

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORDINARY ORIGINAL CIVIL JURISDICTION)

MONDAY, THE 10TH DAY OF JUNE 2019

THE HON'BLE MR. JUSTICE S.VAIDYANATHAN

O.A. Nos.171 and 172 of 2019

and

A. Nos.2576 & 2577 of 2019

in

C.S. No.149 of 2019

Palson Enterprises,
New No.54, 5th Cross Street,
Trustpuram, Chennai,
Tamil Nadu 600 024,
Rep.by its Partner,
Mr.P.L.Subramaniam,

... Applicant/Plaintiff

(in O.A. Nos.171 & 172 of 2019)

-Versus-

Kasi Group of Companies,
No.91/15, East Jones Road,
Saidapet, Chennai 600 093.

... Respondent/Defendant

(in O.A. Nos.171 & 172 of 2019)

O.A. No.171 of 2019:-

Original Application praying that this Hon'ble Court be pleased to grant an order of interim injunction restraining the Respondent, their respective proprietors / directors/partners as the case may be, successors-in-business, servants, agents, distributors, dealers, stockists, representatives, assigns and all other persons claiming through or under them from infringing the registered trademark KASI of the Applicant by establishing a theatre under the identical mark KASI or any other similar or identical or deceptively similar mark in any other manner whatsoever, pending disposal of the suit.

O.A. No.172 of 2019:-

Original Application praying that this Hon'ble Court be pleased to grant an order of interim injunction restraining the Respondent, their respective proprietors/directors/partners as the case may be successors in business, servants, agents, distributors, dealers, stockists, representatives, assigns and all other persons claiming through or under them from using the identical trademark KASI, which would amount to passing off their services for the services of the Applicant or as being in some way connected with the Applicant by using the trademark KASI or any other mark similar or identical or deceptively similar to the Applicant's trademark KASI in any other manner whatsoever, pending disposal of the suit.

A. Nos.2576 & 2577 of 2019:-

Kasi Group of Companies,
rep. by T.Mathivathanan,
No.91/15, East Jones Road,
Saidapet, Chennai 600 093... Applicant/Respondent/Defendant

-Versus-

Palson Enterprises,
New No.54, 5th Cross Street,
Trustpuram, Chennai,
Tamil Nadu 600 024.
Rep.by its Partner,
Mr.P.L.Subramaniam, ... Respondent/Applicant/Plaintiff

A. No.2576 of 2019:-

Application praying that this Hon'ble Court be pleased to vacate the interim order of injunction dated 19.03.2019 granted in O.A. No.172 of 2019 in C.S. No.149 of 2019 and dismiss the petitions in O.A. No.172 of 2019.

A. No.2577 of 2019:-

Application praying that this Hon'ble Court be pleased to vacate the interim order of injunction dated 19.03.2019 granted in O.A. No.171 of 2019 in C.S. No.149 of 2019 and dismiss the petitions in O.A. No.171 of 2019.

These Applications coming on this day before this Court for hearing, the Court made the following order:-

These Applications are filed to vacate the interim order of injunction dated 19.03.2019 granted in O.A.Nos.171 and 172 of 2019 in the above Suit.

2. The Applicant 'Kasi Group of Companies' is the Defendant in the Suit and the Respondent herein viz. Palson Enterprises is the Plaintiff.

3. According to the Applicant, originally, his father Late Kasi Nadar had purchased a property measuring an extent of 23.40 acres in the year 1958 from one T.R.Bhavanishankar Joshi vide Sale Deed dated 27.01.1958. The said land was developed by the Applicant's father and a portion of the land was acquired by Tamil Nadu Housing Board for development of Housing project, leaving an extent of 8.41 acres to the Applicant's father and the said extent of land was later developed by the Applicant into housing plots, commercial and industrial plots after obtaining necessary approval from the authorities concerned. Around 80 plots

were sold to various customers for their own use and all the documents were given to the prospective buyers in the name and style of "Kasi Estate". The entire layout consisting around 140 grounds were part and parcel of Kasi Estate and it thus became a landmark and streets were also named as "Kasi Estate Streets".

4. It is further stated by the Applicant that during the period 1984 to 1985, he had constructed a theatre in the land situated in Kasi Estate and he named the theatre as "Kasi" theatre in memory of his father. The Applicant developed the said theatre into a prominent Cinema Hall in Chennai. Since, it is situated in Kasi Estate, the theatre had gained popularity by the trademark "Kasi" and the Applicant had obtained Form "C" Licence and other necessary approvals in his name and had been successfully running the business. While so, in the year 2002, due to financial instability, the Applicant was constrained to sell the land and theatre building alone to the Respondent.

