

O.A.No.151 of 2021
and A.No.1380 of 2021
in C.S.No.91 of 2021

C.V.KARTHIKEYAN J.

O.A.No.151 of 2021 first came up for effective consideration before this Court on 12.03.2021. On that date, after hearing the arguments put forth by Mr.S.Parthasarathy, learned Senior counsel and on examining the averments made in the affidavit filed in support of the said application, this Court had granted an exparte order of interim injunction as prayed for in the said application till 26.03.2021. Notice was directed to the respondents / defendants. On receipt of Notice, the respondents / defendants entered appearance and the first respondent / first defendant has filed A.No.1380 of 2021 to vacate the order of exparte ad interim injunction which was granted on 12.03.2021.

2. Counter affidavits have been filed. Heard arguments advanced by Mr.S.Parthasarathy, learned Senior counsel on behalf of the plaintiff assisted by Mr.Suhrith Parthasarathy, learned counsel and by Mr.P.S.Raman, learned Senior counsel for the first defendant assisted by

Mr.K.Venkatesan, learned counsel for the first defendant. Mr.Arun C.Mohan, learned counsel for the second defendant. also joined in the proceedings, however, primarily confirming himself to putting points questioning the very impleading of the second defendant as a party / defendant to the proceedings.

3. The fifth plaintiff M/s.Shri Varalakshmi Company with address at Namakkal District is a partnership firm. The first four plaintiffs are its partners. They have instituted the suit against the first defendant M/s.Varalakshmi Starch Industries Private Limited, a Private Limited Company incorporated under the Companies Act, 1956, with registered Office at Salem and against the second defendant and in the long cause title they have stated that the second defendant is the Chairman and Managing Director of the first defendant.

4. The Suit had been instituted taking advantage of Sections 27, 28, 29 and 134, 135 of the Trademarks Act, 1999 read with relevant provisions of the Code of Civil Procedure, Original Side Rules of the Madras High Court and the Commercial Courts Act, 2015, seeking a Judgment and Decree primarily against the first defendant in the nature

of a permanent injunction restraining the first defendant from using the infringing trademarks or any identical or deceptive variation of the plaintiff's registered trademarks and also for permanent injunction restraining the first defendant from using the infringing trademarks in order to pass off their products as the products of the plaintiffs and for consequential relief to deliver to the plaintiffs all offending materials and to render accounts of profits made by using, according to the plaintiffs, infringing trademark and also for costs of the suit.

5. The first plaintiff V.Sundaresan and the second defendant V.Anbalagan are brothers. Their father Varadaraja Gounder had originally started a business under the name Shri Venkateswara Sago Factory. He was a pioneering entrepreneur in tapioca products having business across India. He was also the Kartha of the Hindu Undivided Family. He died in the year 1984. The first plaintiff and the second defendant took over the business, which they ran together till 2005. Now they are running separate business entities in view of various differences which had arisen between them. However, the business primarily deals with Tapioca products.

6. There were two partnership firm which had been established by the first plaintiff and the second defendant when better sense had prevailed to run the businesses jointly. The first partnership firm was M/s.Shri Varalakshmi Company. The second partnership firm was M/s.SVS Classic Foods. This was incorporated as a Private Limited Company, the first defendant herein M/s.Varalakshmi Starch Industries Private Limited. When differences arose, naturally there had to be settlements with respect to the continuous running of the partnership firm and the private limited Company. More importantly, there were also differences over the usage of the mark and trade name VARALAKSHMI.

7. Though arguments had been advanced by both the learned Senior counsels with Mr.S.Parthasarathy affirming the right to use the Trademark VARALAKSHMI and Mr.P.S.Raman questioning exclusive right to use the said name, I am not at present very, consciously, addressing the issue whether, as a mark, the word VARALAKSHMI can be claimed to be used exclusively by either one of the two parties. It is so because, since the issue of usage of names of Gods / Goddesses as a

trademark is no longer res integra with Judgments being rendered at various levels whenever similar issues had arisen in the past.

8. I would there rather that this is an issue which can be taken up when the written statement has been filed on behalf of the defendants questioning claim to exclusive usage by the plaintiff. It is also to be noted that the first defendant's company trade name is VARALAKSHMI.

