

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 29.09.2020

Pronounced on : 15.10.2020

CORAM

THE HONOURABLE MR. JUSTICE C.V.KARTHIKEYAN

O.A.No.330 of 2020

and

O.A.No.331 of 2020

in

C.S.(Comm.Div.) No.190 of 2020

Tirumala Milk Products Private Limited,
No.125, 1st Floor,
7th Cross Street,
Senthil Nagar, Chennai – 600099
Represented by its Manager (Legal),
Mr.S.Mukundh

... Applicant/Plaintiff
(in both the applications)

Vs.

1.Swaraj India Industries Limited

Rep.by its Director Suresh Dnyanobarao Kute

S.No.406 & 407, at Nimbhore

Post Surwadi Taluka

Phaltan Satara, Satara

Maharashtra – 415523

2.Fresh N Natural Dairy Farms (P) Ltd.

Rep.by its Director Archana Suresh Kute,

S.No.406 & 407, at Nimbhore

Post Surwadi Taluka

Phaltan Satara, Satara

Maharashtra – 415523

WEB COPY

3.Suresh Dnyanobarao Kute

Director – Fresh N Natural Dairy Farms (P) Ltd.
Radha Cloth Center
Hirabai Chowk,
Beed
Maharashtra – 431122

4.Archana Suresh Kute

Director – Fresh N Natural Dairy Farms (P) Ltd.
Radha Cloth Center
Hirabai Chowk,
Beed

Maharashtra – 431122

...Respondents / Defendants (in both
the applications)

Prayer in O.A.No.330 of 2020:- This application filed under Order XIV Rule 8 of O.S Rules read with Order XXXIX Rule 1 and 2 of C.P.C., praying to grant a interim injunction restraining the respondents or their assigns, successors-in-interest, licensees, franchisees, sister concerns, representatives, servants, distributors, agents, family members, employees, etc. and/or any person or entity acting for or on behalf of them, from using applicant's trademark 'Thirumala' / 'Thirumala Milk', components thereof, or any other mark(s) deceptively similar thereto, including 'Tirumalaa Daairy', singularly or in conjunction with any other words or monogram/logo, as a trade mark, service mark, corporate name, trade name, trading style, domain name, website address, electronic mail identity or in any other manner whatsoever, on or in relation to or any product or diary business including advertising, business papers, etc. pending disposal of this suit and pass such further or other order or orders as this Court may deem fit and proper in the circumstances of the case.

Prayer in O.A.No.331 of 2020:- This application filed under Order XIV Rule 8 of O.S Rules read with Order XXXIX Rule 1 and 2 of C.P.C., praying to grant a interim injunction restraining the respondents or their assigns, successors-in-interest, licensees, franchisees, sister concerns, representatives, servants, distributors, agents, family members, employees, etc. and/or any person or entity acting for or on behalf of them, restraining them from passing off their business or milk and dairy products as or for the products of the applicant by restraining them from using applicant's trademark 'Thirumala' / 'Thirumala Milk', Impugned branding, or any other mark(s) deceptively similar thereto, including 'Tirumalaa Daairy', singularly or in conjunction with any other words or monogram/logo, as a trade mark, service mark, corporate name, trade name, trading style, domain name, website address, electronic mail identity or in any other manner whatsoever, on or in relation to or any product, service / business including advertising, business papers, etc. pending disposal of this suit and pass such further or other order or orders as this Court may deem fit and proper in the circumstances of the case.

For Applicant / Plaintiff : Mr.P.V.Balasubramaniam

For Respondents / Defendants : Mr.Hiren Kamod for
Mr.Subhang Nair

COMMON ORDER

Both these applications have been filed by the plaintiff in the suit. The plaintiff, Tirumala Milk Products Private Limited, had filed the suit under Sections 134, 135 of the Trade Marks Act, 1999 read with relevant provisions of the Original Side Rules of the Madras High Court and the Code of Civil Procedure, 1908, seeking a judgment and decree against the defendants for permanent injunction from infringement of the plaintiff's registered trademark 'Thirumala' / 'Thirumala Milk' and for a permanent injunction restraining the defendants from passing off their business or milk and dairy products as or for the products of the plaintiff by restraining them by using the plaintiff's trademark 'Thirumala' / 'Thirumala Milk' or any other marks deceptively similar including 'Tirumalaa Daairy' and for a permanent injunction restraining the defendants from indulging from acts of unfair competition from using the impugned mark 'Thirumalaa Daairy' and for a direction against the defendants to deliver up to the plaintiff for the purpose of destruction/erasure all infringing materials bearing the name 'Tirumalaa Daairy' or any other mark deceptively similar to the plaintiff's trademark 'Thirumala' / 'Thirumala Milk' and for a direction against the defendants

to pay to the plaintiff a sum of Rs.1,01,00,000/- (Rupees One Crore and One Lakh Only) as damages and also for costs of the suit.

2.The plaintiff is engaged in the business of procurement, processing, packaging and marketing of milk and other dairy products under its registered trademark and brand name 'Thirumala Milk' from the time of its incorporation in November 1998.

3.The 1st and 2nd defendants are companies incorporated under the Companies Act, 1956 and the Companies Act, 2013.

4.The plaintiff claims that it is a leading Dairy Company in India, with presence in major States such as Tamil Nadu, Karnataka, Andhra Pradesh, Telangana, Kerala, Maharastra and West Bengal. The plaintiff markets their vast range of milk and dairy products under the trademark 'Thirumala' and 'Thirumala Milk' and it is claimed that the said marks have acquired substantial goodwill and reputation in India. The plaintiff has registered the mark 'Thirumala' primarily in Class 29 relating to milk, ghee and butter. They have also applied for the trademark 'Tirumala' written in a stylized device form again in Class 29.

5.The plaintiff has stated that they had a sales turnover of Rs.2048.69/- Crores during the financial year 2019 – 2020 and they had also incurred advertising expenditure for a sum of Rs.139,264,113/- during the financial year 2016 – 2017. It has been stated that the trademark and the name 'Thirumala Milk / Thirumala' are solely and exclusively associated with the plaintiff across all segments of the trade and the general public associate them with the plaintiff's business alone. It had been stated that the plaintiff has been selling their product with the name 'Thirumala' represented by 'a droplet of milk', in which the name is in the foreground and the main trademark 'Thirumala' in logo form in the droplet is at the bottom.

6.The plaintiff came to know that the 3rd defendant, one of the promoters of a Group of Companies based out of Maharashtra referred as Kute Group had applied for the registration of the mark 'Tirumalla Oil Refinery Private Limited along with the device 'Tirumalla'. It is stated that the said mark was also sought to be registered under Class 29 vide Application No.3131558 which was published in the Trade Mark Journal 1899-0 dated 29.04.2019. The plaintiff has filed their objections. A counter has been filed to the objections by the 3rd defendant herein who

claimed that he had conceived the unique mark and therefore, stated that the mark should be recognized.

