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A.Nos.227 to 229 of 2023

A.Nos.227 to 229 of 2023
in
O.A.Nos.771 to 773 of 2022
in
C.S.(Comm Div).No.240 of 2022

Judgment Reserved	27.01.2023
Judgment Pronounced	24.05.2023

C.SARAVANAN, J.

O.A.Nos.771 to 773 of 2022 were filed by the plaintiffs for the following relief:

Sl.No.	O.A.No.	Relief
1.	771 of 2022	To restrain the Respondent from using the mark NATURALS or any other mark identical and/or deceptively similar thereto from the Applicants registered trademark/label NATURALS under the application number 3753831, 375833, 3605309, 1414842 by the respondents in the goods sold by them.
2.	772 of 2022	To restrain the Respondent from manufacturing, selling, distributing, exporting, advertising, offering for sale and in any other manner directly or indirectly from diluting and tarnishing the Applicants goodwill and reputation of mark trademark from committing infringement of the Applicants registered trademark



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		under numbers 3753831, 375833, 3605309 and 1414842 and from passing off trademark in respect of the mark .
3.	773 of 2022	To restrain the Respondent from manufacturing, selling, distributing, exporting, advertising, offering for sale and in any other manner directly or indirectly dealing with any products in the name of NATURAL and/or NATURALS in providing Services and selling Goods using the mark NATURALS in the retail market and its formative marks amounting to passing off pending of the suit.

2. Interim injunctions were passed by this Court on 12.12.2022 in O.A.Nos.771 to 773 of 2022.

3. The defendant in turn has filed A.Nos.227 to 229 of 2023, for the following relief:-

Sl.No.	A.No.	Corresponding O.A.No.	Relief
1.	227 of 2023	771 of 2022	To vacate the injunction granted by this Court in O.A.No.771 of 2022 on 12.12.2022.
2.	228 of 2023	772 of 2022	To Vacate the injunction



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Sl.No.	A.No.	Corresponding O.A.No.	Relief
			granted by this Court in O.A.No.772 of 2022 on 12.12.2022.
3.	229 of 2023	773 of 2022	To Vacate the injunction granted by this Court in O.A.No.773 of 2022 on 12.12.2022.

4. Since applications and counter applications have been filed and the ranks vary, for the sake of convenience, the parties shall be referred to as plaintiff and defendant as per their ranks in the plaint.

5. In response to the applications filed by the defendant in A.Nos.227 to 229 of 2023 to vacate the interim order dated 12.12.2022, the plaintiffs have also filed a counter and also a rejoinder to the common counter filed by the defendant in O.A.Nos.771 to 773 of 2022. The interim order which was passed by this Court on 12.12.2022 is sought to be vacated by the defendant vide A.Nos.227 to 229 of 2023 on the ground that the plaintiffs have suppressed and misrepresented the facts and obtained interim order from this Court on 12.12.2022.



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6. It is submitted that the defendant has prior Registration for the mark “NATURALS” vide following Trade Marks:-

Sl. No.	Trade Mark No.	Class	Goods & Description	User Claim/User Detail
1.	2077400	5	Ayurvedic Medicines & Preparations For Use on skin and Hair Included in Class 5	21/11/2001
2.	3754298	3	Natural Neem Aloevera Shampoo, Hair Oil, Brahmi Amla Hair Oil, Talc Powder, Cream, Anti Wrinkle Cream, Anti Pimple Gel, Acne-Pack, Anti Pimple Kit, Anti Pimple Cream, Apricot Scrub, Aloevera Lotion, Hair Pack, Anti Dandruff Shampoo, Gold Gel, Gold Scrub, Gold Cream, Gold Cleanser, Gold Pack (Gold Kit), Face Wash (Soaps), Neem Face Wash, Sun Screen Lotion, Young Skin Pack, Breast Cream, Breast Oil, Flower Cream, Young Skin Cream, Cleansing Lotion, Fruit Facial Kit, Skin Toner, Moisturising Lotion, Astringent Lotion, Fruit Massage Cream, Fruit Pack, Glow Bridal Cream, Fruit Scrub, Cold Cream Life, Tax Pack, Natural Fruit Massage Gel, Amla Heena Shampoo, Hair Styling Gel	21/11/2001
3.	3754299	3	Natural Neem Aloevera Shampoo, Hair Oil, Brahmi	21/11/2001



