



C.R.P.(P.D).No.1056 of 2021

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON: 26.10.2021

PRONOUNCED ON: 25.01.2022

CORAM

THE HON'BLE Mr. JUSTICE G.CHANDRASEKHARAN

**C.R.P.(P.D.)No.1056 of 2021
and C.M.A.No.1606 of 2021
and C.M.P.Nos.8411, 8412 & 8397 of 2021**

In Both C.R.P and C.M.A.

Uyir Agriculture Private Limited.,
represented by its Managing Director,
Thirugnanasambandam,
AB Block, Door No.34,
5th Street, Plot No:4872,
Anna Nagar,
Chennai-600 040.

...Petitioner/Appellant

Also At:

No.42, Bhuvanam Illam,
Periyanna Street,
Erode-638 001.

Vs.

1.Ueir Organic Foods Private Limited,
represented by its Managing Director,
No.38, Main Street,
Kalipalayam,
Elavanatham Post,
Arachalur,
Erode-638 101.



C.R.P.(P.D).No.1056 of 2021

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2.Thiruselvi,
Managing Director,
Ueir Organic Foods Private Limited,
No.38, Main Street,
Kalipalayam,
Elavanatham Post,
Arachalur,
Erode-638 101.

3.G.Suganya,
Director,
Ueir Organic Foods Private Limited,
No.38, Main Street,
Kalipalayam,
Elavanatham Post,
Arachalur,
Erode-638 101.

4.Manoharan,
Director,
Ueir Organic Foods Private Limited,
No.38, Main Street,
Kalipalayam,
Elavanatham Post,
Arachalur,
Erode-638 101.

5.Senthilnathan,
Director,
Ueir Organic Foods Private Limited,
No.38, Main Street,
Kalipalayam,
Elavanatham Post,
Arachalur,
Erode-638 101.

...Respondents/Respondents



C.R.P.(P.D).No.1056 of 2021

PRAYER in C.M.A.: Civil Miscellaneous Appeal is filed under Order XLIII Rule 1(r) of the Code of Civil Procedure, to set aside the fair and decreetal order dated 08.02.2021 in I.A.No.284 of 2020 in O.S.No.406 of 2020 on the file of the Principal District Court, Erode.

PRAYER in C.R.P.: Civil Revision Petition is filed under Article 227 of the Constitution of India, to set aside the fair and decreetal order dated 08.02.2021 in I.A.No.285 of 2020 in O.S.No.406 of 2020 on the file of the Principal District Court, Erode.

In C.R.P:

For Petitioner : Mr.K.Ashok Kumar
For Respondents : Mr.Ramesh Ganapathy

In C.M.A:

For Appellant : Mr.K.Ashok Kumar
For Respondents : Mr.Ramesh Ganapathy for
M/s.C.E.Pratap for R1,R2,R4
& R5.

ORDER

Civil Miscellaneous Appeal in C.M.A.No.1606 of 2021, is filed challenging the order passed in I.A.No.284 of 2020 in O.S.No.406 of 2020 passed by the learned Principal District Judge, Erode. Civil Revision Petition in C.R.P.(P.D) No.1056 of 2021, is filed challenging



C.R.P.(P.D).No.1056 of 2021

the order passed in I.A.No.285 of 2020 in O.S.No.406 of 2020, passed by the learned Principal District Judge, Erode.

2. Since the issues involved in I.A.No.284 of 2020 and I.A.No.285 of 2020 are similar in nature, both these matters are taken up together for common disposal.

2. I.A.No.284 of 2020 was filed by the appellant/petitioner under Order 39 Rule 1 and 2 CPC seeking an order of injunction restraining the respondents/defendants, their men, agents, men acting under them or claiming under them, from in any manner passing off their "Uyir" as that of the petitioner's company by using the offending trademark "Ueir" which is similar and identical to that of the petitioner's company established well known trademark "Uyir" which forms integral part of the trade mark "Uyir Organic Farmers Market" which is under process for separate registration in Application Nos.4666806 and 4666807 dated 21.09.2020 in English and Tamil devices respectively, either by manufacturing or marketing the product



C.R.P.(P.D).No.1056 of 2021

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viz., Organic foods, rice, dals, spices, beverages, vegetables, fresh/dry fruits, appalm, dry chilli, ghee sweets, hand made products, bio products, oil, grocery and wide range of agricultural products and or any other miscellaneous organic goods or products etc., and Uyir Organic Farmers Market or advertising or offering for sale/selling the same in the name and style of "Uyir" or "caph;" by using the offending trademark "Ueir" or any other trademark which is deceptively similar mark with minor changes/variation etc., by way of permanent injunction till the disposal of the suit.