7.The plaintiff claimed that the 3rd defendant had stated that he was not even aware of the plaintiff. In June 2020, the plaintiff started receiving information from several milk suppliers who stated that they were getting enquires from persons claiming to be representatives of Tirumalaa Daairy. The plaintiff made enquiries and came to know that the 1st and 2nd defendants have started publicizing their products under the name 'Tirumalaa Daairy'. The plaintiff had stated that the 1st defendant had been recently acquired by the Kute Group and that the 3rd and 4th defendants are the Directors of the 2nd defendant company. It was stated that the defendants had conducted an opening ceremony of the new unit under the name 'Tirumalaa Daairy' on 01.01.2020 at Javkhela Khalsa in Ahmednagar District of Maharashtra. Online searches revealed a video containing a promotion for 'Tirumalaa Daairy' along with a video of the 3rd defendant. It was stated that the defendants were promoting their brand 'Tirumalaa Daairy'.

8.It was stated that a website namely, www.tirumalaadaairy.com had also been opened and there was inauguration of three milk collection centres at Javali – Phaltan, Nevasa – Ahmednagar and Shevgaon – Ahmednagar. Even though the defendants had commenced the units very recently, the defendants had put up in the website that 'Tirumalaa Daairy is a name of trust in the dairy sector' though they had not even started business. It was stated that quite apart from the website, the defendants have also opened pages in Facebook, Instagram and Twitter.

9.The plaintiff further stated that they have a strong presence in Maharashtra. They have entered into an agreement with a Latur based company named La-Diarylicious Ventures Private Limited and the plaintiff has assured purchase of 20,000 litres of milk, for sale of milk and curd under the brand name 'Thirumala' for sale in Latur and other areas in Maharashtra. The plaintiff therefore claimed that the defendants had deliberately and dishonestly adopted the mark 'Tirumalaa Daairy' with the sole intention to mislead the general public and to cash in on the reputation and goodwill of the plaintiff. It was stated that the name is phonetically similar to that of the plaintiff and the product marketed is also the same. It was stated that there was every likelihood of confusion

in the minds of the general public. It was claimed that the entire action of the defendants are completely malafide and the defendants had deliberately and dishonestly adopted the name 'Tirumalaa Daairy'.

10.It was stated that the milk suppliers of the plaintiff had already started enquiring about the entity. It was therefore stated that deception and confusion has been caused and established. It was stated that the mark 'Tirumalaa Daairy' had been very recently obtained and no products have been launched using the said name. It was stated that the impugned tradename and mark 'Tirumalaa Daairy' is deceptively and deliberately similar to the plaintiff's registered trademark. It was stated that there was every likelihood of association of the defendants' product as that of the plaintiff's product. It was stated that there was a risk to the reputation and goodwill of the plaintiff in business. It was under these circumstances, that the suit had been instituted seeking the reliefs as stated above.

WEB COPY

11.Along with the suit, the plaintiff also filed O.A.No.330 of 2020 seeking interim injunction restraining the defendants from infringing the trademark of the plaintiff namely, 'Thirumala' / 'Thirumala Milk' by using a deceptively similar trademark 'Tirumalaa Daairy' either singularly or in

conjunction with any other words or monogram, logo as a trademark, service mark, corporate name, trade name, trading style, domain name, website address or any other manner.

12.The plaintiff also filed O.A.No.331 of 2020, seeking an order of interim injunction restraining the defendants from passing off their business or milk and dairy products as or for the products of the plaintiff by restraining the defendants from infringing the trademark 'Thirumala'/ 'Thirumala Milk' by using a deceptively similar trademark 'Tirumalaa Daairy'.

13.In the affidavit filed in support of the said Applications, the averments made in the plaint were reiterated. It was stated that the adoption of the mark 'Tirumalaa Daairy' by the defendants was a deliberate violation of the plaintiff's proprietary and statutory rights. It was stated that the defendants cannot claim innocence. It was stated that the balance of convenience was in favour of the plaintiff, since the plaintiff has registered their mark. It was stated that both these applications should be allowed.

14.Both the applications came up for consideration on 21.08.2020. Holding that in January – 2020, the 1st defendant had opened a new company in the name of 'Tirumalaa Daairy' and noting that the plaintiff were the proprietors of the registered word mark 'Thirumala' and also for the device mark 'Thirumala', and observing that the defendants who had entered into the market very recently have an intention to encash on the reputation already built by the plaintiff, an order of interim injunction was granted.

15.On service of notice, learned counsels entered appearance on behalf of the defendants. An affidavit of reply had been filed. It was stated that this Court has no jurisdiction to try and entertain the suit. It was further stated that the plaintiff has no prima facie case for grant of ad interim or interim injunction. It was also stated that the balance of convenience was not in favour of the plaintiff. It was further stated that the plaintiff would not suffer any injury if the reliefs are not granted. It was further stated that the plaintiff had suppressed material facts and has made misleading statement and therefore the plaintiff was not entitled for any relief.

16. With respect to the jurisdiction of the Court, it was stated that the plaintiff has no registered office or a principal place of business within the jurisdiction of this Court. It was further stated that the defendants do not also carry on any business or have any office within the jurisdiction of this Court. It was further stated that the defendants are yet to commence the business of manufacturing and selling the products under the trademark 'Tirumalaa Daairy'. It was stated that therefore no cause of action has arisen and it was therefore stated that on this once ground itself the interim order already granted by this Court should be vacated.

17. With respect to suppression of material facts, it had been stated that the Trademark Registry had issued an examination report dated 28.03.2014 with respect of the plaintiff's application No.2377803 in Class 29 for the Label Mark 'Thirumala Gold' in respect of 'milk and milk products (including but not limited to ice cream, butter, buttermilk, curd, ghee, milk based sweets)'. It was stated that the Registrar of Trade Marks had raised objections under Section 11 of the Trade Marks Act, 1999, stating that there were earlier marks 'Thirumala's Palm Shakthi' (word per se) bearing No.957855 and 'Thirumala's Sun Shakthi' (word per se)

bearing No.957856, both with respect to 'edible oil'. The reply of the plaintiff was quoted, wherein, it had been stated that there was no similarity between the trademarks registered. It was stated that the marks should be seen as a whole and the marks registered does not give any monopolistic right over the word 'Thirumala'.