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		Amla Hair Oil, Talc Powder, Cream, Anti Wrinkle Cream, Anti Pimple Gel, Acne-Pack, Anti Pimple Kit, Anti Pimple Cream, Apricot Scrub, Aloevera Lotion, Hair Pack, Anti Dandruff Shampoo, Gold Gel, Gold Scrub, Gold Cream, Gold Cleanser, Gold Pack (Gold Kit), Face Wash (Soaps), Neem Face Wash, Sun Screen Lotion, Young Skin Pack, Breast Cream, Breast Oil, Flower Cream, Young Skin Cream, Cleansing Lotion, Fruit Facial Kit, Skin Toner, Moisturising Lotion, Astringent Lotion, Fruit Massage Cream, Fruit Pack, Glow Bridal Cream, Fruit Scrub, Cold Cream Life, Tax Pack, Natural Fruit Massage Gel, Amla Heena Shampoo, Hair Styling Gel	
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7. The learned Senior Counsel on behalf of the defendant submits that the plaintiffs have the following Registrations in Class 3 and 35 for Nail Polish, Advertising, marketing and promotional services and online retail store services relating to cosmetic and beauty products as detailed below:-



1.		Application No. 3753831 in class 3. Status - Rectification filed by the Defendant in proceeding bearing MAS-274801 against the 1st Plaintiff	Nail Polish
2.		Application No. 3795333 in class 35 Status - Rectification filed by the Defendant in proceedings bearing MAS - 275473 against the 1st Plaintiff	online retail store services relating to cosmetic and beauty products
3.		Application no. 3753833 Class 35. Rectification filed by the Defendant in proceedings bearing MAS-275474 against the 1st Plaintiff	Advertising, marketing and promotional services

8. It is submitted that the application in TM.No.3753831 in Class 3 was filed on 15.02.2018 and at that stage, the mark was proposed to be used. Similarly, T.M.No.3753833 in Class 3 was filed on 15.02.2018 and at that stage, the mark was proposed to be used. In Trade Mark Application T.M.No.3795336 in Class 35, was filed only on 03.04.2018 with the user details as above.



9. It is therefore submitted that the use of the mark “NATURALS”, for products under Class 3 for cosmetic products is much after the adoption of the Trade Mark “NATURALS” by the defendant vide the following trade mark:-

23.		Application No. 3754299 in class 3. ✓ Status - Rectification Petition filed by the 1 st Plaintiff in proceeding bearing MAS -276020 against the Defendant	Natural Neem Aloe vera Shampoo, Hair Oil, Brahmiamla Hair Oil, Talc Powder, Cream, Anti-Wrinkle cream, Anti Pimple Gel, Acne-Pack, Anti Pimple Kit, Anti Pimple Cream, Apricot Scrub, Aloe vera Lotion, Hair Pack, Anti Dandruff Shampoo, Gold Gel, Golds curb, Gold Cream, Gold Cleanser, Gold Pack (Gold kit), Face Wash (Soaps), Neem Face Wash, Sun Screen lotion, Young Skin Pack, Breast Cream, Breast Oil, Flower Cream, Young Skin Cream, Cleansing Lotion, Fruit Facial Kit, Skin Toner, Moisturising Lotion, Astringent Lotion, Fruit Massage Cream, Fruit Pack, Glow Bridal Cream, Fruit Scrub, Cold Cream Life, Tax Pack, Natural Fruit Massage Gel, Amla Heena shampoo, Hair Styling Gel
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24.		Application No. 2077400 in class 5. Status - Rectification by the 1 st Plaintiff in proceeding bearing MAS -276019 against the Defendant.	Ayurvedic Medicines & Preparations for Use on Skin& Hair Included In Class 5
25.		Application No. 1754298 in class 3. Status - Rectification by the 1 st Plaintiff in proceeding bearing MAS -276019 against the Defendant.	Natural Neem Aloe vera Shampoo, Hair Oil, Brahmanila Hair Oil, Tale Powder, Cream, Anti-Wrinkle cream, Anti Pimple Gel, Acne-Pack, Anti Pimple Kit, Anti Pimple Cream, Apricot Scrub, Aloe vera Lotion, Hair Pack, Anti Dandruff Shampoo, Gold Gel, Gold scrub, Gold Cream, Gold Cleanser, Gold Pack (Gold kit), Face Wash (Soaps), Neem Face Wash, Sun Screen lotion, Young Skin Pack, Breast Cream, Breast Oil, Flower Cream, Young Skin Cream, Cleansing Lotion, Fruit Facial Kit, Skin Toner, Moisturising Lotion, Astringent Lotion, Fruit Massage Cream, Fruit Pack, Glow Bridal Cream, Fruit Scrub, Cold Cream Life, Tax Pack, Natural Fruit Massage Gel, Amla Heena shampoo, Hair Styling Gel

10. It is submitted that the defendant's product is sold and distributed through wholesale market including Army Canteens / the Canteen Stores Department (CSD). The word "NATURALS" was



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adopted in 1999 much prior to the adoption of the Trade Mark by the plaintiff. That apart, a reference is made to an e-mail between the plaintiff's representatives and the defendant on 09.06.2000, wherein, the plaintiff represented by one C.K.Kumaravel, stated that the defendant can get in touch with the counsel for the plaintiff to find out a workable solution and that in the event of no solution to the dispute, the plaintiff will go with an alternative brand name which they were working and was looking forward for a support from the defendant.