2(i). I.A.No.285 of 2020 was filed by the petitioner under Order 39 Rule 1 and 2 CPC seeking interim injunction restraining the respondents/defendants, their men, agents, men acting under them or claiming under them, from in any manner infringing the registered Trademark of the petitioner/plaintiff viz., wordmark "Uyir" bearing registration Nos.3278983, 3278984, 3278986 and 3278987 in English under Class 29, 30, 31, 32 and 35 respectively with effect from 08.06.2016 and also the wordmark "caph;" bearing registration Nos.3847815, 3847816, 3847817, 3847818 and 3847819 in Tamil under



C.R.P.(P.D).No.1056 of 2021

WEB COPY

Class 29, 30, 31, 32 and 35 respectively with effect from 30.05.2018, either by manufacturing or marketing the product viz., Organic foods, Rice, Dals, Spices, Beverages, Vegetables, Fresh/Dry Fruits, Appalam, Dry Chilli, Ghee Sweets, Hand made products, Bio Products, Oil, Grocery and wide range of agricultural products and or any other miscellaneous Organic goods or products etc., and or advertising or offering for sale/selling the same in the name and style of "Uyir" or "caph" by using the offending trademark "Ueir" or any other trademark which is deceptively similar mark with minor changes/variation etc., by way of permanent injunction till the disposal of the suit.

3. The pleadings in both the petitions are almost similar. The case of the appellant/petitioner, in brief, is as follows:

First respondent company was registered recently on 08.06.2020. Second respondent is its Managing Director and she is the spouse of 5th respondent. Third respondent is the director. Fourth respondent is also a director. Petitioner is a registered company under the Companies Act, 2013. Petitioner is carrying on a business of



C.R.P.(P.D).No.1056 of 2021

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manufacturing and marketing organic foods, rice, dals, spices, beverages, vegetables, fresh/dry fruits, appalam, dry chilli, ghee sweets, hand made products, bio products, oil, grocery and wide range of agricultural products including some miscellaneous goods etc., for the past six years and even prior to its registration. petitioner has been marketing its products in a common name of "Uyir" which constitutes a core part of the mark with suffixes as a title pertaining to its own various products for marketing the same in public. It formed "Erode Uyir Organic Farmers Association" and enrolled themselves along with farmers willing to adopt Organic/Natural farming. This association gives training to inorganic farmers and educated them about organic products and its technologies. Petitioner started own shops to sell the products directly to the consumers. Petitioner brought farmers and buyers into a unified platform and ensured quality products and best price for farmers and customers. Online sales is carried through out the country particularly in Chennai and Bangalore. Minimum support price is ensured to the farmers. Petitioner is the registered proprietor of the marks, in Trademark Nos.3278983-3278987 and 3847815-3847819. Petitioner is the first user



C.R.P.(P.D).No.1056 of 2021

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of this trade mark. Fifth respondent was the Managing Director of the petitioner company till 30.06.2017. He resigned the post on 01.07.2018.

During 2nd week of May 2020, petitioner came to know through youtube, instagram, whatsapp and facebook that fifth respondent is deliberately using the term "UEIR" for confusing the public with a purpose of promoting the proposed business by the respondent. Fifth respondent surreptitiously started a company in the name and style of "UEIR Organic Foods Private Limited", through his wife, the second respondent, colluded with respondents 3 and 4. It was incorporated on 08.06.2020. The name and style of the first respondent is similar and phonetically similar with the petitioner's company and trade mark. The respondents indulged in the same business and same goods under same class with the offending trademark. It amounts to infringement of petitioner's registered trademark and is an offence under trademark and General Criminal Law. A complaint dated 10.07.2020 was lodged against the respondent's company before the Police. Petitioner issued a show cause notice dated 08.09.2020 to the fourth respondent. Fifth respondent as a Managing Director and Director gained experience from the



C.R.P.(P.D).No.1056 of 2021

petitioner's company, its formulae, secret and techniques in manufacturing/farming and marketing. Taking advantage of the knowledge acquired, he is doing the same business, which is illegal. First respondent is also running retail outlet shops for selling their products. Using the term "UEIR Organic Foods" or "UEIR Organic Foods Private Limited" amounts to passing off. The general public are misled and they purchase inferior quality products of respondents falsely believing that they are high quality products of the petitioner. Thus petitioner is put to huge monetary loss. On 29.07.2020, a petition was filed before Regional Director at Chennai on the ground that name of the first respondent company is identical, phonetically similar and resembles with petitioner's company. Act of defendants in using the mark "UEIR" is affecting the marketing and manufacturing of petitioner. Cease and Desist notice dated 27.07.2020 was issued to the respondents. Paper publications were also given. Petitioner now come to know that respondents have applied for trademark in the name and style of "UEIR Organic Foods". Petitioner is taking steps to oppose this petition. Petitioner spent huge amount in marketing. Petitioner suffered huge loss,



C.R.P.(P.D).No.1056 of 2021

because of the activities of the respondents. Therefore, these petitions for the aforesaid reliefs.