18.It was further stated in the affidavit in reply that the Trade Mark Registry had issued an examination report dated 23.01.2014 with respect to the plaintiff's A.No.2461353 in Class 29 for the Label mark 'Thirumala' and the Registry of Trade Mark had raised an objection citing earlier marks 'Thirumala' and 'Thirumala' (Telugu) both in respect of Class 29. The plaintiff in their counter to the objections had again stated that their mark is completely different and all comparable parameters, visual, phonetical and structural had to be taken. It was further stated that the plaintiff cannot prevent anyone much less the defendants from using the words 'Tirumalla / Tirumalaa / Thirumala' as a trademark or part thereof with respect to any goods or services.

19.With respect to the statement that the plaintiff has misled / misguided this Court, it had been stated that the plaintiff had only filed

the Registration Certificate, without filing a copy of the examination report issued by the Trade Mark Registry for the Label mark 'Thirumala' bearing application No.2461353 in Class 29. It was also stated that in the examination, the plaintiff had taken a stand that the mark 'Thirumala' is distinct from the cited marks 'Thirumala' (word per se) and 'Thirumala' (Telugu). It was further stated that the figures alleged to have incurred for advertising as set out in paragraph 6 of the plaint are different from the figures alleged to have been incurred for advertising the plaintiff's product as set out in paragraph 3 of the reply to the examination report. It was stated that the figures mentioned in the plaint are concocted and was fabricated deliberately to misled the Court.

20. With respect to the averments that the plaintiff cannot claim monopoly over the word 'Thirumala / Tirumala', it had been stated that the words Tirumala / Thirumala signify the name of a town in Chittoor district, Andhra Pradesh where the temple of Lord Venkateswara is located. It was stated that the public associate the word 'Thirumala / Tirumala' with Lord Venkateswara. It was also stated that there were about 300 companies using 'Thirumala / Tirumala / Thirumalai' as a part of their Company name / Corporate name. It was therefore stated that the

plaintiff cannot monopolize the said words and prevent others from using the same as a part of trademark and tradename.

21. With respect to the statement that the plaintiff was not using the words 'Thirumala / Tirumala' independently and the words are not an essential or distinctive feature of the mark of the plaintiff, it had been stated that the plaintiff had never used or advertised or sold products bearing the word 'Thirumala / Tirumala' independently. It was stated that the plaintiff had never used the said words independent to the trademark and had never claimed proprietary rights over the said words. It was stated that even in the reply to the examination report, the plaintiff had stated that the marks have to be compared as a whole and no monopolistic right over the word 'Thirumala' can be claimed. It was further stated that the plaintiff's registration / registered trademark contains the word 'Thirumala' as a part of the trademark and the plaintiff is therefore statutorily precluded from claiming any monopoly. It was further stated that under Section 17 of the Trade Marks Act, 1999, when the mark contains any matter which is of non distinctive character, then the proprietor of the trademark cannot claim exclusivity on any matter of the trademark. It was also stated that the plaintiff ought not to have been

granted registration of their trademark. It was stated that the Court should go into the validity of the registrations secured by the plaintiff even in the interlocutory stage and render a finding on the issue of invalidity of the registrations.

22.In the affidavit in reply, there were also statements about the Kute Group and it was stated that they are engaged in various businesses and enjoy the patronage of millions of customers. It was stated that the 3rd and 4th defendants are avid followers and devotees of Lord Venkateswara. It was stated that their spiritual guru had advised them to use the name 'Tirumalla Edible Oils and Foods' in respect of their business. Accordingly, the defendants adopted the name Tirumalla Edible Oils and Foods in the year 2015 and also incorporated Tirumalla Oil Refinery Private Limited on 25.10.2015.

23.It was stated that the said Tirumalla Oil Refinery and its subsidiaries had done substantial business and also have gained substantial publicity. It was also stated that they had a sales turnover of Rs.3,84,28,76,246/- for the financial year 2019-2020 and had incurred advertisement expenditure of Rs.3,91,54,445/- in the same financial year.

It was stated that Tirumalla Oil Refinery had earned enviable reputation and goodwill and that Kute Group are the proprietaries of the said mark.

24. With respect to their honest and bonafide adoption of the trademark and tradename namely, 'Tirumalaa Daairy' / 'Tirumalaa Fresh Daairy', it had been stated that the 1st defendant had been in the business from the year 1999 and had been selling milk / dairy products under the tradename 'Swaraj'. The 2nd defendant is a sister company of the 1st defendant. The 1st and 2nd defendants were taken over by the Kute Group / Tirumalla Oil Refinery Private Limited in 2019. It was stated that since the 3rd and 4th defendants had faith in Lord Venkateswara of Tirumala, they had chosen the name 'Tirumalaa Daairy' / 'Tirumalaa Fresh Daairy', in respect of their dairy business. The names of the 1st and 2nd defendants have also been changed to 'Tirumalaa Daairy Ltd.,' and 'Tirumalaa Fresh Daairy Farm Pvt. Ltd.,'. It was stated that the defendants have not used the same as a trademark in respect of any dairy product but were only about to use the same and had already expended considerable time and expenditure. It was stated that the defendants should be allowed to use the names 'Tirumalaa Daairy' and 'Tirumalaa Fresh Daairy' as part of their tradename / Corporate name / trademark. Alternate marks were also

given in the affidavit in reply and it was stated that the defendants may be permitted to use the same and it was therefore stated that the applications should be dismissed.

25.The plaintiff filed a rejoinder. It was stated that the sales office of the plaintiff is located within the jurisdiction of this Court. It was stated that the suit can be instituted in this Court taking advantage of Section 134(2) of the Trade Marks Act, 1999. It was also stated that Application No.1729 of 2020 had been filed seeking Joinder of Causes of Action.

26.With respect to the replies given for the examination report, it was stated that examination report was on the basis of queries regarding the label mark with respect to edible oil. It was not with respect to diary products.

WEB COPY

27.In the instant case, it was stated that the defendants have adopted a mark deceptively similar to that of the plaintiff, with respect to the very same goods namely milk and milk products.

28. With respect to the objections of the Trade Mark Registry, it was stated that the products were regulated in accordance with differing practice of business circles, whereas, in the instant case, it would be regulated through the same business circle, the same distribution channels and the same source of the same group of ultimate consumers. It was again reiterated that a great amount of confusion had been created in the market with several milk suppliers approaching the plaintiff with queries arising on account of the defendants usage of the mark to procure supplies as well as to set up distribution networks. It was stated that this averment in the affidavit and also in the plaint had not been denied. It was stated that the word 'Thirumala' was used as a principal component of the device mark and is entitled for protection. It was stated that the replies given to the examination report were not relevant and the mark of the plaintiff came to be registered without any disclaimers. It was stated that the plaintiff was entitled to the protection of the word 'Tirumala'.

WEB COPY

29. With respect to the advertising expenditure, it was stated that the amounts shown in the plaint are correct and certified by an Auditor.