11. That apart, it is submitted that the defendant was incorporated only in the year 2001 and registered as a Company whereas the defendant has also obtained necessary license under the provisions of the Drugs and Cosmetics Act, 1940 read with the Drugs and Cosmetics Rules, 1945, way back in 1999.

12. On the other hand, the learned counsel for the plaintiff would submit that the interim order granted by this Court on 12.12.2022 vide order in A.Nos.771 to 773 of 2022 deserves to be continued as admittedly, the registration that has been obtained by the defendant vide



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T.M.Nos.3754299, 2077400 and 3754298 referred to supra (Sl.No.23, 24, 25) is to be confined only to ayurvedic medicinal product in Class 3 and 5 of the Fourth Schedule to the Trade Mark Rules, 2002.

13. It is submitted that the registration that was obtained by the defendant for the word “NATURALS” was for products such as cold cream, face wash, hand wash and body wash, etc., and therefore can be confined only to such products which would fall under class 5 in view of the license obtained under the provisions of the Drugs and Cosmetics Act, 1940, read with the Drugs and Cosmetics Rules, 1945.

14. I have considered the arguments advanced by the learned Senior Counsel for the plaintiffs and the defendant.

15. The documents filed by the defendant makes it clear that the defendant was incorporated as a private limited company on 21.11.2001. The second plaintiff was incorporated only 24.06.2009.



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16. The plaintiffs are primarily engaged in service sector. They appear to have cut a niche for themselves in the service sector. The plaintiffs and their associated companies have entered the manufacturing only recently after 2018, as is evident from the following Trade Mark Registrations obtained by them:-

T.M.No.	Class	Date of Application	Description	User details
3753831	3	15.02.2018	Nail Polish	Proposed to be used
3753833	35	15.02.2018	Advertising, marketing and promotional activities	Proposed to be used

17. The above Trade Mark Applications were filed by the first plaintiff. Rest of the applications are related to services and retail sector as detailed below:-

T.M.No.	Class	Date of Application	Description	User details
3605309 (WM)	44	03.08.2017	Hygiene and beauty care including skin	Proposed to be used



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T.M.No.	Class	Date of Application	Description	User details
			care, manicure-pedicure, massage, hair implantation, personal growing, beauty salons, spa services, hair dressing, sauna services	
1414842	42	18.01.2006	Services provided by beauty salons, cosmetic research, dress designing, fashion information, hair implementation, hairdressing salon, health care, manicuring, massage, physiotherapy, physical therapy included in class 42	01.01.1999
3795336 (NRC)	35	03.04.2018	Online retail store services relating to cosmetic and beauty products	01.01.1999

18. The plaintiffs appear to have filed atleast four other applications which were refused as detailed below:-



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Sl. No.	TM.No.	Status	Class	Goods and Services Details	User Claim/User Detail
1.	2464836	Refused	3	Shampoos, Creams, Hair Care and Skin Care Products, Soaps; Perfumery, Essential Oils, Cosmetics, Hair Lotions	Proposed to be used
2.	3887412	Refused	44	Beauty Salon Services, Hair Dressing Salons, Hygienic and Beauty Care, Bridal Makeup and Spa for human beings	Proposed to be used
3.	3075556	Refused	44	Services in hygienic and beauty care including skin care, manicure-pedicure, massage, hair implantation, personal growing, beauty salons, spa services, hairdressing salons, sauna services.	Proposed to be used
4.	4235723	Refused	44	Hygienic and beauty care for humans, beauty salons, spa services, hairdressing salons, sauna services	01/01/1999



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19. The registration obtained by the defendant under the provisions of the Central Sales Tax (Registration and Turnover) Rules, 1957 on 24.12.2001, indicates that the defendant was not only engaged in manufacturing of cosmetic products but also into resale of cosmetic products.

