way in which the particular class of goods are sold gives, it may be said, the setting, and the habits and observation of men considered in the mass affords the standard. Evidence of actual cases of deception, if forthcoming, is of great weight.'"

25. In *Rana Steels v. Ran India Steels Pvt. Ltd.* [2008 (102) DRJ 503 : 2008 PTC (37) 24], infringement of the trademark "RANA" dhall and the scope of Section 28(3) of the Trade Marks Act, 1999 came up for consideration and it is relevant to extract paragraphs 27 and 28 of the said judgment:

"27. The plaintiff has certainly established a prima facie case in its favor. Because of registration and by virtue of Section 28(1) of the said Act, an exclusive right of using the trade mark RANA has been conferred upon the plaintiff in relation to steel rolled products, CTD bars, angles, flats, rounds, channels and girders falling under class 6. And, such right is absolute [see: *Ramdev Food Products* (supra) (para 83)]. As observed in *Ramdev Food Products* (supra) (para 82), what is needed by way of cause of action for filing a suit of infringement of trade mark is use of a deceptively similar mark which may not be identical. It was contended on behalf of the plaintiff that the marks RANA and RANator are identical inasmuch as turn is merely descriptive of a kind of high strength steel. While this may be debatable, there cannot be any escape from the fact that RANator is deceptively similar to RANA. It is interesting to note that though the defendant's registration under class 19 is in respect of the trade mark RANator used as one word, the defendant has been using it in the form of two words RANA tor. This clearly signifies the defendant's

intention to break up the mark RANator into RANA and tor. It is this separation of RANA and turn which, in fact, lays emphasis on the mark RANA because the other word tor, as is commonly understood, is merely descriptive of a type of steel. The moment this happens there is every possibility that the mark RANA turn used by the defendant is confused by the public at large with the plaintiff's registered trade mark RANA which is used for the plaintiff's turn steel products.

28. The balance of convenience is also in favor of the plaintiff. The plaintiff's user is since 1993. Its registration relates back to 14.12.1994. As discussed above the plaintiff has been extensively advertising its products under the said mark RANA in Punjab Kesari (04.11.1993 & 21.10.1993 and 1994), Amar Ujala (1993-94), Hindi Magazine Parvat Piyush (September, 2006), TV advertisements in Sun TV channel at Chennai (March, 2006). On the other hand, the defendant's alleged user (even as per its own admission in its application for registration) is from the year 2001 and its registration under class 19 relates back to 26.04.2001. Even the user of the mark by the defendant after 2001 is suspect. This aspect will be discussed in some detail later. The defendant's name is RAN India Steels Pvt Ltd and it sold its products (including turn steel) under the mark RAN. There appears to be no reasonable cause for its subsequent adoption of the mark RANA turn when the mark RANA was already being used by the plaintiff and for the registration of which the plaintiff's application was pending since 14.12.1994. Then, there is the circumstance of the defendant not opposing the plaintiff's application for registration in relation to goods under class 6 but, in applying for registration of the mark RANator in class 19. The plaintiff has a valid registration in relation to steel rolled products, CTD bars, angles, flats, rounds, channels and girders falling under class 6. The defendant has a registration under class 19 but not in relation to steel rolled products, CTD bars, angles, flats, rounds, channels and girders falling under class 6. It is obvious, that it is the plaintiff's statutory right which requires protection and not the defendant's improper use of the mark RANA turn in relation to steel rolled products, CTD bars, angles, flats, rounds, channels and girders falling under class 6. The balance of convenience is clearly in favor of the plaintiff and against the defendant. Furthermore, in an infringement action, when the plaintiff has demonstrated that it has a prima facie case and also that the balance of

convenience lies in its favor, not granting an interim injunction restraining the defendant from further infringing the plaintiff's registered trade mark would result in causing irreparable injury to the plaintiff."

26. In M/s.Nakoda Dairy (P) Ltd. v. M/s.Kewal Chand Vinod Kumar and Others [MANU/TN/4324/2011], injunction in respect of infringement of a trademark came up for consideration and a Division Bench of this Court has considered the scope of Sections 28 and 34 of the Trade Marks Act, 1999 and with regard to continuous usage of the mark, volume of sales and promotional expenses etc., and it is relevant to extract paragraph 23 of the said judgment:

"23. It is fairly well settled that infringement of rights in the trade mark can never be sufficiently compensated. In cases of infringement, if injunction is not granted, there is a possibility of great injury being done to the registered Proprietor of the trade mark. But as elaborated earlier, rights of the registered trade mark is subject to other provisions of the Act. When the Respondents- Defendants are shown to be the prior and continuous user of the mark "NAKODA", Appellant cannot complain of the infringement. More so when cancellation proceeding are pending before the Intellectual Property Appellate Board, Chennai. Learned counsel for Appellant has referred to number of other decisions which we feel are not very much relevant. Having regard to the limited scope involved, we do not propose to elaborate upon those decisions."