30.The replies submitted before the Registrar were with respect to marks dealing with different class of goods and with respect to goods used in different business circles and different consumers. It had been stated that whenever, the plaintiff had come across any infringing mark in the same line of business, they had taken appropriate action including institution of civil suits seeking protection from such an infringement. It was further stated that the inclusion of an additional letter 'a' in 'Tirumalaa Daairy' by the defendants would still make their mark phonetically and otherwise similar to the mark of the plaintiff. It was stated that this would cause confusion in the minds of the general public. It was stated that the products of the plaintiff are referred only with the name 'Tirumala' by suppliers, distribution networks as well as consumers. It was stated that the Registry of Trade Marks, had, after due examination, registered the marks of the plaintiff and the plaintiff is entitled to exclusive rights to use the same. It was stated that the defendants were never in the business of milk or milk products and with malafide intention had chosen the name 'Tirumalaa Daairy' to ride on the reputation already built by the plaintiff.

31.It was stated that the defendants in their application for registration of the mark 'Tirumalaa Daairy' had stated that it was used since 10.10.2016, whereas, in the counter to the present application they have stated that they have not yet used the same as trademark for the business of milk and milk products. It was therefore stated that it was the defendants who had misled the Court. It was stated that the defendants however projected that their milk products are a trusted name, when they had not even commenced business. It was stated that the defendants have not adopted the mark 'Tirumalaa Daairy' either honestly or with bonafide intention. It was specifically stated that the plaintiff has a presence of 12 sales offices in Maharashtra and had also acquired a Maharashtra based Dairy namely M/s.Sunfresh Agro Industries Private Limited in the year 2019, which has widespread operations in the said State. It was stated that the defendants had insisted retention of the name 'Tirumalaa Daairy' on the products proposed to be launched by them. It was stated that though the defendants had proposed to use the name 'Moosips - Cows Milk', still they continue to use the mark 'Tirumalaa Daairy' with an intention to exploit the goodwill and reputation of the plaintiff. It was stated that the defendants should drop the name 'Tirumalaa' in entirety. It was stated that the interim injunction already granted by this Court

should be made absolute.

32.Heard arguments advanced by Mr.P.V.Balasubramaniam learned counsel for the applicant / plaintiff and Mr.Hiren Kamod learned counsel on behalf of Mr.Subhang Nair, learned counsel for the defendants.

33.For the sake of convenience the parties would be referred as plaintiff and defendants.

34.In the counter filed on behalf of the defendants, it had been mentioned that the name of the 1st defendant had been changed to 'Tirumalaa Daairy Ltd.' and the name of the 2nd defendant had been changed to 'Tirumalaa Fresh Daairy Farm Pvt. Ltd., with effect from 05.08.2020.

WEB COPY

35.The 4th defendant is a Director of the 2nd defendant. The 3rd defendant is a Director of 1st and 2nd defendants.

36.The plaintiff, Thirumala Milk Products Private Limited, is a Company incorporated under the Companies Act, 1956 and has instituted the suit in this Court taking advantage of Sections 134 and 135 of the Trade Marks Act, 1999, and the relevant provisions of the Original Side Rules of the Madras High Court and the Code of Civil Procedure, 1908.

37.In the counter, it had been stated that this Court has no jurisdiction to entertain the suit and that the plaintiff had laid the suit only on the strength of having a sales office within the jurisdiction of this Court.

38.Section 134 of the Trade Marks Act, 1999, is as follows:-

“134. Suit for infringement, etc., to be instituted before District Court:-

(1) No suit-

(a) for the infringement of a registered trade

mark; or

(b) relating to any right in a registered trade

mark; or

(c) for passing off arising out of the use by the defendant of any trade mark which is identical with

or deceptively similar to the plaintiffs trade mark, whether registered or unregistered, shall be instituted in any court inferior to a District Court having jurisdiction to try the suit.

(2) For the purpose of clauses (a) and (b) of sub-section (1), a "District Court having jurisdiction" shall, notwithstanding anything contained in the Code of Civil Procedure, 1908 or any other law for the time being in force, include a District Court within the local limits of whose jurisdiction, at the time of the institution of the suit or other proceeding, the person instituting the suit or proceeding, or, where there are more than one such persons any of them, actually and voluntarily resides or carries on business or personally works for gain.

Explanation : For the purposes of sub-section (2), "person" includes the registered proprietor and the registered user."

39.This section provides an additional forum for institution of suit namely, where the plaintiff carries on business.

40.Clause 12 of the Letters Patent is as follows:

“12.Original jurisdiction as to suits.-

And we do further ordain that the said High Court of Judicature at Madras, in exercise of its ordinary original civil jurisdiction, shall be empowered to receive, try, and determine suits of every description if, in the case of suits for land or other immovable property, such land or property shall be situated, or, in all other cases, if the cause of action shall have arisen, either wholly, or, in case the leave of the Court shall have been first obtained, in part, within the local limits of the ordinary original jurisdiction of the said High Court: or if the defendant at the time of the commencement of the suit shall dwell or carry on business or personally work for gain, within such limits; except that the said High Court shall not have such original jurisdiction in cases falling within the jurisdiction of the Small Cause at Madras, in which the debt or damage, or value of the property sued for does not exceed one hundred rupees.”

41.The learned counsel for the defendants placed reliance on the Judgment reported in *(2015) 10 SCC 161, Indian Performing Rights Society Limited V. Sanjay Dalia and Another*, wherein, it had been stated that the word “include” in Section 134(2) of the Trade Marks Act, 1999, means the place where the plaintiff is residing, carrying on business etc., and is an additional place and not an exclusive place to institute trademark or copyright suit / proceedings. It was held that the purpose of Section 62(2) of the Copyright Act, 1957 and also Section 134(2) of the Trade Marks Act, 1999, were to tone down the rigours of Section 20 of the Code of Civil Procedure, 1908, by providing an additional forum which is convenient to the plaintiff in a trademark / copyright dispute. It was also stated that the said provisions though they contain the non obstante clause, “notwithstanding anything contained in the Code of Civil Procedure, 1908”, yet they do not completely override Section 20 of the Code of Civil Procedure, 1908.

WEB COPY

42.Insofar as the Madras High Court is concerned, Section 120 of the Code of Civil Procedure, 1908, is as follows:-

“Sec.120:Provisions not applicable to High Court

in original civil jurisdiction.-

(1) The following provisions shall not apply to the High Court in the exercise of its original civil jurisdiction, namely, sections 16, 17 and 20.”

43.A plain reading of the above provision shows that Section 20 of the Code Civil Procedure, 1908 is not applicable to the Madras High Court in the exercise of its Original Civil Jurisdiction.