5. It is the case of the Applicant that pursuant to the sale of the land and theatre building, though he had been repeatedly advising the Respondent to change the name of the Theatre, the Respondent was evading his request under one pretext or the other and had been operating the theatre under the name "Kasi". It is the further case of the Applicant that merely because the Respondent had registered

the mark "Kasi" under the Trademark Act, he cannot claim absolute ownership of the mark "Kasi", as the same is the family surname of the Applicant and is a generic term.

6. The Applicant went on to state that the trademark "Kasi" has been created by him and he is in continuous usage of the mark and that he has been carrying on business in the entertainment and media industry for the past several years. He also stated that he is carrying on business in the name and style of "Kasi Communication and Media Works Pvt. Ltd.", which has been registered with the Registrar of Companies and therefore, the Respondent cannot claim exclusive right over the term "Kasi".

7. Mr.M.S.Krishnan, learned Senior Counsel appearing for the Applicant/Defendant submitted that as per Section 34 of the Trade Marks Act, M.K.Mathivathanan is the prior adopter of the mark KASI and his rights over the said mark ought to be protected. Drawing reference to the Sale Deed, learned Senior Counsel submitted that the recitals of the Sale Deed clearly bring out the fact that M.K.Mathivathanan had only sold the land and building to the Respondent and not the mark "KASI" and there are no documents filed by the Respondent/Plaintiff to show that the mark "KASI" was assigned or licensed in favour of the Respondent/Plaintiff.

8. It is the contention of the learned Senior Counsel appearing for the Applicant that M.K.Mathivathanan did not assign or transfer Goodwill and the mark "KASI" to the Plaintiff and even assuming that the on-going business was transferred, in the absence of transfer of goodwill and assignment of the mark, the Respondent/Plaintiff cannot claim any better right than the Applicant/M.K.Mathivathanan.

9. Learned Senior Counsel appearing for the Applicant went on to contend that the Respondent/Plaintiff is fully aware of the operation of theatre by M.K.Mathivathanan under the name "KASI Talkies" as early as July 2018, as M.K.Mathivathanan had invited the Respondent's partner Subramaniam for the inaugural function of KASI Talkies and the said Subramaniam had given an interview dated 16.07.2018, detailing about KASI Talkies and had also informed the media that they would take legal action. According to the learned Senior Counsel, the Respondent/Plaintiff has filed the present Suit only after six to seven months from the date of inception of KASI Talkies, thus, causing grave prejudice and irreparable loss to the Applicant. Learned Senior Counsel further stated that the said Subramaniam in his interview to the media had made it clear that they have given disclaimers in their website, which is the primary source of booking tickets these days and has also routed the sales of their tickets only through www.ticketnew.com, whereas, the tickets of KASI Talkies are booked through www.bookmyshow.com.

10. In support of his case, learned Senior Counsel appearing for the Applicant has relied on the following:

- (i) a decision of the Delhi High Court in the case of **Chinar Trusts vs. Usha International Ltd.** reported in **1986 (6) PTC 341 (Del.)**

"On the other hand, learned counsel for the plaintiffs contended that the suit filed in the Ambala Court is filed against a non-existent party because Shriram Group of Companies is not a legal entity and it is the plaintiffs herein who are the proprietors of the trade mark USHA. It was, therefore, submitted that the institution of the suit at Ambala would have no effect on the present suit. On the question of prior user, it was contended that the plaintiffs had purchased the trade mark Usha from Appliances Emporium who were the predecessor in interest. **It was submitted that the plaintiffs being the owners of registered trade mark Usha had a better right than the defendant and the defendant was guilty of infringement of that trade mark.** It was further submitted that the general notice sent by Acme Co. to the defendant clearly indicated the name of plaintiff no. 3 but plaintiff no. 3 is not made a party to the suit. On the question of insufficiency of court fee, it was contended that subsequent to the two judgments referred to by the defendants a Division Bench of this Court in M/s Commercial Aviation & Travel Co. & Another v. Mrs. Vimla Pannalal (F.A.O. 65/86) decided on 14th March 1986 has held that paragraph 4 of sub-section (1) of the **Court Fees Act** gives a right to the plaintiffs to place any value that he likes on the relief he seeks and the court has no

power to interfere with the plaintiffs value. On going through the documents and considering the contentions of the parties. I find no substance in the contention of the defendant that the suit at Ambala being a prior suit no orders can be passed in the present suit. The defendant in the suit filed in Ambala is a non-existent party. It is the plaintiffs in the present suit who are the owners of registered trade mark 'USHA'. The certificates of registration are annexed Along with the plaint which prima-facie indicate that the registration is current and valid. None of these plaintiffs are parties to the Ambala suit. That being the position, Section 10 of the Civil Procedure Code will not be attracted."