27. In A.Kumar Milk Foods Pvt. Ltd. v. Vikas Tyagi & another [2013 (203) DLT 398], interim orders were sought with regard to the infringement of the plaintiff's rights on the trademark "SHRIDHAR" and passing off in violation of the said trademark. A single bench of Delhi High Court, after considering the scope of Section 28 of the Trade Marks Act, 1999 and earlier provision of Section 38 of the Trade and Merchandise Marks Act, 1958, observed as follows:

"24. In P.M. Diesels, the Court discussed Section 28 of the Trade and Merchandise Marks Act, 1958 ('TMM Act') which was the provision corresponding to Section 28 of the TM Act. It was held that till such time the registration of the mark is not rectified, the person who is shown as the proprietor of the registered trade mark would continue to have all rights and privileges and the registration would be prima facie evidence of the validity thereof. In the said case, the Plaintiff was a registered proprietor of the mark 'Field

Marshal' in respect of diesel oil engines or parts thereof. The Defendants were the registered proprietor of the trade mark 'Field Marshal' in respect of centrifugal pumps. The dispute was regarding the use of the above trademark with respect to centrifugal pumps for which the registration was in favour of the Defendant. The Plaintiff tried to restrain the Defendants from using the said mark in respect of centrifugal pumps on the basis of prior use, and not on the basis of proprietorship arising out of registration of the mark. In that context, it was explained by the Court that by virtue of Section 28(3) of the TMM Act, the exclusive right to use the trade mark 'Field Marshal' shall not be deemed to have been acquired either by the Plaintiff or by the Defendant as against each other but both the Plaintiff as well as the Defendant have otherwise the same rights as against other persons as they would have if they were the sole proprietors. While they would not be entitled to sue each other, because both of them were the registered proprietors of an identical trade mark, though in respect of different types of goods, they would, however, be entitled to take actions against any one if that trade mark is infringed.

.....

28. Section 28 (3) of the TM Act cannot be interpreted in a manner that would be contrary to the above scheme of the Act and Rules. In other words Section 28 (3) of the TM Act should be understood as not permitting an infringement action being brought by one registered proprietor against another only where two conditions are satisfied: one, that the two registered marks "are identical with or nearly resemble each other"; and two, they are in respect of the same class of goods and services. This will be in conformity with the object of Section 28 (1) read with Section 29 of the TM Act which seeks to grant protection to the registered proprietor of a mark from infringement in respect of the goods for which registration is granted.

29. Both in T.T. K. Prestige Ltd. v. Har Parasad Gupta 77 (1999) DLT 357 and Marc Enterprises Pvt. Ltd v. Five Star Electricals (India) (2008) ILR 2 Delhi 771, the marks in question were registered by the Plaintiff and the Defendant in the same class of goods. In both cases, this Court followed PM Diesels Pvt. Ltd. and declined injunction. As noticed earlier, in the present case the Plaintiff is, unlike the Plaintiff in P.M. Diesels, not at this stage seeking

to restrain the Defendants from using the mark SHREEDHAR in respect of the goods for which the Defendants hold the registration i.e. Class 30 goods. The Plaintiff is seeking to protect its own trademark SHRIDHAR, registered in respect of Class 29 goods from infringement, by restraining the Defendants from using SHREEDHAR to describe their Class 29 goods. This is permissible on a reading of Section 28 (1) with Section 28 (3) of the TM Act as explained in Rana Steels."

28. In S.Syed Mohideen v. P.Sulochana Sai [2015 (7) Scale 136], passing off action by a registered trademark holder against other persons, who also holds valid registration of the trademark came up for consideration and it is relevant to extract the following portions of the said judgment:

22. Sub-section (3) of Section 28 with which we are directly concerned, contemplates a situation where two or more persons are registered proprietors of the trade marks which are identical with or nearly resemble each other. It, thus, postulates a situation where same or similar trade mark can be registered in favour of more than one person. On a plain stand-alone reading of this Section, it is clear that the exclusive right to use of any of those trade marks shall not be deemed to have been acquired by one registrant as against other registered owner of the trade mark (though at the same time they have the same rights as against third person). Thus, between the two persons who are the registered owners of the trade marks, there is no exclusive right to use the said trade mark against each other, which means this provision gives concurrent right to both the persons to use the registered trade mark in their favour. Otherwise also, it is a matter of common sense that the plaintiff cannot say that its registered trade mark is infringed when the defendant is also enjoying registration in the trade mark and such registration gives the defendant as well right to use the same, as provided in Section 28(1) of the Act.

