

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 11.02.2020

PRONOUNCED ON : 18.02.2020

CORAM

THE HONOURABLE DR.JUSTICE G.JAYACHANDRAN

Civil Suit No.561 of 2016 in
A.No.175 of 2020

ITC Limited
69 (Old No.40)
Chamiers Road,
Chennai 600 018.
Rep. By its Constituted Attorney,
Mr.V.M.Rajasekharan

...

Plaintiff

Vs

1.Shree Devi Match Industries,
Jettapalli Village,
Sempalli Post,
Gudiyattam Taluk,
Pin Code – 632 601.

2.Subhulakshmi Match Box
No.29/13, Pavodum Thoppu,
Nellorepet, Gudiyattam Taluk,
Pin Code – 632 602
and also at No.32/18, 1st Street,
Sannadhi Street, Nellorepet,
Gudiyattam Taluk,
Pin Code – 632 602.

3.VG Dhanapal Match Works,
Melmutukoor Road,
Kakka Thoppu, Karthigapuram,
Chetikuppam Post,
Gudiyattam,
Pin Code – 635 806.

4.Damodharan Match Works,
Sannath Thoppu,
(Behind Govt. School),
Nellorepet, Gudiyattam Taluk,
Pin Code – 632 602.

5.M/s.Devi Shree General Stores
(also known as Devi General Stores),
6-3-142, Pedda Bazaar,
Kothagudem,
Khammam District 507 101,
State of Telengana.

6.M/s.Sri Sha Traders,
6-3-150, Pedda Bazaar,
Kothagudem,
Khammam District – 507 101.
State of Telangana.

7.M/s.Vijaya Kiranam,
6-3-161, Pedda Bazaar,
Kothagudem,
Khammam District – 507 101.
State of Telangana

8.M/s.Suresh Traders
6-3-170, Pedda Bazaar,
Kothgudem,
Khammam District 507 101.

9.Mr.Balakrishna
MIG – II, No.23, APHB,
Kothagudem,
Khammam District – 507 101,
State of Telangana.

... Defendants

Prayer:- This Civil Suit is filed under Order IV Rule 1 of Original Side Rules, 1956 read with Order VII Rule 1 of C.P.C., 1908, Sections 27,28,29,134 & 135 of the Trade Marks Act, 1999 and Sections 51, 54, 55 & 62 of the Copyright Act, 1957, for the following reliefs:-

"a.a permanent injunction restraining the defendants, themselves, their respective proprietors/directors/partners as the case may be, successors-in-business, servants, agents, distributors, dealers, stockists, shop keepers, wholesalers, retailers, representatives, assigns and all other persons claiming through or under them from infringing the registered trademark/label THREE MANGOES of the plaintiff by manufacturing, selling and/or distributing matches under the almost identical mark THE MANGOES or GREEN MANGOES or any other similar or identical or deceptively similar mark and artistic work and in any other manner whatsoever;

b.a permanent injunction restraining the defendants, themselves, their respective proprietors/directors/partners as the case may be, successors-in-business, servants, agents, distributors, dealers, stockists, shop keepers, wholesalers, retailers, representatives, assigns and all other persons claiming through or under them from manufacturing, selling offering for sale and/or distributing matches which would amount to passing off their goods as and for the goods of the plaintiff or as being in some way connected with the plaintiff by using the mark THE MANGOES or GREEN MANGOES or any other mark similar or identical or deceptively similar to the plaintiff's trademark/label THREE MANGOES and artistic work and in any other manner whatsoever;

c)a permanent injunction restraining the defendants, themselves, their respective proprietors/directors/partners as the case may be, successors-in-business, servants, agents, distributors, dealers, stockists, shop keepers, wholesalers,

retailers, representatives, assigns and all other persons claiming through or under them from manufacturing, selling offering for sale and/or distributing matches from committing acts of copyright infringement by making substantial reproduction of the plaintiff's copyright in the artistic work THREE MANGOES label by use of identical colour scheme or any other label similar or identical or deceptively similar thereto and in any other manner whatsoever;

d)the defendants be ordered to surrender to the plaintiffs for destruction of all goods viz., matches, matchboxes, labels, cartons, dyes, blocks, screen prints, advertisement materials, packing materials and other goods containing the trademark THE MANGOES or GREEN MANGOES or any other mark similar or identical or deceptively similar to plaintiff's registered trade mark THREE MANGOES;

e)the defendants be ordered to pay, jointly and severally, to the plaintiff a sum of Rs.50,00,000/- (Rupees Fifty lakhs only) as damages for committing acts of infringement of trademark and passing off;

f)a preliminary decree be passed in favour of the plaintiff directing the defendants to render true and faithful account of profits earned by them by use of trademark THE MANGOES or GREEN MANGOES for matches, which is deceptively similar to the plaintiff's trademark THREE MANGOES and a final decree be passed in favour of the plaintiff for the amount of profits thus found to have been made by the defendants after the latter have rendered accounts;

g)for entire costs of the suit"

For Plaintiff

:Mr.C.Manishankar,
Senior Counsel for Mr.Arun C.Mohan

For Defendants

:Set exparte

JUDGMENT

The suit is filed under the Trade Marks Act and Copyright Act alleging infringement and passing off petitioner's product by the defendants who are carrying on their business in Tamil Nadu and Telangana.