(ii) a decision of the Bombay High Court in the case of **Agromore (P) Ltd. vs. Chembond Chemicals Ltd.** reported in **2002 (25) PTC 532 (Bombay)**

"13. In order to entitle the Plaintiff to temporary injunction in terms in which it is sought in this Notice of Motion, the Plaintiff will have to establish, prima facie, that they have proprietary right in the trade mark Rodine. A person can acquire proprietary right in a trade mark by establishing that the mark was originated by him or that he has acquired it. In so far as the present case is concerned, the Plaintiff does not claim that he originated the trade mark. According to the averments in the plaint and the affidavit filed in support of the motion, the Plaintiff claims that it is manufacturing and marketing their product under the trade mark Rodine since 1959. Thus, the Plaintiff claims that they adopted trade mark Rodine in the year 1959 **and thereby they acquired proprietary rights in that trade mark. Now an inquiry has to be made to find out as to whether the Plaintiff has established this case of**

acquisition of proprietary rights in the trade mark by user since 1959. It is now revealed on record that the trade mark Rodine was registered in favour of Amchem Corporation in January, 1946. I have already observed above that it is common ground before me that according to law then in force, the registration granted in 1946 was for a period of 15 years and obviously, therefore, the registration in favour of Amchem Corporation of the trade mark Rodine was current and in force in 1959. **Section 28** of the Act gives exclusive right to the registered proprietor of the trade mark to use the trade mark in relation to the goods in respect of which the trade mark is registered. Therefore, even if it is assumed that the Plaintiff started using the trade mark Rodine in the year 1959, the use of the trade mark Rodine by the Plaintiffs in the year 1959 was contrary to law and, therefore, it will not confer any rights on the Plaintiffs. The trade mark was assigned to the Plaintiff in the year 1963 by Amchem Corporation and from 1963 till August, 1973 the Plaintiff was using the trade mark Rodine as assignee of the trade mark. However, in the month of August, 1973, the trade mark was reassigned to Amchem Corporation by the Plaintiff. ...

18. It is clear from the provisions of **Section 33** that the registered proprietor of the trade mark does not get a right to interfere with or restrain the use of the same trade mark by a person, if that person or his predecessor in title was using that trade mark prior to the date of the registration of the trade mark in favour of the proprietor. **Thus, it is clear that if on the date on which the trade mark is registered in favour of a person, another person is using same or similar trade mark, then the registration of the trade mark does not give the proprietor of that trade mark a right to claim an injunction against the other persons, who is using the trade**

mark on the date of registration. In my opinion, the heading of Section 33 which is "Saving for Vested rights" also suggests the same interpretation of the provisions of this section. The intention behind incorporating this provisions appears to be to protect the right which are vested in other person on the date of registration of the trade mark. In other words, the registration of the trade mark becomes effective from the date of its registration and registration of the trade mark cannot be used by the proprietor to interfere with the use of similar or same trade mark by others who were using it on the date of the registration of the trade mark. I find that same view has been taken by the learned Single Judge of this Court in its judgment in Indo-Pharmaceutical Works Pvt. Ltd. The learned Counsel for the Plaintiff, however, submits that this construction put on the provisions of Section 38 is unreasonable. He submits that suppose a person was using the same trade mark on the date of registration, but after the registration of the trade mark in favour of another person he abandons the use of that trade mark and again starts using that trade mark after a considerable long time, according to interpretation which is indicated above according to the learned counsel, even that person cannot be restrained from readopting the trade mark. The learned counsel submits that Section 38 has to be read with Sub-section (3) of Section 12 of the Act. Sub-section (3) of Section 12 of the Act permits the Registrar to register more than one proprietors of trade mark, if he is satisfied that both of them were concurrently using that trade mark. The learned counsel submits that if a person is not entitled to claim concurrent registration under Section 12(3), on the date on which he is readopting the mark, he would not be entitled to protection of Section 33 of the Act. It cannot be denied that there is some substance in the submission made by the learned counsel for the Plaintiff. However,