44.It must also be mentioned that on the establishment of Commercial Division, under the Commercial Courts Act, 2015, notification had been issued that the Original Side of the Madras High Court shall be the Commercial Division insofar as the territorial jurisdiction of Chennai is concerned. Therefore, the Rules of the Original Side of the Madras High and also the Letters Patent governing the exercise of Civil Original and Appellate jurisdiction, insofar as they adhere to the provisions of the Commercial Court Act, 2015 shall be applicable to every suit instituted in the Commercial Division of the Madras High Court.

45. With specific reference to the words 'carries on business' a Division Bench of the Madras High Court held as follows in ***Wipro Limited, SP-26, Thriu.vi.ka. Industrial Estate, Guindy, Chennai – 32, rep. by its Legal Manager, Vishal Mittal and another, V. Oushadha Chandrika Ayurvedic India (P) Limited, rep.by its Managing Director, K.S.Kochumon, Azad Road, Irinjalakuda – 680 125, Kerala and others,*** reported in (2008) 3 CTC 724,

“11. While it is the contention of the plaintiffs that they can institute a Suit either in a Court within whose local limits the principal place of business or its branch or branches where its business is carried on, is situate, the defendants submitted that it is the principal place of business that is material. According to the defendants, it is the only reasonable interpretation of Section 62(2) of the Copyright Act and Section 134(2) of the Trade Marks Act, and therefore, as the head office of the plaintiffs is at Bangalore, Courts in Bangalore alone will have jurisdiction. Section 62(1) of the Copyright Act stipulates the forum for institution of infringement proceedings, etc., to be the District Court. Section 62(2) of the Copyright Act provides that the term “District Court having jurisdiction”, notwithstanding anything contained in the C.P.C. or any other law for

the time being in force, would include a District Court within the local limits of whose jurisdiction, the person, or one of the persons, instituting the Suit actually or voluntarily resides or carries on business or personal works for gain. By inserting Section 134(2) of the Trade Marks Act, the legislature has brought the Trade Marks law in line with the provisions contained in the Copyright Act, as very often a trade mark is also registered as an artistic work under the Copyright Act. In Section 62(2) of the Copyright Act as well as in Section 134(2) of the Trade Marks Act, a deliberate departure is made from Section 20 of the C.P.C to enable the plaintiff to sue one who infringed his copyright in the Court within whose local limit he carried on business at the time of the institution of the Suit or other proceedings. If the contrast as between two expressions namely, “actually and voluntarily resides” and “carries on business” is correctly perceived, it would reveal that while there is limitation, regarding residence, there is no such restriction with reference to “carrying on business”. This is a clear indication that the term “carries on business” is not confined to only principal place of business. If the Legislature intended to mean the principal place only, it would have suitably qualified

the expression “carries on business”. The plain meaning of the above expression will only convey that wherever there is a business activity — be it the principal place or branch or branches — the party is said to carry on business in all such places.”

46.The learned counsel for the defendants raised a further objection during arguments stating that the plaintiff actually has an office in the very same building where the defendants have their office in Mumbai and therefore, stated that the forum for institution of the suit should naturally be a Court in Mumbai.

47.In the cause of action paragraph of the plaint, it had been stated that quite apart from having a sales office at Chennai, the plaintiff has instituted the suit in this Court also because the video of the inaugural ceremony of the 1st defendant had been uploaded in the Youtube and it was visible in Chennai.

WEB COPY

48.Quite apart from all these facts, it is also to be noted that the plaintiff has substantial business within the jurisdiction of this Court and they have also had an earlier occasion to institute a suit within the jurisdiction of this Court to protect its trademark.



49.It is also to be mentioned that ultimately only on written statement being filed, can the issue of jurisdiction be actually tested. On the basis of the documents now presented, and on the interpretation given to the words 'carries on business' in Wipro Limited (referred supra), I hold that this Court has jurisdiction to entertain the issues raised in the plaint.

50.The plaintiff has come to Court with a specific averment that they have the proprietary rights over the trademark 'Thirumala' and protection had been given by way of registrations. The plaintiff has stated that they are the proprietors of the following registered trademarks in India:

<i>Sl. No.</i>	<i>Reg.No.</i>	<i>Trade Mark</i>	<i>Reg. Date</i>	<i>Class</i>
1.	1007423	THIRUMALA MILK	04.05.2001	29 Milk, Ghee and Butter
2.	1007425	THIRUMALA MILK	04.05.2001	16 Printed matter, articles advertisement.
3.	3783886	Thirumala Milk – Source of Purity	21.03.2018	29 Milk, Ghee, Butter, Dairy products
4.	3783890	Tirumala Milk	21.03.2018	29 Milk, Ghee Butter, Dairy products
5.	1156166	Thirumala Milk	12.02.2014	29 Milk, Ghee, Butter,

<i>Sl. No.</i>	<i>Reg.No.</i>	<i>Trade Mark</i>	<i>Reg. Date</i>	<i>Class</i>
				Dairy products
6.	4082651	Thirumala Champ Up	09.02.2019	29 Milk, Ghee, Butter, Dairy products

51.It is also stated that they have applied for the trademark 'Thirumala' written in stylized device forms which are as follows:-

Reg. No.	Trade Mark	Application Date	Class	Status
2461353		17/01/2013	29	Registered
3762539		23/02/2018	29	Registered

52.The plaintiff has also stated that they have a substantial turnover and the sales revenue has also been given in the plaint and in the financial year 2019-2020 they have claimed that they had a sales turnover of Rs.2048.69 Crores. They have also stated that they have incurred advertisement expenditure for the financial year 2016-2017 to a sum of Rs.139,264,113/-. Even before proceeding further, the doubts

raised by learned counsel for the defendants regarding the veracity of these figures since they differed on comparison with the details given by the plaintiff themselves in their reply to the examination report with respect to the plaintiff's Application No.2377803 in Class 29, has to be addressed. It had been stated by the learned counsel for the defendants that the plaintiff has indulged in a deliberate attempt to misled this Court regarding their expenditure towards advertisement. The relevancy of the sales figures and / or the advertisement expenses are only to establish goodwill and reputation. The Court is not examining the accounts of the plaintiff in this regard. Even otherwise, the plaintiff has produced a Chartered Accountant Certificate and it will always be open to the defendants, during the course of trial to cross examine the Chartered Accountant with respect to the veracity of the figures given as sales turnover and as advertisement expenditure. The only inference which the Court can draw from the figures, whether they are correct or wrong, is to determine whether the plaintiff has established a market for their products and thereby can claim to have established goodwill and reputation.

53.At any rate, the expenditure amount challenged by the

defendants are only with respect to the expenditures said to have been towards advertisements. This is only for sales promotion of the products. If with lesser expenditure of advertisement, the plaintiff's sales turnover as stated is still maintained, then the reputation can only stated to be enhanced in the minds of the public.