4. The counter of the first respondent adopted by respondents 2 to 4, in brief, is as follows:

The trade mark “UYIR” and the unregistered mark "UYIR Organic Farmers Market" in Tamil and English claimed by the petitioner and the trademark "UEIR Organic Foods" under the process of registration are completely different and distinct. There is no similarity between them and they are not deceptively similar. First respondent is marketing its products and applied for trademark "UEIR Organic Foods" and not with the trademark "UEIR". The literal meaning of the Tamil noun word **caph**; or its English script UYIR is life or living organism and it is a common word. No one can claim an exclusive right over the same. The term Uyir or **caph**; is “Publici Juris” or “Publici Generalis” and hence, no exclusive right can be claimed by anyone over this word. Registration of trade mark does not bar user of such common words by



C.R.P.(P.D).No.1056 of 2021

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others. There are many registered trade marks under the name of UYIR AQUA, UYIRNADAI, UYIR SUVAI, UYIRTHEENI and UYIRTHULI.

Thus, no one is entitled to claim exclusive monopoly right over the use of word “UYIR” or “**caph;**”. The claim of the petitioner that it formed "Erode Uyir Organic Farmers Association" in 2016 is not true. The training program was conducted by the fifth respondent. He was instrumental in creating awareness about organic farming and enrolling various farmers for the training program. Mere user of “Erode Uyir Organic Farmers Association” under the permission of the fifth respondent would not entitle the petitioner's claim for the trademark or logo. The term “UYIR” or “**caph;**” is not be a coined word, but a common word in use for long. First respondent is taking steps for challenging the registration of trademark in the name of the petitioner. Until the said rectification petition filed by the fifth respondent is decided, filing of the suit is pre-mature one. Fourth respondent was made to give an undertaking before the Police Station under coercion and it would not bind him.



C.R.P.(P.D).No.1056 of 2021

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5. The suit for infringement of trademark and passing off, claiming proprietary right over the word “UYIR”, which is a common word in Tamil is not maintainable. Petitioner company is a late entrant in organic farming in 2016. There are many persons in the field, including the fifth respondent involved in organic farming since late 1990's. Third respondent is running home made products in the name and style of M/s.Nalam Agro Products. It registered the name of UYIRTHEENI.

6. Fifth respondent filed a separate counter in addition to the averments made in the counter filed by respondents 1 to 4,

It is submitted that he organized meeting on 20.12.2015 at Thirumurugan Lathe Works, Sivagiri, which was attended by farmers, wherein, the name “UYIR” was adopted to the activities. He conducted workshops for many farmers and instructed on organic farming. Thus, respondent is in forefront of all the activities concerning the trade mark



C.R.P.(P.D).No.1056 of 2021

and trade name “UYIR”. Petitioner's company namely, UYIR Agriculture Private Limited was formed on 15.03.2016. Thus respondent, in his individual capacity is the prior user of trade mark “UYIR” and therefore, this suit cannot be maintained for the alleged infringement against him. When the petitioner's company was incorporated on 15.03.2016, this respondent was the Founder/Promoter and Managing Director. He only used and started the registration process of trademark “UYIR”. Petitioner cannot claim exclusive right to the use of trade mark or logo and restrain the prior user of the trade mark “UYIR” namely this respondent. This respondent cancelled the permission for the use of trade mark “UYIR” and filed rectification petitions. While trademark “UYIR” belongs to this respondent, trademark “UEIR” was coined by respondents 2 to 4 to carry on their activities. Therefore, this Civil Revision Petition is liable to be dismissed.

7. During the enquiry, no witness was examined on either side. Exhibit P1 to P14 and MO1 to MO6 were marked on the side of the petitioner. Exhibit R1 to R12 and Exhibit MO7 to MO18 were



C.R.P.(P.D).No.1056 of 2021

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marked on the side of the respondents.

8. On considering the rival submissions, the learned Trial Judge dismissed I.A.No.284 of 2020 in O.S.No.406 of 2020 and stayed further proceedings in I.A.No.285 of 2020 in O.S.No.406 of 2020 till final disposal of rectification proceedings referable in Exhibit R10 and R11. Against the order passed in I.A.No.284 of 2020 in O.S.No.406 of 2020, C.M.A.No.1606 of 2021 is filed. Against the order passed in I.A.No.285 of 2020 in O.S.No.406 of 2020, C.R.P.No.1056 of 2021 is filed.