perusal of the judgment of learned single Judge of this Court in Indo Pharmaceutical Works Pvt. Ltd. referred to above shows that this Court has already held that if a person is shown to be using the trade mark on the date of registration of the trade mark, then the registered proprietor is not entitled to an injunction restraining him from using the trade mark. It is further to be seen that even if the interpretation put on the provisions of [Section 33](#) of the Act by the learned counsel for the Plaintiff is accepted, then also for holding that the provisions of [Section 33](#) of the Act do not protect the defendant, a finding will have to be recorded that the use of the Trade mark Rodine was abandoned by the Amchem Corporation. I have already held above that the Plaintiff has not been able to establish the case of abandonment of the trade mark by the Amchem Corporation or its successors. May be, in case the Plaintiff after joining the successors of the Amchem Corporation, at the final hearing of the suit, succeeds in establishing the abandonment of the trade mark by the Amchem Corporation, the interpretation suggested by the learned Counsel can be examined. At this stage however it is clear that in view of the provisions of [Section 33](#) of the Act an order of temporary injunction can't be made against the Defendant in relation to the trade mark Rotodine."

(iii) an Apex Court decision in the case of **S.Syed**

Mohideen vs. P.Sulochona Bai reported in **(2016) 2 SCC 683**

"30.4. Section 34 of the Trade Marks Act, 1999 provides that nothing in this Act shall entitle the registered proprietor or registered user to interfere with the rights of prior user. Conjoint reading of Sections 34, 27 and 28 would show that the rights of registration are subject to Section 34

which can be seen from the opening words of Section 28 of the Act which states "Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor..." and also the opening words of Section 34 which states "Nothing in this Act shall entitle the proprietor or a registered user of registered trade mark to interfere..." Thus, the scheme of the Act is such where rights of prior user are recognised superior than that of the registration and even the registered proprietor cannot disturb/interfere with the rights of prior user. The overall effect of collective reading of the provisions of the Act is 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. This proposition has been discussed in extenso in N.R. *Dongre v. Whirlpool Corpn.* [N.R. *Dongre v. Whirlpool Corpn.*, 1995 SCC OnLine Del 310 : AIR 1995 Del 300] wherein the Division Bench of the Delhi High Court recognised that the registration is not an indefeasible right and the same is subject to rights of prior user. The said decision of *Whirlpool* [N.R. *Dongre v. Whirlpool Corpn.*, 1995 SCC OnLine Del 310 : AIR 1995 Del 300] was further affirmed by the Supreme Court of India in N.R. *Dongre v. Whirlpool Corpn.* [N.R. *Dongre v. Whirlpool Corpn.*, (1996) 5 SCC 714]

30.5. The above were the reasonings from the provisions arising from the plain reading of the Act which gives clear indication that the rights of prior user are superior than that of registration and are unaffected by the registration rights under the Act.

31. Secondly, there are other additional reasonings as to why the passing off rights are considered to be superior than that of registration rights.

31.1. Traditionally, passing off in common law is considered to be a right for protection of goodwill in the business against misrepresentation caused in the course of trade and for prevention of resultant damage on account of the said misrepresentation. The three ingredients of passing off are goodwill, misrepresentation and damage. These ingredients are considered to be classical trinity under the law of passing off as per the speech of Lord Oliver laid down in *Reckitt & Colman Products Ltd. v. Borden Inc.* [*Reckitt & Colman Products Ltd. v. Borden Inc.*, (1990) 1 WLR 491 : (1990) 1 All ER 873 (HL)] which is more popularly known as "Jif Lemon" case wherein Lord Oliver reduced the five guidelines laid out by Lord Diplock in *Erven Warnink Besloten Vennootschap v. J. Townend & Sons (Hull) Ltd.* [*Erven Warnink Besloten Vennootschap v. J. Townend & Sons (Hull) Ltd.*, 1979 AC 731 at p. 742 : (1979) 3 WLR 68 : (1979) 2 All ER 927 (HL)] ("the *Advocaat* case") to three elements: (1) goodwill owned by a trader, (2) misrepresentation, and (3) damage to goodwill. Thus, the passing off action is essentially an action in deceit where the common law rule is that no person is entitled to carry on his or her business on pretext that the said business is of that of another. This Court has given its imprimatur to the above principle in *Laxmikant V. Patel v. Chetanbhai Shah* [*Laxmikant V. Patel v. Chetanbhai Shah*, (2002) 3 SCC 65].

