

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 13.07.2020

Pronounced on : 17 .07.2020

CORAM

**THE HONOURABLE MR. JUSTICE C.V.KARTHIKEYAN**

A.No.213 of 2019  
and  
A.No.4080 of 2019  
in  
C.S.No.534 of 2016

A.No.213 of 2019:-

- 1.P.Selvamani  
Managing Partner, Palani Cotton Fabrics,  
No.144 (New no.70),  
Coral Merchant Street,  
Mannady, Chennai – 600 001.
  - 2.Palani Cotton Fabrics,  
No.144 (New no.70),  
Coral Merchant Street,  
Mannady, Chennai – 600 001  
rep.by its Managing Partner,  
P.Selvamani.
- ... Applicants/Plaintiffs

Vs.

- 1.M/s.Syed Ibrahim Son,  
No.1071/1, South East Rampart,  
Thanjavur – 613001.
- 2.K.S.Sayed Ibrahim,  
Partner,  
No.1071/1, South East Rampart, Thanjavur – 613 001.

3.K.S.Samsudeen,  
Partner,  
No.1071/1, South East Rampart,  
Thanjavur – 613 001.

... Respondents/Defendants

A.No.4080 of 2019:-

1.M/s.Syed Ibrahim Son,  
No.1071/1, South East Rampart,  
Thanjavur – 613001.

2.K.S.Sayed Ibrahim,  
Partner,  
No.1071/1, South East Rampart,  
Thanjavur – 613 001.

3.K.S.Samsudeen,  
Partner,  
No.1071/1, South East Rampart,  
Thanjavur – 613 001.

... Applicants/Defendants

Vs.

1.P.Selvamani  
Managing Partner, Palani Cotton Fabrics,  
No.144 (New no.70),  
Coral Merchant Street,  
Mannady, Chennai – 600 001.

2.Palani Cotton Fabrics,  
No.144 (New no.70),  
Coral Merchant Street,  
Mannady, Chennai – 600 001  
rep.by its Managing Partner,  
P.Selvamani.

... Respondents/Plaintiffs

**Prayer in A.No.213 of 2019:-** This application filed under Order XIV Rule 8 of O.S Rules R/w. Order XII Rule 6 of C.P.C., prayed to,

(a) allow the present application by passing a summary judgment allowing the present suit and

(b) such further order as this Court deems fit and proper in the facts and circumstances of the present case.

**Prayer in A.No.4080 of 2019:-** This application filed under Order XIV Rule 8 of O.S Rules R/w. Order XIII-A, the Commercial Court, Commercial division and Commercial Appellate Division of High Court Act, 2015, prayed to pass a summary judgment dismissing the suit in C.S.No.534 of 2016 on the filed of this Court with exemplary costs.

For Applicants  
(in A.No.213 of 2019) : Mr. S.Karthik  
for Mr.Arun C Mohan

For Applicants  
(in A.No.4080 of 2019) : Mr. Mr.Prabu Mukunth Arunkumar

सत्यमेव जयते  
**COMMON ORDER**

A.No.213 of 2019 has been filed by the plaintiffs in the suit under Order XII Rule 6 of C.P.C., seeking to pass a summary judgment. It must be noted since the suit is a commercial suit, the correct provision is Order XIII-A of the C.P.C.

2. A.No.4080 of 2019 has been filed by the defendants in the suit seeking to pass a summary judgment dismissing the suit. This application has been filed under Order XIII-A of the C.P.C.

3. It must be noted that this application was filed on 12.06.2019 and along with the said application a memo had also been filed on behalf of the 3<sup>rd</sup> defendant that the 2<sup>nd</sup> defendant namely, father of the 3<sup>rd</sup> defendant had expired on 13.11.2018.

4. C.S.No.534 of 2016 had been filed by the plaintiffs, P.Selvamani, Managing Partner, Palani Cotton Fabrics and by Palani Cotton Fabrics represented by its Managing Partner, P.Selvamani, against three defendants, M/s.Syed Ibrahim Son, K.S.Sayed Ibrahim, and K.S.Samsudeen. As stated, the 2<sup>nd</sup> defendant, K.S.Sayed Ibrahim had unfortunately expired on 13.11.2018, but the plaintiffs have not taken any steps pursuant to such memo. However, in the same memo, the 3<sup>rd</sup> defendant stated that he is looking after the affairs of the 1<sup>st</sup> defendant.