2.The case of the plaintiff is that, it is a well established business house with history of 100 years carrying on business in diverse fields including manufacturing and sale of safety matches under various trade marks *inter alia*, CHEETA FIGHT, HOME LITES, THREE MANGOES, AIM, SHIP and KAPAS. These trade marks of the plaintiff have acquired immense goodwill and reputation owing to the high quality of goods manufactured and marketed by them.

3.The present suit pertaining to the trade mark of THREE MANGOES was originally adopted by M/s.Western India Match Company Limited (hereinafter referred to as M/s.WIMCO Ltd) as early as in the year 1924 and obtained registration on 19.03.2001 in respect of matches. In the year 2014, under a scheme of arrangement approved by Mumbai and Kolkatta High Courts, the assets

of the non-engineering business of M/s.WIMCO Limited, which include the trade mark THREE MANGOES, were transferred to the plaintiff. Thereafter, the plaintiff applied for name change from M/s.WIMCO Limited to plaintiff as the proprietor. The trade mark THREE MANGOES used by M/s.WIMCO Limited for several decades is currently in use by the plaintiff. The plaintiff has designed a distinguished unique and eye catchy label consisting of distinctive features bearing the words THREE MANGOES written in a stylish font represented within a special artistic background, with the image representation of THREE MANGOES and the unique colour combination of red and yellow to arrive at a distinctive get up and trade dress.

4. According to the plaintiff, the trade mark and its artistic work in the label THREE MANGOES was adopted in an honest and *bona fide* manner to distinguish the goods of the plaintiff from that of the competitors. The said label was designed by the plaintiff and the proprietor right over the said artistic work in the label THREE MANGOES vest only with the plaintiff. While so, during the month of July 2016, the plaintiff had come to know that several manufacturers in the District of Vellore specifically at Gudiyattam Taluk are manufacturing and marketing match boxes under the deceptively similar mark THE MANGOES and/or GREEN MANGOES bearing identical artistic work, colour scheme get up and lay out of the plaintiff.

5.The Investigator engaged by the plaintiff has reported that the defendants 1 to 4 operate jointly and severally and have involved in the manufacture and marketing of match boxes under the almost identical marks THE MANGOES and GREEN MANGOES all over the Tamil Nadu and the neighbouring state of Telangana. The defendants 5, 6 and 9 are involved in distributing the infringed products to the retailers viz., defendants 7 and 8. Providing the operative picture of the plaintiff's matchboxes carrying the trade mark and design THREE MANGOES and the infringed product manufactured by the defendants, in the name THE MANGOES and GREEN MANGOES state that a bare perusal of the plaintiff's trade mark that of the defendants' trade mark would go to show that the trade marks, writing style, lay out and get up are identical. The word, THREE MANGOES in English appears at the top of the pack in white colour font within a red colour background. The image of THREE MANGOES is represented underneath the writing, centered within a yellow box. This essential features are imitated by the defendants with a minor insignificant modification. People would therefore, easily be deceived and inclined to believe that the defendants matches are that of the plaintiff. The defendants are trying to ride on the goodwill of the plaintiff's trade mark/label. Hence, the plaintiff has sought for the following reliefs:-

"a.a permanent injunction restraining the defendants, themselves, their respective proprietors/directors/partners as the case may be,

successors-in-business, servants, agents, distributors, dealers, stockists, shop keepers, wholesalers, retailers, representatives, assigns and all other persons claiming through or under them from infringing the registered trademark/label THREE MANGOES of the plaintiff by manufacturing, selling and/or distributing matches under the almost identical mark THE MANGOES or GREEN MANGOES or any other similar or identical or deceptively similar mark and artistic work and in any other manner whatsoever;

b.a permanent injunction restraining the defendants, themselves, their respective proprietors/directors/partners as the case may be, successors-in-business, servants, agents, distributors, dealers, stockists, shop keepers, wholesalers, retailers, representatives, assigns and all other persons claiming through or under them from manufacturing, selling offering for sale and/or distributing matches which would amount to passing off their goods as and for the goods of the plaintiff or as being in some way connected with the plaintiff by using the mark THE MANGOES or GREEN MANGOES or any other mark similar or identical or deceptively similar to the plaintiff's trademark/label THREE MANGOES and artistic work and in any other manner whatsoever;

c)a permanent injunction restraining the defendants, themselves, their respective proprietors/directors/partners as the case may be,

