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O.A.Nos.12 and 13
in C.S.(Comm.Div).No.2 of 2023



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S.SOUNTHAR, J.

These applications are filed by the applicant/plaintiff seeking injunction restraining the respondent from infringing the Registered Trade Mark 'VARAM' of the applicant and also from passing off the applicant's Trade Mark 'VARAM' by using the mark identical and deceptively similar to the applicant's mark.

2. According to the applicant, it is a state-of-the-art super-speciality hospital in the heart of Chennai. The applicant with a view to eliminate the ever-increasing complexities in providing healthcare to women and to provide holistic healthcare services to women of all ages, decided to set up the one-stop center that will deliver quality care to women. The said super speciality center launched by the applicant was named as 'VARAM'. The center was inaugurated on 18.10.2020. The applicant filed an application dated 18.11.2020 with the Trade Marks Registry for registration of the trade mark 'VARAM' and got it registered under Class 44 relating to medical services, hospital services, medical clinic services etc.

3. The applicant claimed that it has been in open, extensive and continuous use of the device and word mark 'VARAM' from the year 2020. It was also claimed



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that through applicant's clientele, it came to the knowledge of the applicant that the respondent has been running a clinic in the name and style of 'VARAMM Healthcare Private Limited' during October 2022. On verification of the date base from Ministry of Corporate Affairs website, the applicant came to know that respondent-company got incorporated on 01.12.2021. The applicant caused a Cease and Desist notice dated 20.10.2022 to the respondent calling upon them to cease and desist from using the mark 'VARAMM'. The respondent issued a reply stating that they honestly coined the trade mark 'VARAMM' in the year 2019 as a composite mark consisting of word and device and also claimed that the respondent was a prior and honest adopter of the mark 'VARAMM'. It is also claimed by the applicant that the trade mark used by the respondent is conceptually and phonetically identical to the registered trade mark of the applicant and it will cause confusion in the minds of the person with average intelligence and imperfect re-collection. On these pleadings, the applicant sought for injunction.

4. The respondent herein filed a counter affidavit and claimed that the word 'VARAMM' was derived from the names of the Director of the respondent and his son. It was claimed that 'VA' was derived from the name of 'Varun' (son of the respondent's Director) and 'RAMM' was derived from the name of Doctor and Director of the respondent's hospital namely DR.RAMAPRABHA. It was claimed



by the respondent that it has been operating for the past four years under the name 'VARAMM' more specifically from 15.02.2019. The respondent specifically claimed that it was a prior user as it had been using the trade mark 'VARAMM' since 15.02.2019. It was claimed by the respondent that the applicant admittedly launched the super speciality center named 'VARAM' only on 18.10.2020 but the respondent has got documentary evidence to show that it has been using the word 'VARAMM' from 2019. Therefore, on the core averment that respondent is a honest prior user, the respondent sought for dismissal of the applications seeking interim injunction.

5. The learned Senior Counsel for the applicant submitted that the previous user should show continuous use and good volume of business activity in order to establish his or her claim. But in the case on hand, the documents filed by the respondent are not sufficient to prove either the continuous use or volume of business of the respondent. The learned Senior Counsel for the applicant relied on the judgment in *Pioneer Nuts and Bolts Private Limited vs. M/s. Goodwill Enterprises* reported in *ILR (2010) 1 Delhi 738* and *Kamat Hotels (India) Limited vs. Royal Orchid Hotels Limited* reported in *2011 (4) M.H.L.J 71* in this regard.



6. The learned Senior Counsel by taking this Court to various documents filed by the respondent in its typed set of papers and submitted that those documents would not support the case of the respondent that it has been continuously using the trade mark 'VARAMM'. The learned Senior Counsel further submitted that some of the documents produced by the respondent are procured at Darasuram nearly 300 kms away from Chennai and absolutely there is no justification for getting such documents from far away places.

7. The learned counsel for the respondent by taking this Court to the various documents produced by the respondent submitted that respondent is a honest previous user of the trade mark 'VARAMM'. The respondent produced documents to show it has been using the trade mark 'VARAMM' right from the year 2019 well prior to the inauguration of applicant's super speciality center 'VARAM' on 18.10.2020. The learned counsel by taking this Court to Section 34 of the Trade Marks Act, 1999, submitted that the rights of the prior user is protected under Law. The learned counsel by relying on judgment of the Hon'ble Apex Court in ***S.Syed Mohideen vs. P.Sulochana Bai*** reported in **(2016) 2 SCC 683** submitted that rights conferred by registration are subject to the rights of the prior user of the trade mark. It is the submission of the learned counsel that rights of the prior user are recognised as superior than that of the registered proprietor and hence, the registered owner of the trade mark is not entitled to interfere with the rights of the



prior user.

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8. The learned counsel also relied on judgment of the Hon'ble Apex Court in *Uniply Industries Limited vs. Unicorn Plywood Private Limited* reported in **(2001) 5 SCC 95** and submitted that the question who is the prior user of the trade mark has to be decided in the trial of the case and till such question is not decided, there shall not be any injunction in favour of any of the parties.