5. The plaint had been filed under Sections 27, 28, 29, 134 and 135 of the Trade Marks Act, 1999 and also under Sections 51, 54, 55 and 62 of the

Copyright Act, 1957. In the plaint, it had been stated that the second plaintiff firm namely, Palani Cotton Fabrics, was established in the year 2007, and is a leading manufacturer of textile goods such as lungies, handkerchiefs, vests, briefs and various other textile products for several decades. The products are sold throughout India and also exported. The textile goods including handloom, cotton lungies are sold under popular brand names and in distinctive labels. It had been further stated that the mark 144 and the distinct logo/label was conceived and adopted by M/s.P.M.Palani Mudaliar & Co., as early as 1974. The mark 144 and distinct logo/label has been put to an extensive and continuous use. The partnership firm M/s.P.M.Palani Mudaliar & Co., was found by the father of the 1<sup>st</sup> plaintiff, Palani Mudaliar. The partnership firm had applied and obtained registration of the 144 label, numeral 144, diamond device, rectangle device and the unique colour scheme and getup vide several and separate registrations.

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6. When the suit was instituted and the original application seeking interim injunction was initially presented before this Court, by order dated 11.08.2016, this Court had opined as follows:-

*“On a perusal of the registered mark of the applicants with that of the respondents, this Court is of the prima facie view that there are number of features, which could be identified apart from similarity between them with respect to get up, trade dress, colour scheme and the address shown. In the label of the applicants, the address of the applicants is shown as Mannadi, Madras – 1 whereas, it has been shown in the same manner in the respondents' label as Mannadi, Chennai – 1. Considering the same, this Court is of the view that a prima facie case of infringement as well as passing off is made out, particularly, when the label of the applicants is registered and they being the prior user, havng substantial market.”*

7. Subsequently, after filing counter by the defendants, the applications were disposed of on 24.09.2018 holding that the interim order granted on 11.08.2016, shall continue to operate till the disposal of the suit. In the course of the order dated 24.09.2018, since written statement was also filed, it was stated that the exercise of inspection of documents followed

by admission and denial shall be completed on or before 29.10.2018. But in the same order, it was also noted that the counsel for the defendants had stated that he intends to take out an application for summary judgment under Order XIII-A of the amended C.P.C.

8. There was no further progress in the suit but, on the other hand, both the plaintiffs and defendants have filed the instant two applications both under Order XIII-A of C.P.C., seeking summary judgments, one for decreeing the suit and the other for dismissing the suit.

**A.No.213 of 2019:**

9. The plaintiffs have filed this application seeking a summary judgment to decree the suit on the ground that the defendants had previously adopted an identical 145 label for lungies in 2005 and the plaintiffs had filed C.S.No.4 of 2006 for infringement of trademark and infringement of copyright. The defendants had given an undertaking and the Court had dismissed the suit as not pressed. However, in the undertaking, the defendants had stated as follows:

*“The respondent will change quadrilateral shape mentioned in the skeleton will be changed to oval and round one. Colour scheme has already been changed. The respondent will not adopt the colour scheme of the applicant label.”*

10. It was further stated that the defendants adopted yet another identical trademark/label with numerals 147. The plaintiffs filed C.S.No.290 of 2007. The defendants did not participate in the judicial proceedings and consequently an ex-parte decree was passed on 29.10.2010. It was also stated that again in the year 2012, the defendants adopted an identical mark and label 147 along with the distinctive diamond, rectangle devices, colour scheme and getup. The plaintiff issued a cease and desist notice. The defendants gave a written undertaking on 06.02.2012, recognizing and admitting the 1<sup>st</sup> plaintiff's exclusively proprietary right vested over the 144 label, 144 numerals, the rectangle device, the diamond device and the distinctive colour scheme, getup and layout. It had been therefore stated by the plaintiffs that since the defendants have suffered an order of permanent injunction and had also given a written undertaking not to infringe the trademark or the copyright of the plaintiffs, it was only appropriate that a

summary judgment is passed decreeing the suit.