20. Though the defendant has obtained license only for manufacture and sale of Ayurvedic including Siddha or Unani Drugs, the communications which the defendant has filed indicates that the defendant is engaged in both manufacture and sale including resale of Ayurvedic products. Therefore, it would not be proper to assume that the registrations obtained under the Trade Mark Act, in Class 3 and 5 by the defendant has to be confined only to pharmaceutical products in Class 5 and not to the Cosmetic Products in 3 of the Fourth Schedule to the Trade Marks Act, 1999 read with Trade Mark Rules, 2000.

21. That apart, both the plaintiff and the defendant have not obtained registration for the word “NATURALS”. Simply because both



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have obtained Registration of their label which incorporate the word “NATURALS” as a composite mark cannot mean they are entitled to injunct each other.

22. Merely because, the defendant has filed application opposing the application filed for registration of trade mark in various classes by the plaintiff and rectification proceedings in respect of registration obtained by the plaintiff are pending or rectification proceedings are pending against the registrations obtained by the defendant would not mean that either the plaintiff or the defendant can restrain each other from using the mark which has already been registered and is in use by either of them.

23. Further in terms of Section 17 of the Trade Marks Act, 1999, when a Trade Mark consists of several matters, its registration shall confer exclusive right on the proprietor to the use of the trade mark taken as a whole. Whether exception provided in sub-clause (2) to Section 17 of the Trade Mark, 1999, is attracted in favour of the plaintiff or the defendant is to be determined finally. The test under Section 17(2) has



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been answered in the case of **Nureca Limited vs. M/s.Thaker Brothers** in

C.S.No.19 of 2021 vide order dated 24.02.2023 as follows:-

56. As per section 17(1) of the Trade marks Act, 1999, when a trademark consists of several matters, it's registration shall confer on the proprietor an exclusive right to use of the trademark taken as a whole. This is the general rule. In other words, in case of a composite registered mark, the composite trademark, has to be seen as a whole and should not to be dissected to infer any infringement.

57. However, an exception to Section 17(1) is provided in section 17 (2). It starts with a non-obstante clause. Section 17(1) and Section 17(2) of the Trade Mark Act, 1999 are reproduced below to discern the exception to the general rule:-

Section 17(1)	Section 17(2)
(1) When a trade mark consists of several matters, its registration shall confer on the proprietor exclusive right to the use of the trade mark taken as a whole.	(2) Notwithstanding anything contained in sub-section (1), when a trade mark - (a) contains any part— (i) which is not the subject of a separate application by the proprietor for registration as a trade mark; (ii) which is not separately registered by the proprietor as a trade mark; or



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(b) contains any matter which is common to the trade or is otherwise of a non-distinctive character,

the registration thereof shall not confer any exclusive right in the matter forming only a part of the whole of the trade mark so registered.

58. Section 17(2) of Trade Marks Act, 1999 enables a registered proprietor to claim exclusive right both over whole and part of the composite mark subject to certain conditions.

59. Section 17 (2) of the Trademarks Act, 1999, can be understood as follows:-

Notwithstanding anything contained in Section 17 (1), when a trademark:

- i. contains any part which is not the subject matter of a separate application by the proprietor for registration as a trademark;*
or
- ii. contains any part which is not separately registered by the proprietor as trademark;*
or
- iii. contains any matter which is :*
 - a) common to the trade, or*
 - b) otherwise is of a non-distinctive character,*

the registration thereof shall not confer any exclusive right in the matter forming only a part of whole of the trademarks or



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registered.

60. In other words, if a registered proprietor of a mark has either filed a separate application for registration of the part of the mark or has a separate registration for the part of the mark separately, then the said proprietor can claim monopoly over the part of the registration. A composite trademark can be said to be infringed, if any part of such composite mark is either

- (1) registered as a separate trademark or
- (2) if an application for registering such part has been filed by the proprietor.

61 This is not the case here. In this case, admittedly, the plaintiff also has obtained a separate registration for the Word “Dr Trust” vide Ex.P.18 TM No.2151603 in Class 5 for goods and service viz Pharmaceutical Veterinary and Sanitary Preparations, dietetic substances adapted for medical use, food for babies, plasters, materials for dressing, materials for dressing, material for stopping teeth, dental wax, dis-infectance preparation for destroying vermin, fungicides, herbicides. Similarly, the plaintiff has registered in Ex.P.19 to Ex.P.22. Therefore, the restrictions in Section 17 of the Trademarks Act, 1999 cannot operate against the plaintiff.”



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24. In view of the above, interim order passed in O.A.Nos.771 to 773 of 2022 on 12.12.2022 has to be vacated. Accordingly, A.Nos.227 to 229 of 2023 are allowed.

24.05.2023

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