

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 17.01.2018

CORAM

THE HONOURABLE **MR.JUSTICE M.SUNDAR**

C.S.No.198 of 2013

N.Ranga Rao & Sons Private Ltd.,
PB No.52, Vani Vilas Road,
Mysore: 570 004
and also at
25-B, Industrial Estate,
Chennai-600 097.
Rep. by its Director
Mr.Vishnu Das Rangas

...Plaintiff

(Amended as per order dated 23.11.2016 in A.No.153/2016)

Vs.

Amit Aromatics,
144, 4th manin, 8/9 Cross,
Chamarajpet, Bangalore-560 018.

...Defendant

This Civil Suit is preferred, under Order VII Rule 1 CPC and under Order IV Rule 1 of O.S. Rules read with Sections 134 and 135 of the Trade Marks Act, 1999 and prays for a judgment and decree; granting permanent injunction restraining the defendant by itself, its servants or agents or anyone claiming through it from in any manner infringing the plaintiff's registered trade mark "GOODLUCK" by using the offending trade mark "NEW GOODLUCK" or any other mark or marks which are in any way identical, deceptively similar to or a colourable imitation of the plaintiff's registered trade mark 'GOODLUCK' either by manufacturing or selling or offering for sale

or in any manner advertising the same; granting permanent injunction restraining the defendant by itself, its servants or agents or anyone claiming through it from in any manner passing off of its "incense sticks" bearing the offending trade mark 'NEW GOODLUCK' as and for the plaintiff's celebrated products including "incense sticks and dhoop sticks" bearing the registered trade mark "GOODLUCK" either by manufacturing, selling or offering for sale or in any manner advertising the same; directing the defendants to surrender to the plaintiff the entire stock of unused offending labels bearing the offending trademark "NEW GOODLUCK" along with the blocks and dyes for destruction; directing the defendants to render a true and faithful account of the profits earned by the defendant through the sale of its products including products bearing the offending trade mark 'NEW GOODLUCK' and directing payment of such profits to the plaintiff for the passing off committed by the defendant; directing the defendant to pay to the plaintiff the costs of the suit.

For Plaintiff : Mr.S.Diwakar
For Defendant : No appearance

JUDGMENT

Mr.S.Diwakar of M/S.TMT Law Practice (Law Firm on record for the sole plaintiff) is before the Court.

2. Before proceeding with merits of the matter, I heard Mr.S.Diwakar, learned counsel, on jurisdiction of this Commercial Division.

3. It is submitted by learned counsel for plaintiff that the fulcrum of the entire suit is a registered Trademark being Trademark No.1728705. It

<http://www.judis.nic.in> is further submitted by the learned counsel for plaintiff that the aforesaid

registered Trademark has been registered in Class 3 under The Trade Marks Act, 1999 (hereinafter referred as 'TM Act' for brevity) and the goods are Perfumes, Agarbathies and Dhoops.

4. It is the further submission of the learned counsel for plaintiff that the entire suit is predicated on the ground that the sole defendant before this Commercial Division is infringing the aforesaid registered trademark of the plaintiff and is also passing off it's products as that of the plaintiff's withregard to agarbathies and dhoop sticks. In this view of the matter, it is further submitted that in the light of the subject matter of the suit and in the light of the basis on which the plaint is predicated, Section 134(1) of TM Act will operate. In the light of sub section (1) read with Section 134 of TM Act, it is submitted that this Commercial Division will have jurisdiction to entertain this suit under 1st proviso to Section 7 of the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 (4 of 2016) [hereinafter referred to as 'Act 4 of 2016' for brevity].

5. It is also submitted that in the light of 1st proviso to Section 7 of Act 4 of 2016, 'Specified Value' as contained in Section 2 (1) (i) read with Section 12 of Act 4 of 2016 is not of much consequence.

6. As mentioned supra, I heard Mr.S.Diwakar, learned counsel and

I have also perused the plaint averments. It is infact a suit alleging

infringement of a registered trademark and product passing off the details of which have been alluded to supra. Therefore, I have no difficulty in accepting the submission of the learned counsel for plaintiff that this Commercial Division does have jurisdiction to entertain the suit.