**A.No.4080 of 2019:**

11. This application has been filed by the defendants also under Order XIII-A of the amended C.P.C., seeking a summary judgment to dismiss the suit.

12. In the affidavit filed in support of the said application, it had been stated that supporting documents have not to be filed giving details of the nature and type of the partnership firm. It had been stated that the suit had been filed contrary to the provisions of the Trademark Act and Copyright Act. It was stated that the trademark had been registered in the name of P.M.Palani Mudaliar & Co., partnership firm and the business has been carried on under the same name and style by the another person in the reconstituted firm. It was stated that the suit by M/s.Palani Cotton Fabrics cannot be therefore maintained.

13. It had also been stated that there is no proper assignment of the Trademark and Copyright. It was stated that there is no locus standi and no

cause of action for instituting the suit. It was stated that the composite label Trademark No.497210 had not been assigned or transmitted to the plaintiffs. It was stated that the said label Trademark contains the name P.M.Palani Mudaliar & Co., which has been barred to be used by the retiring partners as reflected in the deed of retirement partnership dated 10.10.2007. It was also stated that the label Trademark containing the name, Palani Cotton Fabrics is not a registered label under registered number 497210. It was also stated that no document has been filed to substantiate that the copyright had been assigned to the plaintiffs. It had been stated that the copyright does not exist with the plaintiffs and therefore the plaintiffs cannot maintain a suit on that ground also. It was stated that the earlier civil suit was filed by P.M.Palani Mudaliar & Co., as the registered proprietor of the trademark label and not by the plaintiff, Palani Cotton Fabrics. It has been stated that the plaintiffs cannot place reliance on the undertaking given by the defendants. It had been stated that since the suit cannot be maintained by the plaintiffs and since the plaintiffs have no subsisting right over either the trademark or the copyright, the suit has to be dismissed. It had also been stated that the defendants have also changed the quadrilateral shape, colour scheme, colour, borders combination and the label number. It had been stated that therefore the suit has to be dismissed.

14. Counter affidavits have been filed in both the applications. The defendants filed their counter affidavit in A.No.213 of 2019, reiterating the averments made in the A.No.4080 of 2019 and similarly, the plaintiffs filed their counter affidavit in A.No.4080 of 2019, reaffirming their statements made in A.No.213 of 2019.

15. Heard arguments advanced by Mr.S.Karthik, learned counsel for Arun C Mohan, learned counsel for the applicants in A.No.213 of 2019/plaintiffs in the suit and Mr.Prabu Mukunth Arunkumar, learned counsel for the applicants in A.No.4080 of 2019/defendants in the suit.

16. For the sake of convenience, the parties would be referred as plaintiffs and defendants.

17. Both the plaintiffs and defendants have taken the advantage of the provision under Order XIII-A of the amended C.P.C., as applicable to the Commercial Courts Act, 2015 as amended and they both claimed that the Court should pass summary judgment decreeing the suit / dismissing the suit. Written statement has also filed by the defendants.

18. The main ground on which the plaintiff seeking summary judgment is that they were forced to file an earlier suit in C.S.No.4 of 2006 in which, the defendants had undertaken not to infringe the trademark or copyright of the plaintiffs and also not to pass off their goods, as the goods of the plaintiffs and on the basis of such undertaking, the suit had been withdrawn. There was yet another instance wherein, the defendants had allegedly interfered with the trademark and the copyright registered by the plaintiffs and the plaintiffs were forced to file C.S.No.290 of 2007 in which an ex-parte decree had been obtained by the plaintiffs. There was yet another instance, when the defendants had again allegedly infringed on the rights of the plaintiffs and a cease and desist notice had been issued and the defendants had undertaken not to infringe on the trademark/copyright of the plaintiffs. It had been therefore urged by the learned counsel for the plaintiffs Mr.S.Karthik, that since the defendants had again interfered with the trademark and copyright of the plaintiff and therefore since there had been earlier undertaking given and recorded by the Court atleast on one occasion, a summary judgment should be passed decreeing the suit.