31.2. The applicability of the said principle can be seen as to which proprietor has generated the goodwill by way of use of the mark/name in the business. The use of the mark/carrying on business under the name confers the rights in favour of the person and generates goodwill in the market. Accordingly, the latter user of the mark/name or in the business cannot misrepresent his business as that of business of the prior right holder. That is the reason why essentially the prior user is considered to be superior than

that of any other rights. Consequently, the examination of rights in common law which are based on goodwill, misrepresentation and damage are independent to that of registered rights. The mere fact that both prior user and subsequent user are registered proprietors are irrelevant for the purposes of examining who generated the goodwill first in the market and whether the latter user is causing misrepresentation in the course of trade and damaging the goodwill and reputation of the prior right holder/former user. That is the additional reasoning that the statutory rights must pave the way for common law rights of passing off."

11. In reply, Mr.P.S.Raman, learned Senior Counsel leading Mr.Arun C.Mohan, learned counsel appearing for the Respondent/Plaintiff submitted that the Respondent/Plaintiff, after taking over the theatre business from the Applicant/Defendant, has been continuously and exclusively using the mark "KASI" from the year 2002 for its theatre till date and it has garnered enviable goodwill and reputation for the mark KASI and the members of trade and public identify the mark KASI only with that of the Plaintiff and its theatre business. He further submitted that the Respondent/Plaintiff is the registered proprietor of the mark KASI registered under trademark No.3380971 in Class 41 for movie theatre, presentations, movie studios, cinema studios, cinema theatres, cinema services, cinema entertainment and entertainment.

12. Learned Senior Counsel appearing for the Respondent/Plaintiff contended that the defence of prior user under Section 34 of the Trade Marks Act can be claimed only when the said mark is being used continuously and admittedly, the Applicant/Defendant has not continuously used the mark "KASI" from the year 1985 till date for its theatres and that the Applicant/Defendant has not produced even an iota of evidence to substantiate that they have continuously used the mark "KASI" for theatres. Further, the Applicant/Defendant has not used the mark "KASI" for cinema theatres until opening the theatre under a deceptively similar mark KASI TALKIES. According to the learned counsel, as such, the Applicant/Defendant does not possess any goodwill or reputation for the mark "KASI" in respect of cinema theatres.

13. To substantiate his stand, learned Senior Counsel appearing for the Respondent/Plaintiff relied on the following decisions: सत्यमेव जयते

(i) **Medgen Inc. vs. Passion for Life Products Ltd.,**

[2001] F.S.R. 510

"49.... 3. Goodwill is the benefit and advantage of a name and get-up, and is the attractive force which brings in business.

4. A passing off action is a remedy for the invasion of a right of property in the business or goodwill likely to be injured by any actionable misrepresentation, not in the name or get-up itself. Goodwill does not exist apart from the business to which it is attached."

(ii) **Ramdev Food Products (P) Ltd. vs. Arvinbhai**

Rambhai Patel, 2006 (8) SCC 726

"30. A trade mark is the property of the manufacturer. The purpose of a trade mark is to establish a connection between the goods and the source thereof which would suggest the quality of goods. If the trade mark is registered, indisputably the user thereof by a person who is not otherwise authorised to do so would constitute infringement. Section 21 of the 1958 Act provides that where an application for registration is filed, the same can be opposed. Ordinarily under the law and, as noticed hereinbefore, there can only be one mark, one source or one proprietor. Ordinarily, again the right to user of a trade mark cannot have two origins. The first respondent herein is a rival trader of the appellant Company. It did not in law have any right to use the said trade mark, save and except by reason of the terms contained in the MoU or continuous user. It is well settled that when defences in regard to right of user are set up, the onus would be on the person who has taken the said plea. It is equally well settled that a person cannot use a mark which would be deceptively similar to that of the registered trade mark. Registration of trade marks is envisaged to remove any confusion in the minds of the consumers. If, thus, goods are sold which are produced from two sources, the same may lead to confusion in the minds of the consumers. In a given situation, it may also amount to fraud on the public. A proprietor of a registered trade mark indisputably has a statutory right thereto. In the event of such use by any person other than the person in whose name the trade mark is registered, he will have a statutory remedy in terms of Section 29 of the 1958 Act. Ordinarily, therefore, two people are not entitled to the same trade mark, unless there exists an express licence in that behalf. "

(iii) **Future Logistics Pvt. Ltd. vs. Future**

Logistics Solutions Pvt. Ltd., MANU/TN/1255/2009

"7. The Supreme Court in **DHARIWAL INDUSTRIES LIMITED & ANOTHER v. M.S.S.FOOD PRODUCTS** (2005(30) PTC 233 (SC)) has observed that the prima facie establishment of prior user goes a long way in enabling the plaintiff to claim an order of injunction in a passing off action. The aforesaid observation does not mean that in all cases of passing off action, the moment the prior use is established, the applicant is entitled to an order of injunction. If there is no continuity of the business of the prior user and the subsequent user has established a reputation and goodwill by doing business leaps and bounds, the prior user may not have an edge over the subsequent user. In other words, a business magnet who adopted a mark first in point of time, having abruptly stopped his business, cannot seek for an order of injunction as against the subsequent user of the trade mark which has built up a reputation and goodwill in the market."