7. Therefore I express my intention to exercise jurisdiction over this suit. To be noted, this is an expression of intention to exercise jurisdiction which is otherwise inherent.

8. Be that as it may, now that this Commercial Division exercises jurisdiction over this suit, I turn to the stage of the suit and trajectory of this litigation.

It is seen that the sole defendant, who has been duly served, has not chosen to enter appearance and had remained ex parte. Therefore, the suit was sent to the learned Master (Additional Master-I to be precise) for recording ex-parte evidence after being posted in the 'Undefended Board'. Ex-parte evidence was let in before the learned Additional Master No.I.

9. One witness i.e., PW.1 was examined and seven exhibits i.e., Exs.P1-P7 were marked.

10. After recording of ex-parte oral evidence and marking of documents as aforesaid, the suit has been set down for hearing/arguments

before this Commercial Division today.

11. I have heard learned counsel for plaintiff, who has taken me through the plaint averments, deposition of PW.1 and the seven exhibits i.e., Exs.P1 to P7.

12. Put in a nutshell, the nucleus of this suit is a registered trademark being Trademark No.1728705 registered under Class 3. To be noted, it is Class 3 of Nice classification under the TM Act. To be noted, further the goods are perfumes, Agarbathies and Dhoop. The date of registration is 05.09.2008 and the date of certificate is 11.02.2011. The Certificate number is 934164 and the word mark is 'GOOD LUCK'. The Legal Use Certificate shows that the plaintiff is using a mark from 13.09.1991. This registration certificate being 934164 was registered on 05.09.2008 and is valid upto 05.09.2018. In otherwords, the registration is subsisting as of today (17.01.2018) [this registered trademark is hereinafter referred to as 'said mark' in this judgment for the sake of convenience and clarity].

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13. It is to be noted that when the suit was filed on 13.03.2013 the plaintiff was a partnership firm in the name and style M/s.Ranga Rao & Sons. It is also seen from the suit filed that the plaintiff has, subsequently, been converted into a private limited company in the name and style 'N.Ranga Rao and Sons Pvt. Ltd.' Necessary amendment has been taken out

allowed and the amendment has also been carried out all vide order of this Court dated 23.11.2016 made in A.No.153 of 2016. It is also not in dispute that the aforesaid private limited company is the successor in the interest of the business of the erstwhile partnership firm which was in existence when the suit was laid. It is seen from the Legal Use certificate of the said mark that there are eight partners. I am informed by the learned counsel for plaintiff that the eight partners are also now directors in the aforesaid private limited company.

14. The Trade mark Registration Certificate for the said mark has been marked as Ex.P2. To be noted, the Registration Certificate and the Legal Use Certificate have been marked together as Ex.P2, though it has not been shown as Ex.P2 series. I deem it appropriate to show this as Ex.P2 series as Registration Certificate i.e., Form D-2 certificate and Legal Use Certificate have been marked together. In other words, 'Ex.P2' shall be referred to as 'Ex.P2 series' in this judgment. As mentioned supra, one witness was examined on behalf of the plaintiff as PW.1 and the lone witness examined on behalf of plaintiff is one Mr.V.Ramamoorthy, who has been described as Associate Regional Manager of Tamil Nadu branch of the plaintiff's Company. Necessary Board resolution of the plaintiff's Company has also been filed and the same has been marked as Ex.P1. Board resolution is dated 24.12.2014 and the extract is contained in a Letter of Authorisation dated 28.06.2017. To be noted, the extract of the minutes of the meeting of the Board of Directors

held on 24.12.2014 in the registered office of the plaintiff's Company also forms part of Ex.P1 series. As Ex.P1 also consists of a authorization letter dated 28.06.2017 and an extract of the minutes of the meetings of the Board of Directors dated 24.12.2014, I deem it appropriate to refer to Ex.P1 also as Ex.P1 series.