19. The main crux of argument of Mr.Prabu Mukunth Arunkumar, learned counsel for the defendants is that the plaintiffs have no locus standi to maintain the suit in view of the fact that the deed of retirement specifically bars usage of the trademark now relied on by the plaintiffs. The learned counsel stated that the earlier suit was filed by P.M Palani Mudaliyar & Co., whereas, the present suit has been filed by the Palani Cotton Fabrics and stated that the plaintiffs are not assignees of either the trademark or the copyright and therefore insisted that the suit should be dismissed. The learned counsel also pointed out the corresponding marks used by the plaintiffs and by the defendants and stated that by no stretch of imagination could it be inferred that there is similarity in both the marks. Learned counsel therefore stated that the plaintiffs cannot maintain the suit with respect to mark 497210. It was stated that the suit has to be dismissed.

20. After giving careful consideration to the arguments advanced, I hold that the rival contentions and issue raised can be decided only on appreciation of oral and documentary evidence. The plaintiffs will have to establish the assignment of the trademark and copyright in their name. This requires evidence. The plaintiffs will have to establish that in the earlier suit, the defendants had actually undertaken not to infringe on the trademark /

copyright of the plaintiffs and this requires evidence. The defendants will have to establish that the plaintiffs are not the assignees of the trademark and copyright claimed by them and this aspect requires evidence. The Court cannot come to a conclusion on the basis of affidavits that the suit should be either decreed or dismissed. The rival stands taken by either party should be tested in cross examination. The plaintiffs must be afforded an opportunity to produce documents of registration and the defendants may put up their defence during the course of the trial.

21. Order XIII-A provides the grounds for summary judgment. They are as follows:-

1. ....

2. ....

3. *Grounds for summary judgment:- The Court may give a summary judgment against a plaintiff or defendant on a claim of it considers that –*

*(a) the plaintiff has no real prospect of succeeding on the claim or the defendant has no real prospect of successfully defending the claim, as the case may be; and*

*(b) there is no other compelling reason why the claim*

*should not be disposed of before the recording of oral evidence.”*

22. It is seen that the issues raised by the both the parties will have to be decided during trial. The plaintiffs must be given an opportunity to trace the assignment of the trademark / copyright in their name. Further, an opportunity must also be given with respect to their subsisting right over the trademark / copyright. The circumstances of the earlier litigations must also be established by the plaintiffs in manner known to law. The defendants must be afforded an opportunity to disprove the claim of the plaintiffs. These are issues which requires evidence to be recorded.

23. The learned counsel for the defendants stated that a cursory glance of the complained copyright/trademark, would show that there is no infringement.

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24. The mark that is used by the plaintiffs is as follows:



25. The mark which is used by the defendants is as follows:



26. The contentions of the defendants are statements which have to pass the tests during trial since, the plaintiffs specifically claim that they have a right over the trademark/copyright. These are all issues which cannot be decided in a summary manner. Written statement has also been filed by the defendants. It would only be appropriate the parties proceed further in inspecting the documents, filing affidavits regarding admission / denial under Rules 3 and 4 respectively of Order XI of the amended C.P.C., and thereafter provide a Case Management Schedule under Order XV(A) of C.P.C.

27. I therefore hold that both the applications will have to be dismissed and accordingly both the applications are dismissed. Even though Order XIII-A gives the power to the Court to impose costs, in view of the fact that trial would be the best answer to adjudicate the respective claims of the parties, I am not at this stage, imposing costs on either one of the two parties.

28. In the result,

(i) A.No.213 of 2019 is dismissed, no order as to costs.

(ii) A.No.4080 of 2019 is dismissed, no order as to costs.

Sd./-C.V.K.J  
17/07/2020

//Certified to be true copy//

Dated at Madras this the                      day of                      2020.

JJ 13/08/2020

COURT OFFICER(O.S.)

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