9. That leads to an issue of a mark versus name which was an issue in a reference before the Full Bench of the Bombay High Court. I had occasion to examine this aspect in ***O.A.Nos.533 and 554 of 2020 in C.S.No.295 of 2020, A.D.Padmasingh Issac, Proprietor, Aachi Spices and Foods and others -vs- Aachi Chit Funds Private Limited, dated 29.01.2021*** wherein I had observed as follows:

"In Cipla Ltd., Mumbai V. Cipla Industries Pvt. Ltd., Delhi and another, 2017 (2) Mh.L.J. 877 on a reference by a learned Single Judge who doubted the ratio laid by a Division Bench in Raymond Limited V.

Raymond Pharmaceuticals Pvt. Ltd., 2010 (7) Mh.L.J.

646 : 2010 (44) PTC 25 (Bom). In that case the registered trademark was used as a corporate trade name in respect of goods dissimilar to the ones for which the trademark was registered and the question posted before the Full Bench was whether in such a case, the proprietor of the registered trademark was entitled for an order of injunction on a cause of action in infringement under Section 29(5) of the Trade Marks Act, 1999. The crucial aspect that the Full Bench was requested to decide was the issue, wherein a proprietor of a registered trademark had an occasion to institute a suit as against another person using the registered mark as a trade name in dissimilar trade or service.

The Full Bench of the Bombay High Court in Cipla Ltd., Mumbai V. Cipla Industries Pvt. Ltd., Delhi and another, 2017 (2) Mh.L.J. 877, had answered that question in the negative which implied that a proprietor

of a registered trademark was not entitled for an order of injunction on a cause of action in infringement under Section 29(5) of the Trade Marks Act, 1999, if the trading name was with respect to goods dissimilar to the ones for which the trademark was registered."

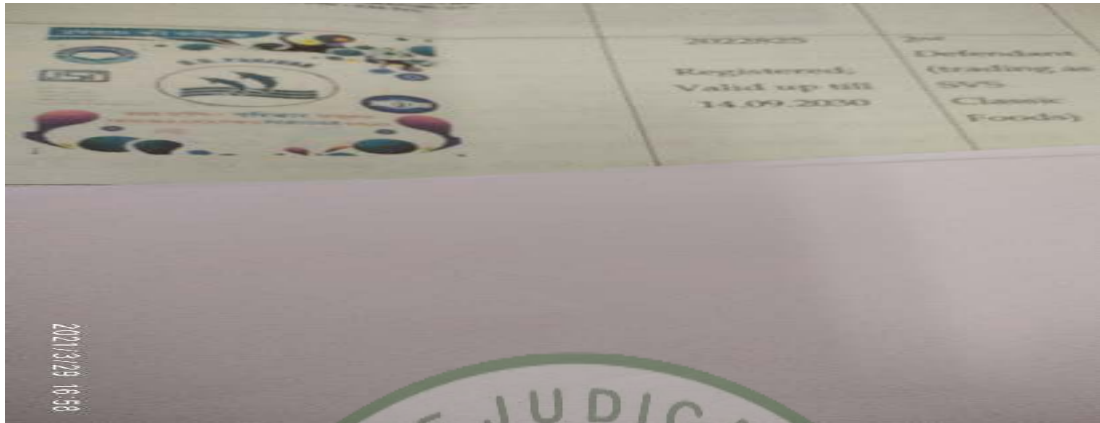
10. Sections 29(5) of the Trademarks Act, 1999 deals with a particular situation where a registered mark forms part of a trade name. The distinct fact to be examined is whether the mark and the trade name are with respect to the same nature of business or with respect to different nature of business. I am keeping that issue open.

11. In the affidavit filed in support of O.A.No.151 of 2021, after stating the various marks which the plaintiffs have registered and which cannot be disputed or denied at this particular point of time, finally in paragraph 20 the averments regarding the grievances with respect to the acts of the defendants have been stated. By defendants I primarily mean the first defendant. In paragraph 20 the plaintiff has given the registered mark of the defendant in Application No.2982465 which is registered and which is valid up till 11.06.2025 and the trademark holder is the first

defendant. A pictorial representation of the said representation is extracted below:



12. It has also been given in the very same paragraph that the second defendant who is now running the other partnership firm a SVS Classic Foods also has the benefit of a registered mark and the pictorial representation of that particular mark registered in Application No.2022825 and which is valid up till 14.09.2030 is given below:



13. Further marks of the second defendant are also given in the same paragraph. Pictorial representations the same are extracted below:





14. It has been further explained in paragraph 21 of the said affidavit that the last two pictorial representations extracted above, Shri VARALAKSHMI Double Dolphins Brand and Shri VARALAKSHMI Dosth Brand had been obtained by the first plaintiff and the second defendant in the name of the second defendant trading as SVS Classic Foods and the fifth plaintiff Shri Varalakshmi Company respectively. There was a partition between the first plaintiff and the second defendant and in accordance with the terms of the partition deed, it is claimed that the defendants are using the first trademark Shri VARALAKSHMI Double Dolphins Brand depicted above.