54.The assertion of the learned counsel for the plaintiff that the registered trademark 'Thirumala' has acquired a secondary meaning and is directly associated with the products of the plaintiff will have to be taken into consideration. The plaintiff has stated that they have been in the business of milk and milk products for a considerable period of time, and quite apart from the word 'Thirumala' indicating the holy aboard where Lord Venkateswara resides, the mark has also acquired significant reputation as the brand name of the products of the plaintiff's company namely, milk and milk products. The defendants have also questioned the claim of the plaintiff to monopolize the word 'Thirumala / Tirumala'. They have pointed out that the plaintiff themselves in their reply to the opposition to the objections raised by the Trade Marks Registry, had stated that the mark has to be taken as a whole and therefore, it is distinct both visually, phonetically and structurally from the complained mark.

55.The mark of the defendants complained by the plaintiff in this is as follows:



56.It is seen that the defendants have used the very same mark 'Tirumalaa' very prominently and there is absolutely no difference either in pronunciation or otherwise from the word 'Thirumala' has used by the plaintiff.

57.It is also to be mentioned that the defendants were not in the

business of milk and milk products and when they used the mark 'Tirumalaa' for their other products, the plaintiff had never raised any objection. However, when the defendants had incorporated 'Tirumalaa Daairy', a cause has arisen for the plaintiff to institute the present suit. I hold that cause is fully justified. The defendants have not yet entered into the market. However, they have advertised the same in social media and in other avenues. There has been a specific averment in the plaint that the distributors of the plaintiff have been solicited by the defendants. Enquires have been made with the plaintiff regarding the advent of a new venture into the market with the same name. This has caused confusion among the people even in Maharashtra, where the plaintiff claims a significant presence.

58.This fact is pointed out because, the learned counsel for the defendants stated that since the defendants has not commenced sale of milk and milk products, there can be no issue of passing off the products of the defendants as that of the plaintiff. However, the defendants have commenced aggressive marketing of the products and have advertised the products. This itself can be termed as passing off. There need not be actual sales of the products, but when there is aggressive advertisement

and soliciting of the customers of the plaintiff, and holding out, though the products have not been launched, still they are “a name of trust in the dairy sector', it is evident that the intention of the defendants is to encroach and take advantage of the reputation already built by the plaintiff.

59.The learned counsel for the defendants had relied on a Division Bench of the Delhi High Court reported in *2016 (65) PTC 614 (Del)*, *S.K.Sachdeva and Ors. V. Shri Educare Limited and Ors.*, wherein, it was stated that the plaintiffs having taken a stand that the mark 'SHRI RAM' in that case, is a common mark and the name of a popular Deity, no one proprietor can claim exclusive rights. Further, seeking an order of injunction as against the defendants, could not be appreciated. Further when the plaintiff had not produced their stand taken before the Registrar of Trade Marks before the Court it could be stated that there was concealment of material facts.

60.It is to be noted that in this case, when the plaintiff sought registration of their mark 'Thirumala', the Registry had raised an objection that there were two other players, but providing different

services and in different industries. It was under those circumstances that the plaintiff had stated that they also have a right to use the word 'Thirumala' as their trademark for their separate area of industry. I hold these are issues which have been to be tested during trial. I hold that registrations per se of the substantial mark 'Thirumala' would necessitate protection of the plaintiff from infringement.

61.The learned counsel for the plaintiff also relied on the judgment of a learned Single Judge of this Court reported in (2020) 1 MLJ 25, *N.S.Krishnamoorthy and Another V. Afru Hearing Aid Centre*, wherein, the learned Single Judge had held that a registration of a composite mark confers upon the registered proprietor, the monopoly over the trademark taken as a whole. The learned Single Judge had examined the registered mark and the infringing mark with respect to the trademark 'Hearing Aid Centre' and had held that the defendant by merely adding the word 'Afru' in smaller print cannot put forward a case of distinctiveness and had decreed the suit, granting the relief sought by the plaintiffs.

62.The plaintiffs in that case were carrying on business in

wholesale and retail trading and marketing of 'Hearing Aids and Apparatus' under the name and style of 'Hearing Aid Centre' with 'HAC' logo for the past 36 years. They claimed reputation and goodwill. They had registered the trade name 'Hearing Aid Centre' with 'HAC' logo under the Trade Marks Act, 1999. The defendant was also in the same business of Hearing Aid and Apparatus. They conducted their business under the name of 'Afru Hearing Aid Centre'. In a suit for infringement brought by the plaintiffs, the defendant had contended that the words 'Hearing Aid Centre' have not been independently registered and therefore, there was no infringement. It was also the contention of the defendant that the registration had been obtained by the plaintiff only for the composite mark and unless the plaintiff had applied for registration of each mark, the plaintiff cannot claim exclusive right over the entire mark and that the term 'Hearing Aid Centre' is a mark commonly used in the trade.

63.The learned Single Judge had rejected that argument and had held that the significant portion was 'Hearing Aid Centre' and had therefore found as a fact that the plaintiff had made out a case for grant of permanent injunction and protection from infringement.

64.In *Parle Products (P) Limited., Vs. J.P., and Co., Mysore* reported in *AIR 1972 SC 1359*, broad and essential features to be considered have been stated as follows:-

“ It is therefore clear that in order to come to the conclusion whether one mark is deceptively similar to another, the broad and essential features of the two are to be considered. 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. 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.

..... Anyone in ,our opinion who has a look at one of the packets to-day may easily mistake the other if shown on another day as being the same article which he had seen before. If one was not

careful enough to note the peculiar features of the wrapper on the plaintiffs goods, he might easily mistake the defendants' wrapper for the plaintiffs if shown to him some time after he had seen the plaintiffs'. After all, an ordinary purchaser is not gifted with the powers of observation of a Sherlock Holmes. We have therefore no doubt that the defendants' wrapper is deceptively similar to the plaintiffs' which was registered.....”

65. In **(2016) 2 SCC 683 S.Syed Mohideen Vs. P.Sulochana Bai**, after trial, the plaintiff's suit was decreed. That decree was upheld by a Division Bench of this Court. The matter finally reached the door steps of the Hon'ble Supreme Court. It was a lis between “Iruttukadai Halwa” and “Tirunelveli Iruttukadai Halwa”. The Hon'ble Supreme Court held that even in a case when both marks are registered, the action of passing off will lie since the latter user of the mark/name cannot misrepresent his business as that of the business of a prior right holder. It was held that the registration of the trademark by the defendant is no defence to a

passing off action. It was held as follows:-

*“31.1. Traditionally, passing off in common law is considered to be a right for protection of goodwill in the business against misrepresentation caused in the course of trade and for prevention of resultant damage on account of the said misrepresentation. The three ingredients of passing off are goodwill, misrepresentation and damage. These ingredients are considered to be classical trinity under the law of passing off as per the speech of Lord Oliver laid down in the case of **Reckitt & Colman Products Ltd. v. Borden Inc (1990) 1 WLR 491: (1990) 1 AllE.R. 873 (HL)** which is more popularly known as "Jif Lemon" case wherein the Lord Oliver reduced the five guidelines laid out by **Lord Diplock in Erven Warnink v. Townend & Sons Ltd. [1979] AC 731, 742 (HL)** (the "Advocate Case") to three elements: (1) Goodwill owned by a trader, (2) Misrepresentation and (3) Damage to goodwill. Thus, the passing off action is essentially an action in deceit where the common law rule is that no person is*

entitled to carry on his or her business on pretext that the said business is of that of another. This Court has given its imprimatur to the above principle in the case of
Laxmikant V. Patel v. Chetanbhat Shah
(2002) 3 SCC 65.