(iv) **Amaravathi Enterprises vs. Karaikudi Chettinadu,**

2008 (36) PTC 688 (Mad.) (DB)

"21. When a defence of prior user is taken, burden lies on such trader/manufacturer to prove the continuous usage of the said trade name. Here the volume of sales also assumes significance. Similarly advertisement and other modes adopted for promotional sales also assumes significance. The reason being that the statutory presumption under **Section 28** of the Trade Marks Act, 1999 loses its significance once prior user as provided under **Section 34** of the Act is established.

22. The documents produced by the respondent even if taken in its face value will not satisfy the test to determine the continuous user. In the income tax returns, what is reported is only trading loss. The other documents are all receipts

for payment of fees. Those documents do not show the volume of sales or continuous usage. There is no evidence of any advertisement or sales promotional activities undertaken by the respondent. There is also no prima facie evidence to show the volume of business of the respondent. Therefore we are convinced that the respondent miserably failed to prove the continuous usage so as to defeat the right conferred on the appellant under [Section 28](#) of the Trade Marks Act."

(v) **Cluett Peabody & Co. Inc. vs. Arrow Apparels, 1998**

(18) PTC 156 (Bom)

"30.... The important point to be noticed is that the essential test for constituting the property in a trade mark is that it should be used by the proprietor in his business or in connection with his vendible commodity. Delay by itself is no defence, but where by reasons of non user for almost thirty years, the mark loses its distinctiveness or if the trade drops out of its use, or the mark is allowed to die for non user, then certainly delay in the context of the above facts provides a very strong defence for refusing injunction in favour of the plaintiffs. It is well settled that lapse of time may bring about a change in the state of things in such a manner that to grant injunction in favour of the plaintiffs would be harsh and it may cause irreparable damage or harm to the rights of the defendants."

(vi) **Blue Hill Logistics Private Ltd. vs. Ashok Leyland**

Limited, 2011 (48) PTC 564 (Mad.) (DB)

"33. Whether two marks are identical or similar is a question of fact to be decided based on the tests that are applied to comparison of the marks. It is important to consider the mode in which the marks are used. In the Plaintiff's buses the word "LUXURA" is displayed in front and in big fonts on the left side of

the bus. In the bus service operated by the 1st Defendant, there is a clear display of the impugned mark "L U X U R I A" with reclining chair on the left side of the bus. Excepting for the reclining chair and slight variation in the font, there is no difference between the user of the infringing mark "LUXURIA". 1st Defendant is using almost identical trade mark "LUXURIA" prominently displayed on the buses in the same position as that of the Plaintiff."

(vii) **Manju Monga vs. Manju Mittal, 2012 (51) PTC**

293 (Del)

"8. ... "Bonafide use" normally means the honest use by the person of his own name without any intention to deceive anybody or without any intention to make use of the goodwill which has been acquired by another trader as per Baume vs. Moore (1957) RPC 459 at 463, approved by CA (1958) RPC 226 at 235; Adrema v Adrema (1958) RPC 323 at 334; Ballantine v Ballantyne (1959) RPC 47 at 49, 186, 273; Steiner v Willy Steiner (1964) RPC 356 at 359, 360. The mere fact that a trader is using his own name which too closely resembles a registered trade mark of which he is aware does not prevent the user from being "bonafide" provided that the trader honestly thought that no confusion would arise, and if he had no intention of wrongfully diverting business to himself by using the name (Baume v Moore, (1957) RPC 226 at 235)."