9. The learned counsel for the petitioner submitted that the petitioner company namely "Uyir Agricultural Private limited" was incorporated on 15.03.2016. It is carrying on business of manufacturing and marketing Organic foods like rice, dals, spices, beverages, vegetables, fresh/dry fruits, appalam, dry chilli, ghee, sweets, handmade products, bio-products, oil, grocery and wide range of agricultural products for the past six years. It has been marketing its products under



C.R.P.(P.D).No.1056 of 2021

the registered Trademark “Uyir” both in English and Tamil. The Trademark numbers are 3278983 to 3278987 and 3847815 to 3847819. The first batch of trademark relates to English trademark "Uyir", and the next batch relates to Tamil trademark "Uyir".

10. The fifth respondent was working as Managing Director of the petitioner company till 30.06.2017. The fifth respondent resigned his job and was later removed from the office on 30.06.2017. Then, the fifth respondent deliberately used the word "Ueir" for confusing the public and for promoting their proposed business. The respondents started a new company “Ueir Organic Foods Private Limited”. The act of the respondents amounts to infringement of petitioner's registered Trademark.

11. It is resulted in huge loss and damage of the petitioner's company. Most of the farmers are ordinary and illiterate people and they are incapable of distinguishing the offending mark "Ueir" from "Uyir" in the market. Petitioner understands that



C.R.P.(P.D).No.1056 of 2021

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respondents applied for trademark with the name and style of "Ueir Organic Foods", in application nos.4553717, 4553718 and 4553719. Petitioner is taking steps to oppose this application. Textually, phonetically, conceptually similar and identical use of petitioner's trademark "Uyir" by the respondents, in the name of "Ueir" is going to cause confusion and disruption among the purchasing public and members of the trade. Petitioner spent huge amount in advertising the products from 2017-2020. Therefore, the suit was filed along with Interlocutory Applications in I.A.No.284 of 2020 and I.A.No.285 of 2020. Originally interim injunction was granted in both applications. Then, on a memo filed, the interim injunction was vacated. Subsequently, the learned trial Judge, dismissed I.A.No.284 of 2020.

12. Curiously, the learned trial Judge stayed the injunction petition in I.A.No.285 of 2020. Under Section 124(1) (i) of Trademarks Act, only the suit can be stayed. Staying the injunction application is unheard. The first respondent has not challenged the



C.R.P.(P.D).No.1056 of 2021

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trademark and not taken any rectification proceedings before the trademark registry. The procedure relating to commercial Courts had not been followed but ordinary procedure for conducting the trial alone was followed. Petitioner is the prior user of the trademark. This aspect was not considered by the trial Court. The documents and material objects produced by the petitioner were not properly considered by the trial Court and those documents were not discussed in the order. The judgments relied by the learned counsel appearing for the petitioner was not properly considered. Therefore, the learned counsel for the petitioner prayed for setting aside the order of the learned trial Judge in both the applications.

13. In response, the learned counsel appearing for the respondents submitted that the trademark "Ueir Organic Food", is under the process of registration and it is completely a different and distinct trademark. There is absolutely no similarity between the trademark of the petitioner and respondents. The term "Uyir" is a common word that is its "publici juris" and "publici generis" and therefore, no one can claim



C.R.P.(P.D).No.1056 of 2021

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exclusive proprietary right of the word “Uyir”. There are already trademark registered with the name “Uyir” for many products. In fact, the fifth respondent is a person instrumental in creating awareness about organic farming when using the mark "Uyir". He is the prior user of the name “Uyir”. He has filed rectification of the trademark Nos.3847815 to 3847819 and 3278983 to 3278987 on 10.09.2020 and this rectification is pending. The suit is a premature suit. Respondents 2 and 3, in the individual capacity have been marketing home made organic products under the name "Uyir" from the year 2000. The third respondent is running homemade products in the name of Nalam Agro products and registered it under the trade name "Uyir Theeni” from 06.01.2016. The packaging of the products of the petitioner and the first respondent are completely different. There is no question of any confusion and disruption among the consumers or traders. Respondents are statutorily protected for the use of trademark "Uyir Organic Products". Respondents are selling various organic products under the trade name "Uyir Organic Products". There is no question of passing off the petitioner's trademark with the respondents product.



C.R.P.(P.D).No.1056 of 2021

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14. It is further submitted that even before filing of the suit by the petitioner, the respondents filed Caveat. Suppressing the filing of Caveat, petitioner obtained exparte injunction. Therefore, exparte injunction was vacated on the memo filed by the respondents. The fifth respondent had already filed rectification proceedings before the competent authority, and when that is pending, filing of the suit is not correct. Therefore, the further proceedings in the suit has to be stayed. The word "Uyir" is not a coined word by the petitioner but it is a common word. Only in the trial, the distinctive and secondary meaning of the trademark can be proved.