23. However, what is stated above is the reflection of Section 28 of the Act when that provision is seen and examined without reference to the other provisions of the Act. It is stated at the cost of repetition that as per this Section owner of registered trade mark cannot sue for infringement of his registered trade mark if the appellant also has the trade mark which is registered. Having said so, a very important question arises for consideration at this

stage, namely, whether such a respondent can bring an action against the appellant for passing off invoking the provisions of Section 27(2) of the Act. In other words, what would be the interplay of Section 27(2) and Section 28(3) of the Act is the issue that arises for consideration in the instant case. As already noticed above, the trial court as well as the High Court have granted the injunction in favour of the respondent on the basis of prior user as well as on the ground that the trade mark of the appellant, even if it is registered, would cause deception in the mind of the public at large and the appellant is trying to encash upon, exploit and ride upon on the goodwill of the respondent herein. Therefore, the issue to be determined is as to whether in such a scenario, the provisions of Section 27(2) would still be available even when the appellant is having registration of the trade mark of which he is using. After considering the entire matter in the light of the various provisions of the act and the scheme, our answer of the aforesaid question would be in the affirmative..... Thus, we hold that registration is merely a recognition of the rights pre-existing in common law and in case of conflict between the two registered proprietors, the evaluation of the better rights in common law is essential as the common law rights would enable the court to determine whose rights between the two registered proprietors are better and superior in common law which have been recognised in the form of the registration by the Act."

29. In ITC Limited v. Philip Morris Products Sa and others [2010 (42) PTC (Del.)], infringement of a registered trademark as well as the plea with regard to deceptively similar came up for consideration and it is relevant to extract paragraph 30 of the said judgment:

"30. A trademark, it is said, denotes a connection in the course of trade between a manufacturer and his goods. It is an identification characterized famously as "a badge of origin". An important aspect here is that the mark should be distinctive; it should be capable of distinguishing the goods and services of one from another. The heart of trademark protection revolves around protecting consumers from being mislead. Trademarks impart source and producer identifying cues (or markers), and thereby provide consumers with the means to make judgments concerning the goods before sampling or purchasing them. One of the essential conditions for protection is

that the mark should have acquired some distinctiveness, and the claim for that is not founded on mere continued use. The unfair use of a mark which is identical, or similar to the trademark in question leads the courts, in infringement actions, to examine the rival marks, as a whole, to determine the scope or potentiality or likelihood of confusion.

In paragraph 37, the High Court of Delhi, after referring to the decisions in *Sabel BV v. Puma AG* [(1998) RPC 199] and *Adidas-Saloman AG v. Fitnessworld Trading Ltd.* [(2004) Ch 120], observed as follows:

"37. The test of similarity or confusion had been indicated, in *Sabel BV v. Puma AG*, [1998] RPC 199 as follows:-

"... The likelihood of confusion must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case... That global appreciation of the visual, aural or conceptual similarity or the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components ... The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details."

It was held, in *Adidas-Salomon AG v. Fitnessworld Trading Ltd.*, [2004] Ch 120, that it is not necessary to establish confusion or the likelihood of confusion in order to establish infringement under this head. The plaintiff has to show that there is sufficient degree of similarity between the mark with a reputation and the sign (ie. the impugned mark) to have the effect that the relevant section of the public establishes a link between the sign and the mark. The court also cautioned that all tests have to be cumulatively satisfied, or else the courts would be indulging in over-protection to the registered mark, affecting competition:"

In paragraph 48 of the said judgment, it was observed that in any trademark infringement action, the question of similarity of the rival marks is to be addressed first and the observations of the Hon'ble Supreme Court in *Amritdhara Pharmacy v. Satya Deo Gupta* [AIR 1963 SC 449] were summarized as under:

"48....You must take the two words. You must judge them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In

fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade-marks is used in a normal way as a trade mark for the goods of the respective owners of the marks." This court is of opinion that the test here (for dilution) is not exactly the same. For one, Parliament has consciously eschewed the "deceptively" similar standard-which is defined by Section 2, in relation to infringement claims under Section 29(4). This would mean that the identity or similarity standard is a notch higher – the claimant has to prove or establish that the two marks are identical with or similar to each other. The question of deception does not arise here. There must be a near identification of the two marks or they must have the closest similarity. The second aspect is that the other elements necessary to establish dilution dissimilarity of goods, the claimant mark having a reputation in India; the use of the mark without due cause, resulting in detriment to it, or the defendant taking undue advantage, have to be established. These ingredients are all to be established, as the conjunctive "and" is used, in Section 29(4)."