31.2. The applicability of the said principle can be seen as to which proprietor has generated the goodwill by way of use of the mark name in the business. The use of the mark/carrying on business under the name confers the rights in favour of the person and generates goodwill in the market. Accordingly, the latter user of the mark/name or in the business cannot misrepresent his business as that of business of the prior right holder. That is the reason why essentially the prior user is considered to be superior than that of any other rights. Consequently, the examination of rights in common law which are based on goodwill, misrepresentation and damage are independent to that of registered rights. The mere fact that both prior user and subsequent user are registered proprietors are irrelevant for the purposes of examining who

generated the goodwill first in the market and whether the latter user is causing misrepresentation in the course of trade and damaging the goodwill and reputation of the prior right holder/former user. That is the additional reasoning that the statutory rights must pave the way for common law rights of passing off.

32. *Thirdly, it is also recognized principle in common law jurisdiction that passing off right is broader remedy than that of infringement. This is due to the reason that the passing off doctrine operates on the general principle that no person is entitled to represent his or her business as business of other person. The said action in deceit is maintainable for diverse reasons other than that of registered rights which are allocated rights under Recent Civil Reports the Act. The authorities of other common law jurisdictions like England more specifically **Kerry's Law of Trademarks and Trade Names, Fourteenth Edition, Thomson, Sweet & Maxwell South Asian Edition** recognizes the principle that where trademark action fails, passing off*

action may still succeed on the same evidence.

This has been explained by the learned Author

by observing the following:--

15-033 "A claimant may fail to make out a case of infringement of a trade mark for various reasons and may yet show that by imitating the mark claimed as a trademark, or otherwise, the Defendant has done what is calculated to pass off his goods as those of the claimant. A claim in "passing off" has generally been added as a second string to actions for infringement, and has on occasion succeeded where the claim for infringement has failed"'. "

66.In *Gangotree Sweets and Snacks Pvt. Ltd., Vs. Shree*

Gangotree Sweets reported in *2005(31) PTC 502 (Mad)*, a Division

Bench of this Court had held as follows:-

"The applicant-plaintiff having acquired a statutory right, by virtue of its registered trade mark is certainly entitled to seek for its protection of its infringement in any form. Equally its rights as against any body's attempt to even pass off such goods also entitled to be protected. When according

to the applicant-plaintiff, it is the user of word "Gangotree" right from the year 1990, it is entitled to claim that such user has created a presumptive right in its favour under Section 31 of the Trade Marks Act and consequently, the whole burden would shift on the respondent-defendant to dislodge that presumption which may even be available to the respondent-defendant by approaching the appropriate Forum by invoking the provisions contained in Chapter VII of the Trade Marks Act, 1999. Until such remedies are invoked in a successful manner, it will have to be held that infringement of the trade mark of the applicant-plaintiff in any manner and the action of passing off indulged in by the respondent-defendant in the form in which it is alleged and shown as on date would entitle the applicant-plaintiff to seek for injunction as prayed for. ”

67.In (2001) 5 SCC 63 *Cadila Health Care Ltd., Vs. Cadila*

Pharmaceuticals Ltd., it had been held as follows:-

“42. Broadly stated in an action for passing off on the basis of unregistered trade mark generally for deciding the question of deceptive similarity the following factors to be considered:

- a) *The nature of the marks i.e. whether the marks are word marks or label marks or composite marks, i.e. both words and label works.*
- b) *The degree of resemblance between the marks, phonetically similar and hence similar in idea.*
- c) *The nature of the goods in respect of which they are used as trade marks.*
- d) *The similarity in the nature, character and performance of the goods of the rival traders.*
- e) *The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods.*
- f) *The mode of purchasing the goods or placing orders for the goods and*
- g) *Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks.*

43. *Weightage to be given to each of the aforesaid factors depends upon facts of each case and the same weightage cannot be given to each factor in every case.”*

68.To reiterate, in the instant case, the mark impugned is the same

as that of the plaintiff. The words 'Thirumala' of the plaintiff and 'Tirumalaa' of the defendants can be pronounced in only one manner. The slight difference in spelling is not discernible to the eye.

69.The learned counsel for the defendants had also stated that the defendants are not a fly by night group, but that they already had a business Tirumalla Edible Oils and Foods and that their spiritual guru had advised them to adopt the mark 'Tirumalaa' and therefore they are justified in adopting the said mark.

70.The Court cannot examine the reasons advanced by the learned counsel for the defendants for adopting the mark 'Tirumalaa', but so long as it is offensive to the trademark already registered in the name of the plaintiff, then the plaintiff is entitled for protection.

71.The defendant in their counter finally stated that they would alter and amend their label. The page as given in the counter affidavit has extracted below. It does contain the seal of an Advocate Notary, but since the page had been scanned it could not be prevented,

PLAINTIFF'S LABEL	DEFENDANTS' OLD / IMPUGNED LABEL
	
PLAINTIFF'S LABEL	DEFENDANTS' AMENDED / NEW LABELS
	
	



72.The learned counsel for the defendants stated that since the

defendants had come up with an alternate packaging, the Court should consider the said development. This altered mark had been rejected by the learned counsel for the plaintiff, who stated that though in small letters still the defendants had retain the word 'Tirumalaa' which is the registered trademark of the plaintiff.

73.This Court cannot examine whether the amended packaging could be thrust upon the plaintiff or not. As the registered proprietor it is the privilege of the plaintiff to examine whether there is any infringement of their registered trademark. If they are of the opinion there is no infringement, the matter rests there. If they are of the opinion that there is infringement then alone can the Court examine the issues. The fact in issue would shift to the altered mark and the said mark will have to be scrutinized in manner know to law. A cursory finding cannot be rendered.