15. Considered the rival submissions and perused the records and the order of the learned trial Judge.

16. From the case set out in the pleadings and submissions of the learned counsel appearing for the parties, it is clear



C.R.P.(P.D).No.1056 of 2021

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that both the parties engaged in production, manufacturing and marketing of agricultural products, especially organic products. Their business centres around manufacturing and marketing of organic foods, vegetables, fruits and wide range of agricultural products. They produces Exs.P1 to P14 and R1 to R12 documents. Petitioner produced MO1 to MO6 and on the side of the respondents MO7 to MO16 have been produced. Admittedly, petitioner had registered the trademark for their business in the trademark nos.3278983 to 3278987 for the trademark name "Uyir" in English. Similarly, they got the trademark name "caph;" in Tamil registered in trademark nos.3847815 to 3847819. The certificates for trademark relating to English mark "caph;" were given on 08.06.2016. Certificates for Tamil trademark "Uyir" were given on 30.05.2018. It is seen from the counter of the respondents that the trademark "Ueir Organic Product Foods" is under the process of registration on the basis of application Nos.4553717, 4553718, 4553719 and 4553720.



C.R.P.(P.D).No.1056 of 2021

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17. The learned trial Judge, while dealing with I.A.No.284 of 2020 filed for restraining the respondents from in any way passing off the trademark "Ueir" as that of petitioner's registered trademark "Uyir" found that the trademark name "Uyir" and "Ueir" are different in sizes; both the trademarks cannot said to be identical with and/are deceptively similar; both has its own distinct, design and description; they differ textually, visually and conceptually. Finally concluded by saying that the petitioner cannot claim any identicalness or similarity or deceptive similarity for its trademark "Uyir" as against the descriptive mark "Ueir" in English or the trademark "Ueir Organic Foods" of the first respondent.

18. When it comes to phonetic identicalness/similarity, the trial Court found that the term "Uyir" a common word. Neither the term "Uyir" nor the term organic is a coined word, but it is a common word and nobody can claim exclusive proprietorship over such common word. It is also observed relying the judgment of the Court in ***A.D.Padmasingh Issac and another Vs. Aachi Aappakadai Chettinad***



C.R.P.(P.D).No.1056 of 2021

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A/C Restaurant reported in (2014) 3 MLJ 202 that distinctiveness or secondary meaning or long and uninterrupted use can be decided only at the time of the trial, on the basis of oral and documentary evidence but not in an Interlocutory Application, seeking an interim injunction.

19. Having said this, the learned trial Judge has found from the comparison of the rival trademarks, that there is no identicalness or similarity or deceptive similarity between these two trademarks and dismissed I.A.No.284 of 2020. The trial Court ought to have considered this aspect in the trial of the suit instead of giving a finding in the interlocutory application that the respondents' trademarks are not identical or similar with that of the petitioner's trademark. Whether the trial Court was right in coming to the aforesaid conclusion is the matter to be considered now.

20. Leading case law on comparison of trademark is reported in 1972 AIR 1359 (*Parle Products Private Limited Vs. J.P.& Co. Mysore*). This was the suit for injunction restraining the respondents



C.R.P.(P.D).No.1056 of 2021

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from infringing the registered trademark of the plaintiff used on packets of biscuits. The plaintiffs are the manufacturers of biscuits and confectionery and owners of some registered trademarks. One of them is the word “Gluco” used on the biscuit packets. Another registered trademark is the wrapper, with its color scheme and general set up and entire collocation of words. This wrapper was used in connection with the sale of the biscuits known as "Parle's gulco biscuits" printed on the wrapper. The case of the plaintiff is that defendants were manufacturing, selling the offering for sale biscuits in a wrapper which is deceptively similar to the registered trademark. That was denied by the defendants. The trial Court after meticulously examining the features found on two wrappers and packets, found that there were greater points of the dissimilarity than of similarity between the two and dismissed the suit. The High Court though observed that general set up of the two wrappers was more or less similar, went on to observe that biscuits were generally used by people of the upper class and a purchaser desires of getting packets of Parle's biscuits would go and ask for the same as such, there could be no scope for deception; plaintiffs could have no cause for



C.R.P.(P.D).No.1056 of 2021

grievance if a purchaser was contend by any biscuit which was offered to him by shop keeper. It is also observed that there were several distinguishing features between the two wrappers and these could be noticed even from a distance. Compared the similarity and dissimilarity between the two wrappers and finally concluded that both the wrappers are not so similar as to deceive an ordinary purchaser of biscuits.

21. While disposing the case, the Hon'ble Supreme Court made the following observations.

a). Whether one mark is deceptively similar to another, the broad and essential features of the two, are to be considered.

b). They should not be placed side by side to find out if there are any differences in the design and if so, whether they are of such character as to prevent one design from being mistaken for the other.

c). It would be enough, if the impugned mark bears such an overall similarity to the registered mark as would be likely to mislead a person usually dealing with one to accept the other if offered to him.

d) A normal purchaser is not gifted with the powers of



C.R.P.(P.D).No.1056 of 2021

observation of sherlock holmes.