In paragraph 49 of the judgment, it was observed that in infringement actions, the plaintiff has to fulfill a more stringent test (than the deceptive similarity standard) of proving identity or similarity, where trademark dilution is complained. On the facts of the case, the Delhi High Court concluded that prima facie the two trademarks are neither identical nor similar to each other and therefore, the appellant therein is not entitled to temporary injunction.

30. The prayer of the respondent/plaintiff in O.A.No.224 of 2017 is for an order of ad-interim injunction restraining the appellant/defendant from in any manner infringing the registered trademark and passing off its products as that of the respondent/plaintiff's trademark "GOLD WINNER". As already pointed out, initially the order of ad-interim injunction was granted on 10.03.2017 and it was modified on 17.08.2017 and by virtue of the impugned order, the interim order already granted has been extended for one year.

31. The materials placed before this Court would prima facie indicate that the respondent/plaintiff were marketing dhall products in 1Kg. packages by using the mark "SREE GOLD" on the front side of the packet and on the rear side and in small font, put the word "GOLD WINNER" and sometime thereafter, started marketing range of dhalls in packages titled as "GOLD

WINNER" and omitted the word "SREE GOLD". According to the respondent/plaintiff, the said act of the appellant/defendant would amount to infringement and also passing off under an identical and deceptively similar trademark to that of their trademark. It was also pointed out that the appellant/defendant did file an application for removal of the trademark registration No.1232740 registered in the name of "S.N.R. Dhall Mill, Tondiorpet, Chennai-600 081" in Class-30 (plaintiff) on 27.02.2006 and it was resisted by the respondent/plaintiff and thereafter, the said application was dismissed as withdrawn and subsequently, it was entertained and according to the appellant, since they did not find the products of the plaintiff in retail market, they did not press the application.

32. It is also brought to the knowledge of this Court by the appellant/defendant that the appellant herein filed an application dated 16.09.2017 under Sections 47 and 57 of the Trade Marks Act, 1999 for removal of the mark "GOLD WINNER (Label)" registered in the names of Mr.Rathinasamy and four others, trading as M/s.S.N.R. Dhall Mill, Chennai-600 081 and the same is pending.

33. The documents made available before this Court would prima facie indicate that the respondent/plaintiff is having Certificate of Registration in Class-30 in respect of dhall varieties in Reg.No.1232740 dated 05.09.2003 and whereas the appellant/defendant is having trademark registration Nos.1399085, 1399087 and 1399088 dated 16.11.2005 in Class-30 for the mark "GOLD WINNER SREE GOLD".

34. In *Durga Dutt Sharma v. Navaratna Pharmaceuticals Laboratories* [(1965) 1 SCR 737 : PTC (Suppl) (2)680 (SC)], it was observed that "it is obligatory on the part of plaintiff to establish that the trademark used by the defendant in the course of trade in respect of which his mark is registered, is deceptively similar and this has necessarily to be ascertained by a comparison of the two marks - the degree of resemblance which is necessary to exist to cause deception not being capable of definition by laying down objective standards..... The purpose of the comparison is for determining whether the essential features of the plaintiff's trademark are to be found in that used by the defendant. The identification of the essential features of the mark is in essence a question of fact and depends on the judgment of the Court based on the evidence led before it as regards the usage of the trade.".

35. In *S.Syed Mohideen v. P.Sulochana Bai* [2015 (7) Scale 136], it was observed that "the action for passing off which is premised on the rights of prior user generating a goodwill shall be unaffected by any registration provided under the Act and

passing off right is broader remedy than that of infringement. The registration is no defense to a passing off action and nor the Trade Marks Act, 1999 affords any bar to a passing off action. Therefore, passing off action is to be considered independent the provisions of the Trade Marks Act, 1999".