15. The plaintiffs have also however stated that they are not aware whether the mark Shri VARALAKSHMI Dosth Brand is still in use. Looking at the confrontational nature between the parties. I am sure it is not in use, since the pictorial representation is of two hands extending to each other with affection. There is no affection now between the parties. It is only natural that they would have removed any reference to such affection.

16. At any rate, the first defendant, on behalf of the SVS Classic Foods is now using, according the plaintiff, the revised mark of Application No.537810. This mark is as follows:



17. It is the claim of the plaintiff that after the partition, the second defendant had adhered to the terms and had removed the words Shri VARALAKSHMI and was using the image of the two Dolphins with respect to the trademark registered in Registration No.537810. The plaintiffs claimed that to the best of their knowledge between 2005 and 2020, the second defendant or any other person were not using the device mark or the word mark VARALAKSHMI.

18. It had been however, stated in the affidavit that in October 2020, the plaintiffs came to know that the first defendant had launched a new product in Sago / Sabudana under the EVEREST Brand. They were using EVEREST Brand registered in Application No.2982465 for which the first defendant is the Proprietor. The pictorial representation is extracted again below for reference:

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19. The plaintiffs are now aggrieved by the fact that the first defendant, when they launched the new product have started to use the work VARALAKSHMI and had inserted it at the top of the very same pictorial representation by replacing the words 'Tapioca Sago, Starch'. They are now using the words EVEREST Brand as EVEREST Sabudana in Hindi Script. The pictorial representation of the mark which the plaintiffs are aggrieved so far as a reading of the plaint reveals is as follows:

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20. While moving the present application the Court had noted the arguments put forth by Mr.S.Parthasarathy, wherein the complaint was that the defendants had inserted the word VARALAKSHMI over the brand name EVEREST. It had been very specifically stated in paragraph No.5 of the order granting ex parte and interim injunction as follows:

"It is the complaint of the plaintiffs that by adding the word "VARALAKSHMI" to the top of its registered device mark, and by using the word "VARALAKSHMI" before "EVEREST", the first defendants has deceptively created a mark similar to that of the plaintiffs' mark and therefore there is not only a complaint of infringement but also of passing

off."

In the succeeding paragraph which had also been numbered as paragraph 5 it had been further stated as follows:

"In view of the fact that the plaintiffs have registration for the word "VARALAKSHMI" and has been the prior user the trade mark and in view of the further fact that the defendants appears to have inserted the work "VARALAKSHMI" over their registered mark. I hold that such insertion is with an intention to create confusion in the mind of the general public that the defendants products may be the plaintiffs' product. It is also to be noted that the distribution channels of both the products are the same. The customers are the same."