successors-in-business, servants, agents, distributors, dealers, stockists, shop keepers, wholesalers, retailers, representatives, assigns and all other persons claiming through or under them from manufacturing, selling offering for sale and/or distributing matches from committing acts of copyright infringement by making substantial reproduction of the plaintiff's copyright in the artistic work THREE MANGOES label by use of identical colour scheme or any other label similar or identical or deceptively similar thereto and in any other manner whatsoever;

d)the defendants be ordered to surrender to the plaintiffs for destruction of all goods viz., matches, matchboxes, labels, cartons, dyes, blocks, screen prints, advertisement materials, packing materials and other goods containing the trademark THE MANGOES or GREEN MANGOES or any other mark similar or identical or deceptively similar to plaintiff's registered trade mark THREE MANGOES;

e)the defendants be ordered to pay, jointly and severally, to the plaintiff a sum of Rs.50,00,000/- (Rupees Fifty lakhs only) as damages for committing acts of infringement of trademark and passing off;

f)a preliminary decree be passed in favour of the plaintiff directing the defendants to render true and faithful account of profits earned by them by use of trademark THE MANGOES or GREEN MANGOES for

matches, which is deceptively similar to the plaintiff's trademark THREE MANGOES and a final decree be passed in favour of the plaintiff for the amount of profits thus found to have been made by the defendants after the latter have rendered accounts;
g)for entire costs of the suit"

6.Pending suit, this Court has appointed Advocate Commissioners to inspect the premises of the defendants to find out 'whether there was any infringed materials in the defendants premises'. Four Advocate Commissioners namely Mr.Ponram Raja; Mr.Aditya Reddy; Mr.Kolaindaivelu and Mr.Veerapathiran have been appointed. Their respective reports indicating the infringed products similar to that of the plaintiff's trade mark and design were manufactured and stored in the premises under the control of the various defendants. Though the suit was filed in the year 2016 and Advocate Commissioners' inspected the premises of the most of the defendants, the defendants have chosen not to file any written statement or to contest the matter. In the said circumstances, the plaintiff has taken up an Application in A.No.175 of 2020 to pass summary judgment.

7.Pending suit, the first defendant has already submitted to the decree and on 25.10.2019, the suit was decreed as against the first defendant on the basis of the undertaking given by him that he will not commit any act infringing the trade mark and copy right and passing off the goods of the plaintiff.

8.As far as the defendants 2 to 9 are concerned, they have not filed any written statement within the time line of 120 days. Thus, they have forfeited their right of filing the written statement and they have also been set exparte by this Court since the defendants 2 to 9 have no real prospect of successfully defending the claim and in the light of the finding of the Advocate Commissioners appointed by this Court, the plaintiff seeks for passing of summary judgment against the remaining defendants 2 to 9.

9.It is pertinent to point out that pursuant to the application filed by the plaintiff, the Advocate Commissioners were appointed and they have submitted their reports which substantiate the allegations of the plaintiff regarding infringement of its copy right and trade mark. None of the defendants have denied the possession of the impugned/infringed products. The reports of the Advocate Commissioners namely Mr.Ponram Raja; Mr.Aditya Reddy; Mr.Kolaindaivelu and Mr.Veerapathiran and the annexures to the reports, proves the fact that the trade mark and copy right of the plaintiff carrying THREE MANGOES has been infringed by the defendants and they have given the specific undertaking that they will not manufacture, distribute or sell the products infringing the plaintiff's trade mark and copy right.

10.In the said circumstances, there is no real prospect of successfully defending the claim by the defendants. Order XIII Rule (3) C.P.C., as amended by

the Commercial Courts Act 2015 enables the Court to pass summary judgment on the specific grounds namely:-

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 recording of oral evidence.

11.In this case, as pointed out earlier, the defendants have not filed written statement and also admitted the possession of infringed products and given undertaking not to carry on the trade of the infringed products. In such circumstances, there is no compelling reason why the claim should not be disposed of before recording oral evidence. The Commissioner's reports taken on file as Exs.C.1 to C.4 are sufficient to hold that the defendants have no real prospect of successfully defending the case. Hence, A.No.175 of 2020 filed for passing of summary judgment is allowed.

12.In the result, the suit is decreed with costs as follows:-

(i)Permanent injunction relief sought under prayer (a), (b) and (c) as against defendants 2 to 9 are granted.

(ii)In respect of prayer (d), the defendants 2 to 9 are directed to surrender all the infringed materials in their possession to the plaintiff.

(iii)In respect of prayer (e), the relief seeking damages of Rs.50,00,000/- against the defendants 2 to 9 jointly and severally is dismissed for want of proof.

(iv)In respect of prayer (f), preliminary decree is passed in favour of the plaintiff directing the defendants 2 to 9 to render true and faithful account of profits earned by them by use of trademark THE MANGOES or GREEN MANGOES for matches, for ascertaining loss of profit.

18.02.2020

jbm

Index: Yes/No

Speaking order/non speaking order

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G.JAYACHANDRAN.J.,

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Pre – Delivery Judgment made in
C.S.No.561 of 2016

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