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22. In ***Cadila Healthcare Limited Vs. Cadila Pharmaceuticals Limited*** in Appeal (civil) 2372 of 2001 Special Leave Petition (civil) 15994 of 1998, it is observed that the "burden of proving that the trademark is not likely to deceive or cause confusion is on the applicant. The real question to decide in such cases is to see as to how a purchaser, who must be looked upon as an average man of ordinary intelligence, would react to a particular trademark. What associations he would form by looking at the trademark and in what respect he would connect the trademark with the goods which he would be purchasing. The question has to be approached from the point of view of a man of average intelligence and imperfect recollection. The Court must be careful to make allowance for imperfect recollection in the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description, but also of the shop assistant ministering to the person's wants. It is important that



C.R.P.(P.D).No.1056 of 2021

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marks must be compared as a whole. It is not right to take a portion of the word and say that because that portion of the word differs from the corresponding portion of the word in the other case, there is no sufficient similarity to cause confusion. The true test is whether the totality of the proposed trademark is such that it is likely to cause deception, confusion or mistake in the minds of persons accustomed to the existing trademark. It should be borne in mind that the object of the enquiry in ultimate analysis is whether the mark used by the defendants as a whole is deceptively similar to that of the registered mark of the plaintiff."

23. In the case before hand, the learned trial Judge has adopted the word by word textual/visual comparison of the trademarks. The perusal of material objects of both the parties especially, mosquito repellent bottles, idli podi and chicken masala wrappers of the respondents looks identical and deceptively similar with that of the petitioner in respect of the size of the wrappers, design and name of the product if we follow the guidelines referred in the judgments referred above. It is not as though there are no similarities between these



C.R.P.(P.D).No.1056 of 2021

products, which confuse the buyers. The goods or services, products of the respondents are identical and similar with the petitioner's registered goods or services and registered trade mark. As already said, when the learned trial Judge found, taking guidance from the judgment reported in **2014 (3) MLJ 202** that distinctiveness and secondary meaning of the rival products can be decided only at the time of trial on the basis of oral and documentary evidence but not in an Interlocutory Application. When that be the case, dismissal of I.A.No.284 of 2020 cannot be appreciated and it is not correct and in accordance with law. Therefore, dismissal of I.A.No.284 of 2020, has to be necessarily set aside and accordingly, set aside.

24. I.A.No.285/2020, was not disposed on merits but further proceedings in this I.A., was stayed as per Section 124 (1) (i) of Trademarks Act, 1999. The learned counsel for the petitioner rightly brought to the notice of this Court that when rectification proceedings are pending, only the suit has to be stayed and not the Interlocutory Application. It is not in dispute that rectification proceedings in



C.R.P.(P.D).No.1056 of 2021

pursuance of Exs.R10 and R11 applications filed by the fifth respondent are pending before the competent authority. What is required under Section 124 (1) (i) of Trade Marks Act, 1999 is the stay of the suit pending the final disposal of rectification proceedings and not the proceedings in I.A.No.285 of 2020.

25. Section 124 of the Trademarks Act, reads as follows:

"124.Stay of proceedings where the validity of registration of the trademark is questioned, etc.-(1) Where in any suit for infringement of a trademark-

(a) the defendant pleads that registration of the plaintiff's trade mark is invalid; or

(b) the defendant raises a defence under clause (e) of sub-section (2) of section 30 and the plaintiff pleads the invalidity of registration of the defendant's trade mark, the Court trying the suit (hereinafter referred to as the Court) shall,-

(i) if any proceedings for rectification of the register in relation to the plaintiff's or defendant's trade mark are pending before the Registrar or the



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C.R.P.(P.D).No.1056 of 2021

Appellate Board, stay the suit pending the final disposal of such proceedings;

(ii) if no such proceedings are pending and the Court is satisfied that the plea regarding the invalidity of the registration of the plaintiff's or defendant's trade mark is prima facie tenable, raise an issue regarding the same and adjourn the case for a period of three months from the date of the framing of the issue in order to enable the party concerned to apply to the Appellate Board for rectification of the register.

(2) If the party concerned proves to the Court that he has made any such application as is referred to in clause (b) (ii) of sub-section (1) within the time specified therein or within such extended time as the Court may for sufficient cause allow, the trial of the suit shall stand stayed until the final disposal of the rectification proceedings.

(3) If no such application as aforesaid has been made within the time so specified or within such extended time as the Court may allow, the issue as to the validity of the registration of the trade mark concerned shall be deemed to have been abandoned and the Court shall proceed with the suit in regard to



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C.R.P.(P.D).No.1056 of 2021

the other issue in the case.

(4) The final order made in any rectification proceedings referred to in sub-section (1) or sub-section (2) shall be binding upon the parties and the Court shall dispose of the suit conformably to such order insofar as it relates to the issue as to the validity of the registration of the trade mark.