(viii) **Corn Products Refining Co. vs. Shangrilla**

Food Products Ltd., AIR 1960 SC 142

"17. The series of marks containing the common element or elements therefore only assist the applicant when those marks are in extensive use in the market. The onus of proving such user is of course on the applicant, who wants to rely on those

marks. Now in the present case the applicant, the respondent before us, led no evidence as to the user of marks with the common element. What had happened was that the Deputy Registrar looked into his register and found there a large number of marks which had either 'Gluco' or 'Vita' as prefix or suffix in it. Now of course the presence of a mark in the register does not prove its user at all. It is possible that the mark may have been registered but not used. It is not permissible to draw any inference as to their user from the presence of the marks on the register. If any authority on this question is considered necessary, reference may be made to *Kerly* p. 507 and *Willesden Varnish Co. Ltd. v. Young & Marten Ltd.* [39 RPC 285 p 289] It also appears that the appellant itself stated in one of the affidavits used on its behalf that there were biscuits in the market bearing the marks 'Glucose Biscuits', 'Gluco biscuits' and 'Glucoa Lactine biscuits'. But these marks do not help the respondent in the present case. They are ordinary dictionary words in which no one has any right. They are really not marks with a common element or elements. We, therefore, think that the learned appellate Judges were in error in deciding in favour of the respondent basing themselves on the series marks, having 'Gluco' or 'Vita' as a prefix or a suffix."

(ix) **Kishore Samrite vs. State of U.P. and others,**

(2013) 2 SCC 398

"31. Now, we shall deal with the question whether both or any of the petitioners in Civil Writ Petitions Nos. 111 of 2011 and 125 of 2011 are guilty of suppression of material facts, not approaching the court with clean hands, and thereby abusing the process of court. Before we dwell upon the facts and circumstances of the case in hand, let us refer to some case law which would help us in dealing with the present situation with

32. The cases of abuse of process of court and such allied matters have been arising before the courts consistently. This Court has had many occasions where it dealt with the cases of this kind and it has clearly stated the principles that would govern the obligations of a litigant while approaching the court for redressal of any grievance and the consequences of abuse of process of court. We may recapitulate and state some of the principles. It is difficult to state such principles exhaustively and with such accuracy that would uniformly apply to a variety of cases. These are:

32.1. Courts have, over the centuries, frowned upon litigants who, with intent to deceive and mislead the courts, initiated proceedings without full disclosure of facts and came to the courts with "unclean hands". Courts have held that such litigants are neither entitled to be heard on the merits of the case nor are entitled to any relief.

32.2. The people, who approach the court for relief on an ex parte statement, are under a contract with the court that they would state the whole case fully and fairly to the court and where the litigant has broken such faith, the discretion of the court cannot be exercised in favour of such a litigant.

32.3. The obligation to approach the court with clean hands is an absolute obligation and has repeatedly been reiterated by this Court.

32.4. Quests for personal gains have become so intense that those involved in litigation do not hesitate to take shelter of falsehood and misrepresent and suppress facts in the court proceedings. Materialism, opportunism and malicious intent have overshadowed the old ethos of litigative values for small gains.

32.5. A litigant who attempts to pollute the stream of justice or who touches the pure fountain of justice with tainted hands is not entitled to any

relief, interim or final.

32.6. The court must ensure that its process is not abused and in order to prevent abuse of process of court, it would be justified even in insisting on furnishing of security and in cases of serious abuse, the court would be duty-bound to impose heavy costs.

32.7. Wherever a public interest is invoked, the court must examine the petition carefully to ensure that there is genuine public interest involved. The stream of justice should not be allowed to be polluted by unscrupulous litigants."

(x) **Dr.Paras Nath Sahay vs. State of Bihar,**

MANU/BH/0145/2013

"10. This Court must make it clear that a proceeding of contempt should be taken seriously and must not be allowed to be treated by the opposite parties as an execution proceeding by this Court. After disobedience is brought to the notice of this Court through a contempt application, or otherwise, any subsequent step in the proceeding is essentially either to bring the guilty to book or to allow him to purge of the contempt with unqualified apology, accepted at times in given circumstances. Allowing time to the guilty to purge himself of contempt should not be allowed to be used to linger the proceeding for months and years. It should not be allowed to become a ploy in the hands of the contemnors to continue in contempt indefinitely. Quick, effective and precise justice to the deserving and putting an end to the injustice firmly and finally with quick punishment to the guilty, if necessary, is the golden thread underlying the doctrine of rule of law. If all required materials and information are available on record, the Court or the authorities are not supposed to leave the matter or issue

undecided with uncertainty and ambiguity, allowing the lis to drag on and go round and round for years. Duties and responsibilities assigned by the Constitution and laws on judicial, quasi judicial or administrative authorities, empowered to decide rights and obligations do not permit that. A mechanical order by an authority, without proper application of mind to the facts and materials available on record and the law applicable in the matter, and in complete ignorance of the earlier orders/judgments of this Court or the Apex Court in identical/similar cases (if brought to his notice), passed merely to escape contempt is no compliance and in fact may amount to an attempt to deceive this Court and play fraud with it. "

14. Heard Mr.M.S.Krishnan, learned Senior Counsel leading Mrs.S.Subashiny, learned counsel for M/s.Sarvabhauman Associates appearing for the Applicant/Defendant and Mr.P.S.Raman, learned Senior Counsel leading Mr.Arun C.Mohan, learned counsel appearing for the Respondent/Plaintiff and gone through the material documents available on record.