9. Heard arguments of the learned Senior Counsel for the applicant and that of the learned counsel for the respondent.

10. As seen from the averments found in the affidavit filed in support of these applications for injunction, counter affidavit of the respondent and rejoinder affidavit filed by the applicant, that the applicant established and launched a super speciality center named 'VARAM' dedicated exclusively to serve the healthcare needs of women on 18.10.2020. It is also seen that the applicant obtained registration of the trade mark 'VARAM' under Class 44 relating to medical services, hospital services, medical clinic services etc. It is the specific defence of the respondent that it has been using the trade mark 'VARAMM' since 15.02.2019. In support of the said contention, the respondent relied on the copy of the



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Udhayam MSME Registration Certificate. A perusal of the said certificate in Page No.1 of the typed set of papers filed by the respondent dated 14.03.2023 would establish that the respondent was granted registration of its name 'VARAMM HEALTHCARE' by Ministry of Micro, Small and Medium Enterprises, Government of India. The registration was done on 19.11.2021, wherein the date of commencement of production/business was mentioned as 15.02.2019. The center of the applicant was inaugurated on 18.10.2021. However, the registration of the respondent's trade mark under Udhayam scheme was made only on 19.11.2021.

11. In support of the contention that the mark 'VARAMM' has been used by the respondent from 2019, the respondent produced various bills issued by one Jayalakshmi Graphics of Darasuram. As rightly pointed out by the learned Senior Counsel for the applicant that those bills obtained from Jayalakshmi Graphics which is situated at Darasuram nearly 300 kms away from Chennai would not be helpful to prove the alleged prior use by the respondent. Absolutely, there is no explanation why letter pads of the respondent was printed from a press which is situated nearly 300 kms away from Chennai. The learned counsel for the respondent relied on Rental Agreement dated 27.07.2020 entered between the owner of the premises and Dr.Ramaprabha to prove that the premises was taken on lease for the purpose of running 'VARAMM WOMENS CENTER' even on



27.07.2020 well prior to inauguration of the applicant's center. The said document is an unregistered lease deed and hence, much importance cannot be attached to the same. The learned counsel for the respondent relied on e-mail communication for registration of UPI ID in the name 'VARAMM WOMENS CENTER' on 03.08.2020 and e-mail dated 18.08.2020 sent by google maps for successfully adding 'VARAMM WOMENS CENTER' in google map. These two documents relied on by the respondent can be taken into consideration to show that the respondent coined the word 'VARAMM' even prior to inauguration of applicant's center. The document available in Page No.30 of respondent's typed set of papers dated 14th March, 2023 is an acknowledgement issued by Directorate of Medical and Rural Health Services dated 04.08.2020 for having received application for registration of 'VARAMM WOMENS CENTER'. Therefore, there are certain documents produced by the respondent to show that the word 'VARAMM' was coined by respondent even prior to inauguration of applicant's center on 18.10.2020. Whether the respondent is a prior user of the trade mark is a question which can be decided only in a full fledged trial. But there are certain unimpeachable documents like acknowledgement issued by Directorate of Medical and Rural Health Services of Government of Tamil Nadu dated 04.08.2020, e-mail received from google dated 18th August, 2020, adding 'VARAMM WOMENS CENTER' in google map, etc., to prove that the word 'VARAMM' was coined by the respondent well prior to the inauguration of the applicant's center. The



respondent also produced various medical prescription sheets of the year 2019 issued by it's centre to the patients even in the year 2019 in the name of 'VARAMM WOMENS CENTER'. Therefore, there is some evidence to come to a *prima facie* conclusion that the respondent is the previous adopter and user of the trade mark 'VARAMM'.

12. Even though the applicant is the registered owner of the trade mark by virtue of Section 30.4 of the Trade Marks Act, 1999, prior user of the trade mark has got superior rights over the rights of the registered owner and such a registered owner is not entitled to interfere with or restrain the use of trade mark by a person who is the honest prior user. In this regard, it would be appropriate to refer to the judgment of the Hon'ble Apex Court in ***S.Syed Mohideen vs. P.Sulochana Bai*** reported in **(2016) 2 SCC 683**, the relevant observation of the Hon'ble Apex Court is as follows:-

“30.4. Section 34 of the Trade Marks Act, 1999 provides that nothing in this Act shall entitle the registered proprietor or registered user to interfere with the rights of prior user. Conjoint reading of Sections 34, 27 and 28 would show that the rights of registration are subject to Section 34 which can be seen from the opening words of Section 28 of the Act which states “Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor. ...” and also the opening words of Section 34 which states “Nothing in this Act shall entitle the proprietor or a registered user of registered trade mark to interfere. ...” Thus, the scheme of the Act is such where rights of prior user are recognised superior than that of the registration and even the



registered proprietor cannot disturb/interfere with the rights of prior user.”

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13. In view of the discussions made earlier, this Court has come to a *prima facie* conclusion that the respondent succeeded in establishing that it is a prior user of the mark 'VARAMM' and hence, the applicant is not entitled to interfere with the right of the respondent to use word 'VARAMM', even though the applicant is the registered owner of the trade mark. Taking into consideration, the facts of the case and also the materials available on record, this Court deems it would be appropriate to direct the parties to get along with the trial of the suit as expeditiously as possible. Any injunction order in favour of applicant would cause prejudice to the respondent who has established *prima facie*, that it is previous adopter and user of the word “VARAMM”. Whether respondent has been using the same continuously from 2019 can be conclusively decided only during trial. In such circumstances, the balance of convenience lies in vacating the interim order already granted, since the respondent herein established *prima facie* that he is a previous adopter and user of the word 'VARAMM', the temporary injunction granted in favour of the applicant need to be vacated.

14. Accordingly, the Original Applications filed by the applicant seeking injunction are dismissed. In the facts and circumstances of the case, there will be no order as to costs.



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