(5) The stay of a suit for the infringement of a trade mark under this section shall not preclude the Court from making any interlocutory order (including any order granting an injunction, directing account to be kept, appointing a receiver or attaching any property), during the period of the stay of the suit."

26. The learned trial Judge did not stay the further proceedings in the suit but stayed the further proceedings in I.A.No.285/2020 in O.S.No.406 of 2020. This conclusion of the learned trial Judge is obviously not correct and not in line with the Section 124 (1) (i) of Trademarks Act. The reliefs claimed in I.A.No.284 of 2020 and I.A.No.285 of 2020 are similar. The learned trial Judge could have avoided passing any order in I.A.No.284 of 2020 and stayed the further



C.R.P.(P.D).No.1056 of 2021

proceedings in the suit and not the further proceedings in the I.A.No.285 of 2020. When the relief sought for in both these applications are similar, dismissing one petition and staying other petition cannot be appreciated. Therefore, the order passed in I.A.No.285 of 2020 in O.S.406 of 2020 is liable to be set aside and accordingly set aside.

27. The Hon'ble Supreme Court has recently considered the infringement of trademark right in **Renaissance Hotel Holdings Inc Vs. B.Vijaya Sai and others** in **Civil Appeal No.404 of 2022 (Arising out of SLP(C)No.21428 of 2019)** on 19.01.2022. In this case, the plaintiff filed a suit in O.S.No.3 of 2009 claiming a decree of permanent injunction to restrain the defendants from using the trademark "Sai Renaissance" or any other trademark identical with the plaintiffs trademark "Renaissance" and from opening, operating, managing, franchising, licensing, dealing directly or indirectly in hotels, restaurant or hospitality services of any manner under the trade mark "Renaissance", and to deliver all the goods, label or any other printed material bearing the impugned mark "Sai Renaissance" or "Renaissance"



C.R.P.(P.D).No.1056 of 2021

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and for damages amounting to Rs.3,50,000/- for having used its trade mark.

28. It is the case of the plaintiff that the trade mark "Renaissance" is a registered trade mark. The respondent by operating hotel in the impugned name "Sai Renaissance" infringed the plaintiff's registered trademark. Therefore, the suit.

29. The defendants among other defenses, contended that the word "Renaissance" is a generic word and no such exclusive right can be claimed by the plaintiff. The word "Renaissance" is neither coined word or inventive mark. The Trial Court after considering the evidence on record partly decreed the suit by restraining the defendants from using the trade mark "Sai Renaissance", but rejected the claim for damages. The High Court observed that evidence produced by the plaintiff did not disclose that the trans border reputation was earned by the plaintiff and no evidence was produced to show that defendants were taking unfair advantage of its trade mark or the use of the word "Sai



C.R.P.(P.D).No.1056 of 2021

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Renaissance" was detrimental to the distinctive character or reputation of plaintiff's trade mark. In appeal before the Hon'ble Supreme Court, the Hon'ble Supreme Court considered Sections 21, 28, 29, 30 and 31 of the Trade Mark Act, 1999, especially, Sections 29 (2) and 29 (3) and observed as follows:

47.It could thus be seen that this Court again reiterated that the question to be asked in an infringement action is as to whether the defendant is using a mark which is same as, or which is a colourable imitation of the plaintiff's registered trade mark. It has further been held that though the get up of the defendant's goods may be so different from the plaintiff's goods and the prices may also be so different that there would be no probability of deception of the public, nevertheless even in such cases, i.e., in an infringement action, an injunction would be issued as soon as it is proved that the defendant is improperly using the plaintiff's mark. It has been reiterated that no case of actual deception nor any actual damage needs to be proved in such cases. This Court has further held that though two actions are closely similar in some respects, in an action for infringement, where the defendant's trade mark is identical with the plaintiff's trade mark, the Court will not enquire whether the infringement is such as is likely to deceive



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C.R.P.(P.D).No.1056 of 2021

or cause confusion.

50.....It could thus be seen that the legislative intent is very clear. In so far as sub-section (2) of Section 29 of the said Act is concerned. It is sufficient that any of the conditions as provided in clauses (a), (b) or (c) is satisfied.

51.It is further clear that in case of an eventuality covered under clause (c) of sub-section (2) of Section 29 in view of the provisions of sub-section (3) of Section 29 of the said Act, the Court shall presume that it is likely to cause confusion on the part of the public.

53. Undisputedly, the appellant-plaintiff's trade mark "Renaissance" is registered in relation to goods and services in Class 16 and Class 42 and the mark "SAI RENAISSANCE", which is identical or similar to that of the appellant-plaintiff's trade mark, was being used by the respondents-defendants in relation to the goods and services similar to that of the appellant-plaintiff's.

55.....As such, the use of the word "RENAISSANCE" by the respondents-defendants as a part of their trade name or business concern, would squarely be hit by sub-section (5) of Section 29 of the said Act.