15. The plastic wrappers in which the products of the plaintiff are sold have been marked as Ex.P6. There are six pouches in all. Therefore I shall refer to 'Ex.P6' also as 'Ex.P6 series'. The pouches contain the said mark. To be noted, the said mark is a word mark as would be evident from the Ex.P2 series, particularly Trade Mark registration certificate and particularly, the Legal Use Certificate which also forms part of Ex.P2 series. Further, to be noted, as mentioned supra, the mark is registered in Class 3 of TM Act and the goods are perfumes, Agarbathies and Dhoops, but the instant suit pertains only to Agarbathies and Dhoops. Therefore, I refer to the product which is subject matter of the instant suit as 'incense stick' for the sake of convenience and clarity. To be noted, product referred to as 'incense stick' in this judgment will necessarily mean the goods Perfumes, Agarpathies and dhoops as occurring in Ex.P2 series, Trademark registration certificates.

16. The alleged offending mark of the sole defendant as depicted in the Carton of the sole defendant has been marked as Ex.P7. It is seen that while the word mark of the plaintiff i.e., the said mark as 'GOOD LUCK', has

been used by the defendant with a prefix as 'NEW GOOD LUCK'. A perusal of the Ex.P7 reveals that the defendants are also dealing in incense sticks. Therefore, the products are the same. One of the six pouches as contained in Ex.P6 series is as follows:



Ex.P7- alleged offending mark of the sole defendant is as follows:



17. To be noted the aforesaid exhibits are in colour and I have had the benefit of seeing the same in colour, but the scanned reproduction of the same here is in black and white.

18. Before I advert to the said mark of the plaintiff and the alleged

<http://www.judis.nic.in> infringing mark, it is necessary to see the deposition of PW1. The deposition

of PW1 is pretty much in the same lines as that of the plaint pleadings and suffice to say that they are in tune with/buttredding in plaint averments and plaint pleadings. PW1 has deposed that plaintiff is a leading manufacturer of incense sticks and by virtue of high quality products and hard work, the said word has attained huge reputation and grown so immensely and has now reached the pinnacle of it's reputation. In other words, PW1 has asserted and articulated that the said mark has attained exclusivity. This is evident from the deposition of PW1 that the said mark has become distinctive of the plaintiff's goods alone and this in fact means that the PW1 has deposed to the effect that the said mark has attained exclusivity qua incense sticks of the plaintiff. It is the further case of the plaintiff, as would be evident from the plaint averments and deposition of PW1, that some time in September 2012, the plaintiff came to know that the defendant had commenced use an identical trademark with the prefix 'NEW'. In other words, the defendant started using the trademark 'NEW GOOD LUCK' for identical products i.e., 'incense sticks'. Thus, according to the plaintiff, it is a clear case of infringement of the said mark which as alluded to supra is a word mark. As the products are the same and the channel of business is also the same, the plaintiff complains that causes dilution of their mark and it also tantamounts to product passing off. It is the further case of the plaintiff that on coming to know in September 2012, they issued a Cease and Desist notice dated 28.09.2012. This Cease and Desist notice has been marked as Ex.P4. In response to the Cease and Desist notice i.e., Ex.P4, defendant has sent a very cryptic reply by way of Electronic

mail and this cryptic reply of the defendant dated 08.11.2012 has been marked as Ex.P5. I deem it appropriate to extract the reply of the sole defendant which reads as follows:

"Dear sir,

Received one intimation latter dated 28.09.2012

*You have stated that GOOD LUCK is your registered brand in
agarbathi field*

*& copy right act.-will you send a copy of patent registration
certificate & copy of artistic work registered.*

on receiving the same we will proced further.

EXPECTING YOUR PROMPT REPLY

YOURS FAITHFULLY

S.G.KANKANI

FOR AMIT AROMATICS"

18. Thereafter, the suit was filed on 13.03.2013 and as mentioned supra, the defendant after being duly served remained ex-parte. In support of the fact that plaintiff is doing active business, the plaintiff has marked several invoices between 1998 and 2009. All these invoices have been marked as Ex.P3 series. It is seen that the said mark is prominently shown in the invoices. However these invoices clearly refer to 'GOOD LUCK' incense sticks. To be noted 'GOOD LUCK' is word mark i.e., said mark.