WEB COPY

74.It is to be noted that though the pouches had been presented as above, the defendants have changed the name of the 1st and 2nd defendants to 'Tirumalaa Daairy Ltd.,' and 'Tirumalaa Fresh Daairy Farm Pvt. Ltd.,' which directly infringes and would certainly cause confusion

in the minds of the public as to whether the entities are branches of the plaintiff. Therefore, I hold that the labels as presented are only a ploy to detract the minds of the plaintiff and not with any true intention.

75.The defendants in their counter affidavit have not denied the specific averments placed by the plaintiff regarding their presence in Maharashtra and attempts of the defendant in soliciting the distributors of the plaintiff. That is a very crucial aspect. Though in the counter several issues have been raised, the defendants have thought it not necessary to deny this allegation by the plaintiff. Naturally, then the statement of the plaintiff that they have a presence in Maharashtra and attempts to solicit business will have to be taken as admitted facts.

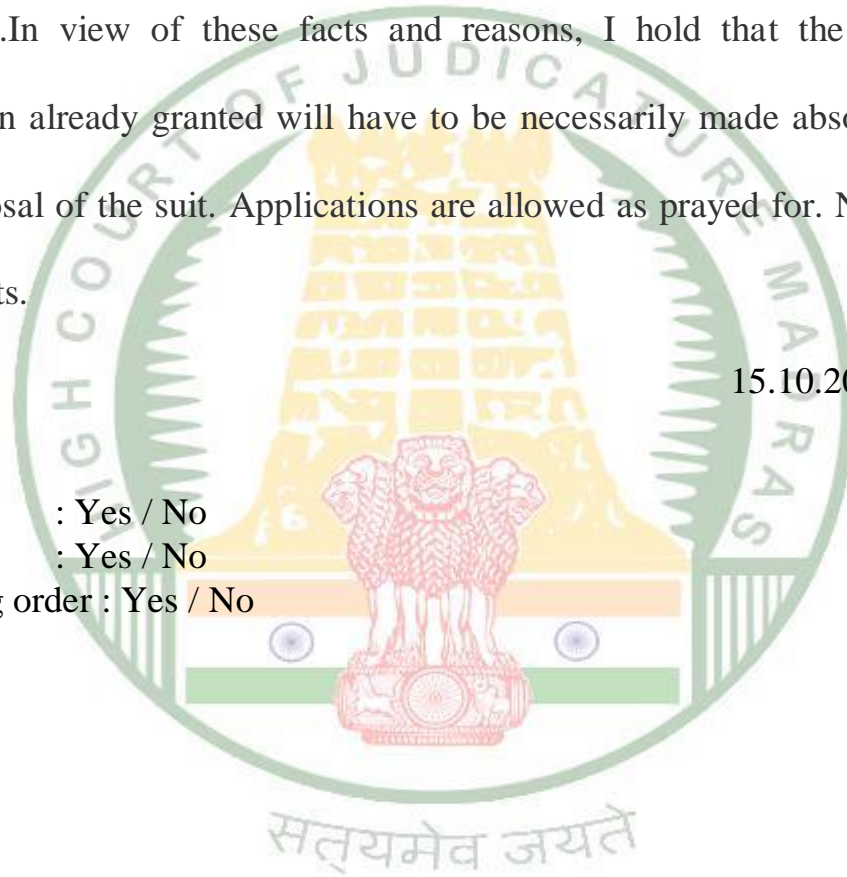
76.In view of the above reasons, I hold that there are no changes in the circumstances examined and from the consideration shown while granting interim injunction. The defendants have changed the names of the 1st and 2nd defendants by including the name 'Tirumalaa Daairy'. They are still phonetically the very same word as used by the plaintiff. They still use the mark 'Tirumalaa' in their pouches. They have also started to advertise the products, advertise their same brand name and have also

been directly involved in trying to draw away the existing customers of the plaintiff. These are all acts of infringement. Steps have also been taken to pass off the products of the defendants as that of the plaintiff.

77.In view of these facts and reasons, I hold that the interim injunction already granted will have to be necessarily made absolute till the disposal of the suit. Applications are allowed as prayed for. No order as to costs.

15.10.2020

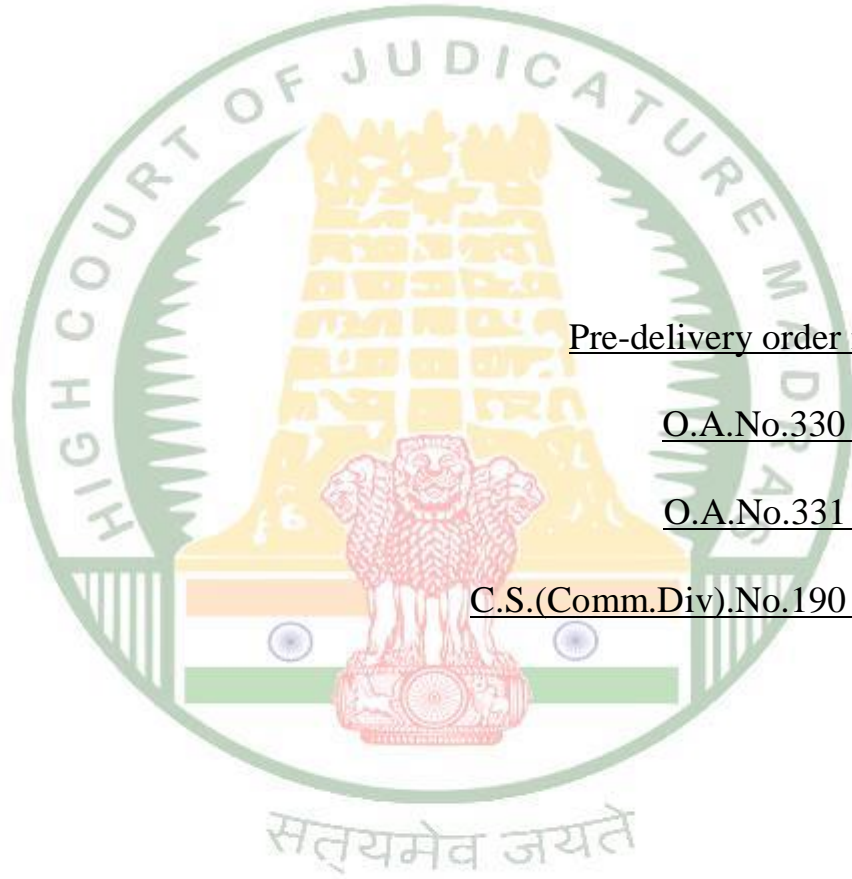
smv
Index : Yes / No
Internet : Yes / No
Speaking order : Yes / No



WEB COPY

C.V.KARTHIKEYAN, J.,

smv



Pre-delivery order made in

O.A.No.330 of 2020

and

O.A.No.331 of 2020

in

C.S.(Comm.Div).No.190 of 2020

WEB COPY

15.10.2020