56.It is further to be noted that the words "RENAISSANCE" and "SAI RENAISSANCE" are phonetically as well as visually similar. As already discussed hereinabove, sub-section (9) of



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C.R.P.(P.D).No.1056 of 2021

Section 29 of the said Act provides that where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation. As such, the use of the word "SAI RENAISSANCE" which is phonetically and visually similar to "RENAISSANCE", would also be an act of infringement in view of the provisions of sub-section (9) of Section 29 "RENAISSANCE" of the said Act.

71. We are, therefore, of the considered view that the High Court fell in error on various counts. The present case stood squarely covered by the provisions of Section 29(2)(c) read with sub-section (3) of Section 29 of the said Act. The present case also stood covered under sub-sections (5) and (9) of Section 29 of the said Act. The High Court has erred in taking into consideration clause (c) of sub-section (4) of Section 29 of the said Act in isolation without noticing other parts of the said sub-section (4) of Section 29 of the said Act and the import thereof. The High Court has failed to take into consideration that in order to avail the benefit of Section 30 of the said Act, apart from establishing that the use of the impugned trade mark was not such as to take unfair advantage of or is detrimental to the distinctive character or repute of the trade mark, it is also necessary to establish that such a use is in accordance with the honest practices in industrial or



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C.R.P.(P.D).No.1056 of 2021

commercial matters. As such, we have no hesitation to hold that the High Court was not justified in interfering with the well-reasoned order of the trial court.

30. The reading of this judgment shows that, if a registered trade mark is infringed by a person not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark and if it comes within any of the clauses a, b, c of 29 (2) of the Act, is likely to cause confusion on the part of the public or which is likely to have an association with the registered trade mark. Sub-section 29 (3) makes it clear that, in any case following under clause 'c' of sub-section 2 of 29, Court shall presume that, it is likely to cause confusion on the part of the public. Clause 'c' of sub section 2 of Section 29 deals with a mark which because of its identity with a registered trade mark and the identity of the goods or services covered by such registered trade mark.

31. In the case before hand, it is no doubt that petitioner's trademark name "UYIR" in English and Tamil are registered



C.R.P.(P.D).No.1056 of 2021

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trademarks. Respondents have only applied for registering their trademark name "UEIR". Both engaged in same business activities and use their trade marks to advance their business prospects. Petitioner's trade mark is registered trade mark, whereas, respondent's trademark is not yet registered. Certainly, the identity of the respondent's trade mark is likely to cause confusion on the part of the public for the reason that the similarity of respondent's trade mark with the petitioner's trademark and the identity of the goods and services.

32. As already stated, the learned Trial Judge found that the distinctiveness and secondary meaning of the rival products can be decided only at the time of trial on the basis of oral and documentary evidence. But instead staying the suit, dismissed I.A.No.284 of 2020 and stayed the proceedings in I.A.No.285 of 2020. This procedure is not correct and in accordance with the scheme of the Act.

33. For the reasons stated above, the matter is remitted back to the learned trial judge to pass appropriate orders in accordance



C.R.P.(P.D).No.1056 of 2021

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with the Section 124 (1) (i) of Trademarks Act. It is reported that the suit is ripe for trial. The parties are directed to take steps to get the rectification proceedings disposed early, so that the trial in the suit may be completed, as expeditiously as possible and the disputes between the parties resolved early.

34. In the result, the order passed in I.A.No.284 of 2020 in O.S.No.406 of 2020 is set aside and C.M.A.No.1606 of 2021 is allowed. The order passed in I.A.No.285 of 2020 in O.S.No.406 of 2020 is set aside and C.R.P.No.1056 of 2021 is allowed. The matter is remitted back to the learned Principal District Judge, Erode, and the learned Judge is directed to pass appropriate order under Section 124 (1) (i) of Trademarks Act, 1999. The parties are directed to take steps to get the rectification proceedings disposed early, so that the trial in the suit may be completed, as expeditiously as possible and the disputes between the parties resolved early. No Costs. Consequently, connected miscellaneous petitions stand closed.

25.01.2022



C.R.P.(P.D).No.1056 of 2021

Ep/AT

Index: Yes/No

Internet: Yes/No

Speaking Order: Yes/No

To

1. The Principal District Judge,
District Court,
Erode.
2. The Section Officer,
VR Section,
High Court of Madras.



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C.R.P.(P.D).No.1056 of 2021

G.CHANDRASEKHARAN.J,

Ep/AT

**(Pre-Delivery Judgment in)
C.R.P.(P.D)No.1056 of 2021
and C.M.A.No.1606 of 2021
and C.M.P.Nos.8411, 8412 & 8397 of 2021**



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C.R.P.(P.D).No.1056 of 2021

25.01.2022