36. This Court, keeping in mind the principles culled out from the above cited decision, is of the considered view that the respondent/plaintiff is not entitled for an order of ad-interim injunction in respect of infringement for the reason that the registration of the appellant/defendant for the mark "GOLD WINNER SREE GOLD" dated 16.11.2005 is also in respect of Class-30.

37. Section 28(3) of the Trade Marks Act, 1999 provides that "where two or more persons are registered proprietors of trademarks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons merely by registration of the trade marks but each of those persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor."

38. As already pointed out, both the appellant/defendant and the respondent/plaintiff is having registration in respect of dhall varieties etc., in Class-30 and that the registration of the respondent/plaintiff is dated 05.09.2003. A contention was also put forward that the mark of the appellant/defendant is not a "well-known trademark" as per the definition under Section 2(zg) of the Trade Marks Act, 1999 and the learned Judge in paragraph 33 of the impugned order observed that it was open to the appellant/defendant to establish his claim in that regard during in trial. This Court is also of the considered that it also requires appreciation of evidence, which can be let in during the course of trial and hence, not inclined to give any finding as to whether the trademark of the appellant/defendant has attained such reputation and status.

39. It is also to be noted at this juncture that the appellant/defendant was originally using " SREE GOLD" in the package and suddenly stopped and switched over to "GOLD WINNER" - range of dhalls in the front and rear side of the wrappers/packets with the words "SREE GOLD". The Trademark Registration Certificates of the appellant/defendant bearing nos.1399085, 1399097 and 1399088 dated 16.11.2005 for the mark "GOLD WINNER SREE GOLD" in Class-30, which are available at Page

Nos.92 to 95 of the typed set of documents filed by the appellant, would prima facie indicate that the mark "SREE GOLD" has been registered in their name for Toor Dhall, Urad Dhall and Moong Dhall, included in Class-30.

40. As pointed out above, the appellant/defendant has stopped using the said wrapper for the reasons best known to him and started packing dhall varieties in the package/wrapper titled as "GOLD WINNER- Range of dals". The explanation offered is that they are having registration of the artistic work "GOLD WINNER SREE Gold" and those Registration Certificates are in respect of Orid Dhall, Moong Dhall and Toor Dhall bearing Nos.A-78000/2006, 78004/2006 and 78063/2007 dated 29.12.2006 and 09.01.2007 respectively and whereas the respondent/plaintiff's trademark registration certificates are dated 05.09.2003.

41. It is a settled position of law that when the word is only descriptive of the character of the goods, no protection can be claimed for use of such word, but if the word is known for its distinctiveness secondary meaning, such word is entitled to get protection.

42. It is also the claim of the respondent/plaintiff that their annual sales turnover was on the rise ever since 1999 and for the financial year 2015-2016, their total sales turnover was Rs.1,14,26,39,357/- and the certificate given by the Chartered Accountant dated 20.02.2017 would also prima facie indicate the same.

43. It is also the submission of the learned counsel appearing for the respondent/plaintiff that the appellant/defendant wants to become the sole leader in dhall varieties and it would amount to monopolizing the trade and also a restrictive trade practice. The materials placed in the typed set of documents filed by the appellant/defendant would also prima facie indicate that they are the market leaders in respect of oil products under the mark "GOLD WINNER" and they want to catch on their reputation by venturing into dhall products and in that process, had stopped using the wrapper/packets "SREE GOLD" and started exclusively using the word "GOLD WINNER - Range of dals" in the packets/wrappers and as such, the respondent/plaintiff is entitled to continuance of the interim order insofar as the passing off action is concerned.

44. In the result, this Original Side Appeal is partly allowed and the impugned order dated 20.03.2018 made in O.A.No.224 of 2017 in C.S.No.164 of 2017 insofar as infringement of the registered mark of the respondent/plaintiff alone is set aside. However, the appellant/defendant is restrained from

passing of their products, namely dhall varieties as that of the respondent/plaintiff under the trademark "GOLD WINNER" for a period of one year from the date of the impugned order dated 20.03.2018. In all other respects, the impugned order dated 20.03.2018 stands confirmed. No costs. Consequently, connected miscellaneous petition is closed.

Sd/-
Assistant Registrar

//True copy//

Sub Assistant Registrar

jvm

TO

1. The Sub Assistant Registrar,
Original Side,
High court, Madras.

+1cc to Mr.Surana & Surana, Advocate SR.No.69225

+1cc to Mr.Ramesh Ganapathy, Advocate SR.No.69230

O.S.A.No.110 of 2018

GJ(CO)
GN(31/10/2018)

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