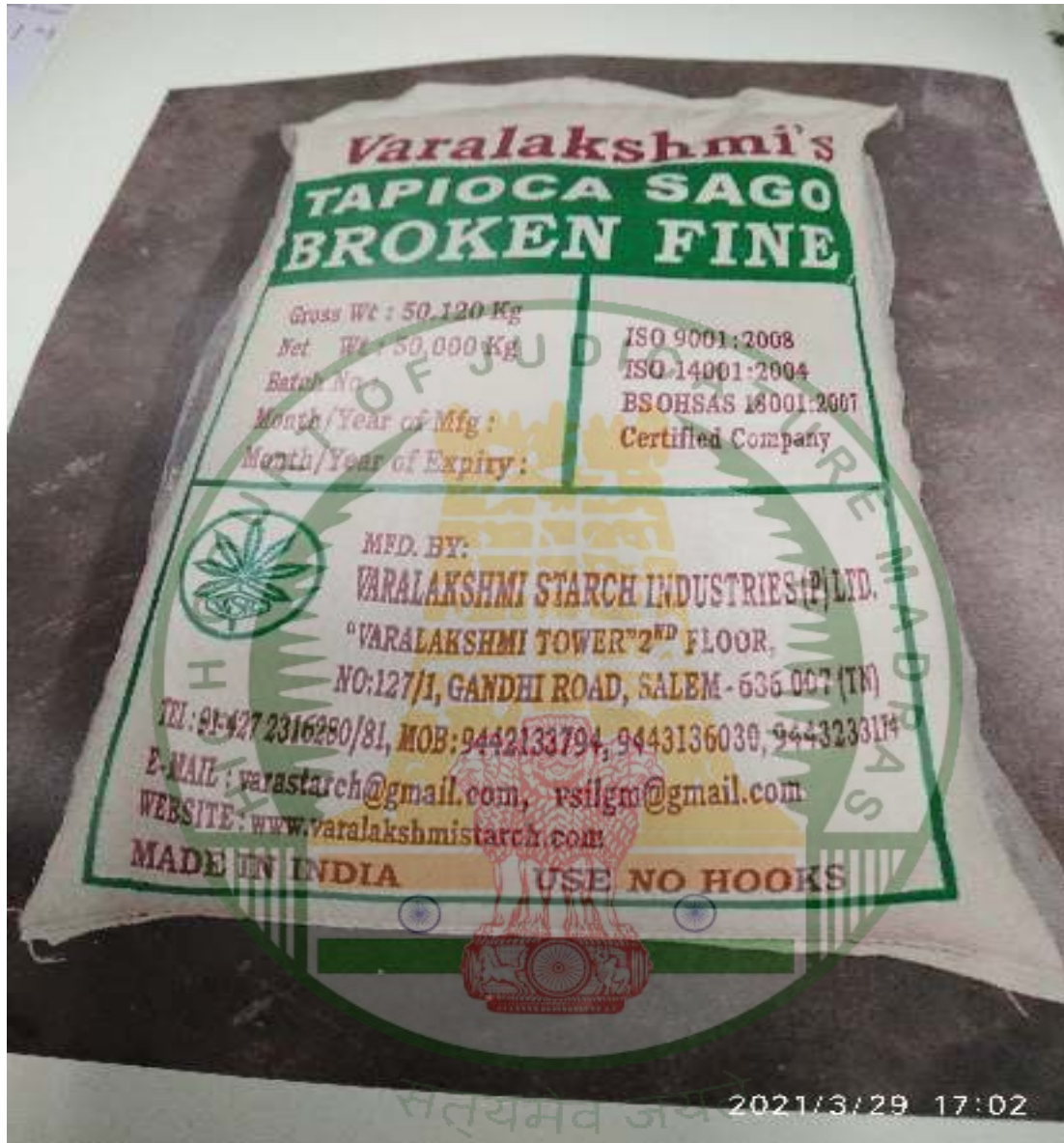
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21. The offending marks which have been injuncted are shown below:

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22. The defendants on the other hand have projected further pictorial representations in the typed set of papers and have claimed that by the injunction they have been prevented from marketing even the products sold under the packagings which are as follows:



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23. It is stated by Mr.P.S.Raman, learned Senior counsel that the order of injunction can be restricted to what was actually claimed in the plaint namely the word VARALAKSHMI being used over the device of the EVEREST Brand. But it is the contention of the learned Senior counsel that the first defendant are also marketing 'Tapioca Sago, Broken Fire' by using the name VARALAKSHMI as it is manufactured by the first defendant Company M/s.VARALAKSHMI Starch Industries Private Limited. The pictorial representations have been given above.

24. Mr.S.Parthasarathy however has objections for usage of these packages.

25. In this connection, the learned Senior counsel drew attention of this Court to the pictorial representations and pointed out that the manufacturing date has not been given, the FSSAI Certificate has not been mentioned, the details of price had not been stated and it was therefore urged that the pictorial representations have been made up for the purpose of the case and that they are now circulated to defeat the order of injunction already granted.

26. Learned Senior counsel stated that the suit had been filed with facts which were to the knowledge of the plaintiffs and now the defendants, to circumvent the order of injunction, have introduced in the market a new series of packaging, but again using the word VARALAKSHMI. It is also contended, by drawing attention to the website of the first defendant, that the said Brand is not mentioned as among the various products available and shown in the website. All these statements have been made by filing additional documents.

27. A preliminary objection is raised by Mr.P.S.Raman and as a matter of fact, the learned Senior counsel laid a charge that the plaintiffs have indulged in forum shopping by instituting the suit in this Court. The learned Senior counsel pointed out that there were earlier litigations suit with respect to partition of property and surrounding issues and those suits have been instituted in the District Court at Salem. Learned Senior counsel also pointed out that the plaintiffs had given an address at Chennai and stated that the said address actually is the residence of the first plaintiff and by no stretch of imagination could it be described to be a Branch Office of the fifth plaintiff.