15. It is not in dispute that the Respondent/Plaintiff has taken over the theatre business from the Applicant/Defendant and has been continuously using the mark "KASI" from the year 2002 for its theatre. The Respondent/Plaintiff claims that they are the registered proprietor of the mark KASI registered under trademark

iota of evidence as to the mark 'KASI' that has been sold along with the land and theatre property. But, it is too premature to decide it now, as the said issue has to be gone into after trial, as there is no assignment in the document with regard to the mark "KASI". It is also not in dispute that having sold the property/theatre, the Applicant/Defendant has permitted the Respondent/Plaintiff to use the mark "Kasi", which is the name of the Applicant/Defendant's father. However, the Applicant/Defendant is using his father's name 'Kasi' in all his business entities.

16. Though, it has been contested by the Applicant/Defendant that the relief sought for by the Respondent/Plaintiff itself is a nullity, this Court cannot pass a judgment and decree against a non-existing entity and that Kasi Group of Companies is a non-existing entity, and any judgment and decree against the said entity is inexecutable. The contention of the learned Senior Counsel for the Respondent/Plaintiff that in terms of the reply made by the learned Senior Counsel for the Applicant/Defendant and taking note of the provisions of the Code of Civil Procedure, the Respondent/Plaintiff had no other option to mention "Kasi Group of Companies" in the cause title, for which, the Applicant/Defendant alone is responsible and the suit is maintainable, again need not be gone into at this stage, as the parties need to establish their case through proper evidence. It is not as if movies were screened at

KASI Talkies regularly at free of cost. Only on the first day of opening the theatre, movies were screened at free of cost.

17. The present suit has been filed in the year 2019. The Respondent/Plaintiff was aware about the commencement of the theatre business by the Applicant/Defendant in the name of "Kasi Talkies" in July 2018 itself and the Respondent/Plaintiff was also invited to attend the Opening Ceremony of "Kasi Talkies". Though, as stated supra, the mark "Kasi" was not subsequently used by the Applicant/Defendant for theatre business and that he had obtained Form "C" licence and other necessary approval in his name, the same cannot be a ground to allow the interim order of injunction to continue, as, at the threshold the Respondent/Plaintiff did not approach this Court immediately since the inception of "Kasi Talkies" by the Applicant/Defendant and had slept over for more than eight months.

18. Though, it could be interpreted that the public without going to the theatre, may book tickets through online believing that Kasi Theatre and Kasi Talkies are one and the same, the Applicant/Defendant has given a disclaimer that the websites for booking tickets for "Kasi Theatre" and "Kasi Talkies" are different. Ultimately, public is not concerned as to the owner of the theatre and they would like to watch a movie in a comfortable place. Having kept quiet and allowed the mark "Kasi" to be used for years, even in

the absence of the transfer of the mark "Kasi", whether it is implied or explicit need to be decided only after trial.

19. Yet again, this Court is of the view that these aspects have to be gone into at the time of final disposal of the Suit in question, after the pleadings are complete and the evidence is let in. **Hence, the interim orders of injunction granted by this Court on 19.03.2019 in O.A.Nos.171 and 172 of 2019 are vacated only on the score that the Respondent/Plaintiff has slept over the matter for eight months and allowed Kasi Talkies to run, despite having knowledge about the commencement of Kasi Talkies for which invitation has been received by him.** It is made clear that in case, the Respondent/Plaintiff succeeds in the Suit, it may only entitle him the benefits of using the term "Kasi", but also damages.

20. In fine, **Application Nos.2576 and 2577 of 2019 are ordered as prayed for.** Consequently, **O.A.Nos.171 and 172 of 2019 are closed.**

WEB COPY

Sd./-S.V.N.J
10.06.2019

//Certified to be true copy//
Dated at Madras this the day of 2019.

JJ 28/06/2019

COURT OFFICER(O.S.)

From 25th day of September 2008 the Registry is issuing certified copies of the Orders/Judgments/Decrees in this