19. The two marks i.e., said mark of the plaintiff and the alleged

offending mark of the defendant have been scanned and extracted supra. With regard to comparison of the two marks, Mr.S.Diwakar, learned counsel for plaintiff very fairly submitted with clarity that he is only on the word mark and not on the colour scheme and not even on the depiction of the mark. It is his specific case that using same word i.e., word mark with regard to the same product where the channel of business is same and the endusers cut across social strata, is clearly not only infringement but also passing off. Thereafter notwithstanding this unambiguous submission of learned counsel for plaintiff that he is only on word mark to further satisfy my judicial conscience (this being an exparte decree). I compared the aforesaid two marks keeping in mind the Parle Principle set out in the celebrated judgment of Hon'ble Supreme Court in **Parle Products (P) Ltd. Vs. J.P. and Co., [(1972) 1 SCC 618]**. I deem it appropriate to extract paragraph 9 of the said judgment which reads as follows :

“9. It is, therefore, clear that in order to come to the conclusion whether one mark is deceptively similar to another, the broad and essential features of the two are to be considered. They should not be placed side by side to find out if there are any differences in the design and if so, whether they are of such character as to prevent one design from being mistaken for the other. It would be enough if the impugned mark bears such an overall similarity to the registered mark as would be likely to mislead a person usually dealing with one to accept the other if offered to him. In this case we find that the packets are practically of the same size, the colour scheme of the two wrappers is almost the same; the design on both though not identical bears such a close resemblance that one

can easily be mistaken for the other. The essential features of both are that there is a girl with one arm raised and carrying something in the other with a cow or cows near her and hens or chickens in the foreground. In the background there is a farm house with a fence. The word "Gluko Biscuits" in one and "Glucose Biscuits" on the other occupy a prominent place at the top with a good deal of similarity between the two writings. Anyone in our opinion who has a look at one of the packets today may easily mistake the other if shown on another day as being the same article which he had seen before. If one was not careful enough to note the peculiar features of the wrapper on the plaintiffs' goods, he might easily mistake the defendants' wrapper for the plaintiffs' if shown to him some time after he had seen the plaintiffs'. After all, an ordinary purchaser is not gifted with the powers of observation of a Sherlock Homes. We have therefore no doubt that the defendants' wrapper is deceptively similar to the plaintiffs' which was registered. We do not think it necessary to refer to the decisions referred to at the bar as in our view each case will have to be judged on its own features and it would be of no use to note on how many points there was similarity and in how many others there was absence of it. "

20. While applying Parle Principle, I have seen the plaintiff mark and the alleged offending mark of the defendant (one after the other) I asked myself the question as to whether a man of a Average intelligence with ordinary prudence and imperfect recollection will be lulled into the belief that what he is seeing now is, what he saw earlier. In the light of the specific case of the plaintiff that they are only on word mark and not on the colour scheme or the depiction, considering the products are the same and the channel of

business is the same, I have no hesitation in accepting the submission of the plaintiff that the offending will mark definitely lead to confusion qua registered trademark i.e., said mark as, use of the said mark more so with the prefix 'New' perse will suffice establish infringement. I had to necessarily do the comparison on Parle Principle owing to the passing off prayer. With regard to passing off prayer, learned counsel for plaintiff submitted that three ingredients of passing off are misrepresentation, dilution of the mark and possible confusion in the minds of end users. With regard to possible confusion in the minds of end users, PW1 has articulated asserted in his deposition and that part of the deposition reads as follows:

"I submit that the products of incense sticks and dhoop sticks manufactured and marketed by the plaintiff under the trademark 'GOODLUCK' are part of our Indian Culture and a majority of the household including literate, illiterate, children etc in India would consume incense sticks and dhoop sticks for their daily prayers. The Defendant's use of an identical trademark on an identical product will most certainly create confusion in the minds of consuming public who belong to different strata of society who would be misled into believing that the products of the defendant with the identical trade mark 'NEW GOODLUCK' emanate from the plaintiff."

21. As mentioned supra, it is also clear that the defendants are using the mark from 1991. In other words, the defendants are using the mark for over two and half decades / quarter century. As alluded to supra, defendants products are surfaced in the market only in the year 2012,

immediately after which Cease and Desist notice dated 28.09.2012 (EX.P4) was issued and the suit was filed.