28. However, Mr.S.Parthasarathy drew attention to an invoice which has been produced by the plaintiffs wherein the said address has been given as the address of the Branch Office of the plaintiffs. It would not be proper on my part to examine this particular issue without there being supporting averments by way of an affidavit.

29. Applications have been filed seeking return of the plaint to be instituted in the Court with proper jurisdiction. Counter will have to be

filed in the said application by the plaintiffs and it is on the facts which then emerge can the Court come to a conclusion whether the plaintiffs have deliberately filed this suit within the jurisdiction of this Court. However, it is a fact that the defendants have inserted the word VARALAKSHMI in the EVEREST Brand by removing the words 'Tapioca Sago, Starch'.

30. The relief in the plaint and even in this application is for an order of injunction restraining the first defendant from using the infringing trademarks and any other mark which are identical or deceptively similar to the plaintiff's registered trademarks. I wonder whether these words can be stretched to grant another relief of striking out usage of the name VARALAKSHMI even though it is used as a trade name by the first defendant in their packages.

31. Inserting the name VARALAKSHMI in a registered device is an issue which has caused grievance to the plaintiffs. By such usage, according to Mr.S.Parthasarathy, the aim was to infringe on the reputation of registered mark of the plaintiffs and on the right for exclusive usage by the plaintiffs of the mark VARALAKSHMI. It is also

on attempt to pass off the EVEREST Brand as if it was another product of the plaintiff. Confusion could arise in the minds of not only customers, but also of the trades men who by looking at the word VARALAKSHMI which had been inserted in the device could be misled into thinking that it is yet another product of the plaintiffs.

32. I hold that the protection from usage in further packaging by the first defendant of the word VARALAKSHMI can be made out by incorporating necessary pleadings not only in the plaint but also in the affidavit seeking injunction. This has now developed into a tit for tat battle between the plaintiffs and the defendants. Sense and sensibility has been replaced by pride and prejudice.

33. The Court had granted an injunction as against a particular mark. If the defendants are to introduce another mark again with the offending mark VARALAKSHMI, naturally the plaintiffs will have to join battle by introducing additional pleadings questioning the bonafide of such introduction.

34. The Court can examine the issues only based on the averments made either in the plaint or in the written statement or atleast in the affidavit or in the counter affidavit. It has become a common practice for documents without supporting pleadings to be introduced during the course of arguments. The object of the Commercial Division is to give a quietus to the issues in the suit and not to meander about applications. However, it is also common knowledge that the life of a suit is dependent on grant of injunction or denial of injunction. So far as the pleadings which are now available in Court, the plaintiff has come to Court with a specific relief to injunct the defendants from inserting the name VARALAKSHMI over the device mark which contains the word EVEREST Brand.

35. The defendants had actually inserted the said mark VARALAKSHMI over their EVEREST Brand. This cannot be permitted by the Court. If the defendants were to introduce further marks, then it becomes a cat and dog fight and the plaintiffs will necessarily have to join issue in the suit.

36. Now the defendants appear to have introduced new packaging materials containing the word VARALAKSHMI and also containing their trade name VARALAKSHMI. If this is to be objected, then fair play demands that the plaintiffs raise their objection in writing. I am conscious of the arguments put forth by Mr.S.Parthasarathy that there is no date of manufacturing, that there is no maximum retail price, that there is no batch number etc. in the new packages. There is a direct allegation by Mr.S.Parthasarathy that these packages has been produced only now and were not there at the time of institution of the suit.

37. However, if pleadings to that extent are introduced, then certainly the Court can examine those issues. Giving that liberty to the plaintiffs to introduce fresh pleadings I will maintain the injunction granted to the plaintiffs with respect to the device complained in the plaint. Liberty is granted to expand the scope of the plaint or the present application to include any other infringing marks newly introduced by the defendants.

38. With these observations, I would retain the order of injunction granted with respect to the following pictorial representations.



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C.V.KARTHIKEYAN.J,

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39. I once again grant liberty to the plaintiffs to address by way of additional formal pleadings any further infringement made by the defendants by using the mark VARALAKSHMI and introducing that mark to the detriments of the plaintiffs.

40. O.A.No.151 of 2021 is allowed restricting the injunction to the pictorial representations given above. No order as to costs.

41. A.No.1380 of 2021 is dismissed, confirming injunction to the above pictorial representations. No order as to costs.

29.03.2021

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and A.No.1380 of 2021
in C.S.No.91 of 2021