22. The defendant has not chosen to enter appearance and resist this suit and the defendant has not even chosen to refute the plaint allegations. Thus, in the light of the cryptic reply of the Cease and Desist notice, (Ex.P5), which has been extracted supra, it is clear that defendant is recalcitrant. In other words, the defendant has not even refuted the allegation of infringement and passing off, even in the Cease and Desist notice issued prior to the filing of the suit. I am also informed that the defendant is continuing to sell it's product with the aforesaid offending mark i.e., Ex.P7 and that the business activity of the defendant is continuing unabated.

23. Owing to all that have been stated supra and in the light of all that have been alluded supra, I am satisfied that it is a clear case of the infringement of registered trademark i.e., said mark of the plaintiff and it is also a clear case of passing off. In the light of this Commercial Division being satisfied that it is a clear case of infringement and passing off, the suit deserves to be decreed. In other words, the prayers in the suit deserves to be acceded to. Prayer paragraph in the plaint is Paragraph No.20. Sub paragraphs (a) & (b) are with regard to injunction qua infringement and passing off respectively. With regard to sub paragraph (c), it pertains to surrender of the entire stock of unused offending labels of the defendant, sub

paragraph (d) is for maintaining accounts, sub paragraph (e) is for cost and sub paragraph (f) is the residuary prayer clause wherein any other order this Court may deem fit and appropriate has been sought for. In the light of the narrative supra, I have no hesitation in decreeing sub paragraphs (c), (d), and (e) also. In otherwords, the suit is decreed with costs.

24. With regard to clause (f), residuary prayer, it is made clear that if the plaintiff chooses to sue for damages after satisfaction of sub clause (c) and (d) of the decree or otherwise, it will be open to the plaintiff to do so post decree. This prayer is granted under the residuary prayer, clause (f). This is done so as plaintiff will not be able to quantify their damages until they get accounts from the defendant.

25. In the light of all that have been set out supra, suit is decreed with costs.

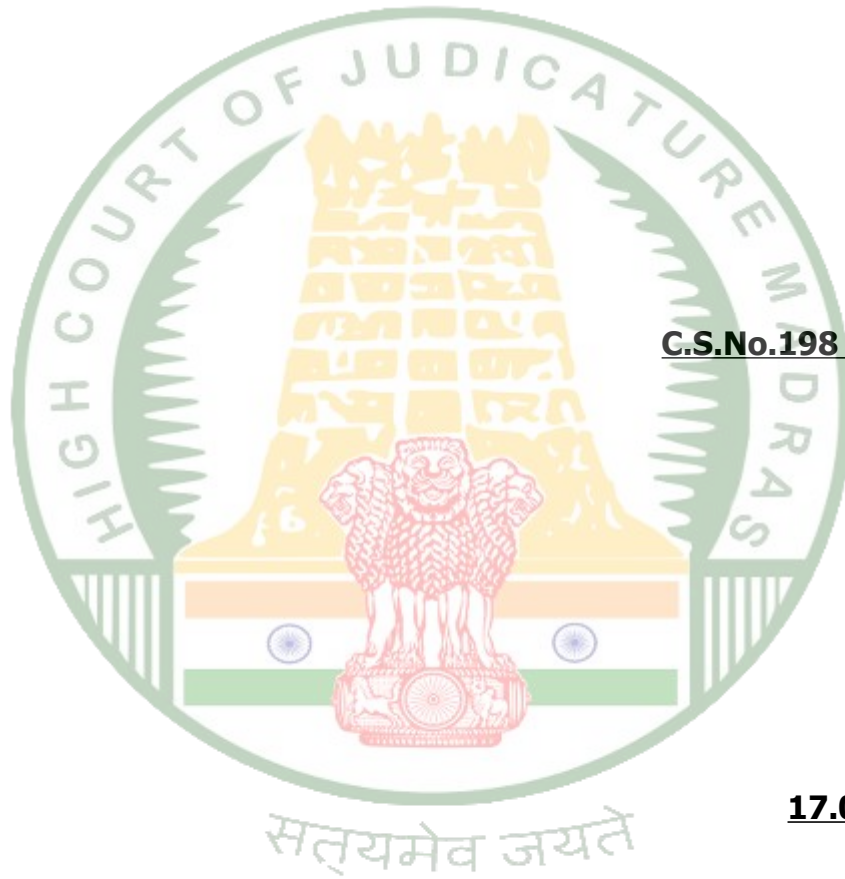
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