IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 24 / 06 / 2026
PRONOUNCED ON : 28 / 07 / 2026

Coram:

THE HONOURABLE MR. JUSTICE P.VELMURUGAN
and
THE HONOURABLE MRS. JUSTICE K.GOVINDARAJAN THILAKAVADI

O.SA.(CAD)No.3 of 2022

N.Ranga Rao & Sons Private Ltd.,
PB No.52, Vani Vilas Road,
Mysore: 570 004
and also at
T.S.-109, Block No.3, Poomagal,
5th Street, Ekkaduthangal,
Chennai - 600 032. ... Appellant

Vs.

Sree Annapoorna Agro Foods,
No.98E, Karattu Thottam,
Erode - 638 004. ... Respondent

Prayer: This Original Side Appeal is filed under Order 13 Rule 1 of Commercial Courts Act r/w 15 of Letters Patent, to set aside the judgment and decree passed by this Court, dated 17.08.2021 in C.S.No.259 of 2017.

For Appellant : Mr.P.S.Raman
Senior Advocate

For Mr.S.Diwakar

For Respondent : Mr.R.Sathish Kumar

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JUDGMENT

P.VELMURUGAN, J.

This Original Side Appeal is filed by the appellant/plaintiff challenging the judgment and decree dated 17.08.2021 passed by the learned Single Judge in C.S.No.259 of 2017, whereby the suit filed by the plaintiff came to be dismissed with costs.

2. For the sake of convenience, the parties are referred to according to their respective litigative status in the suit.

3. The case of the plaintiff, in brief, is that the plaintiff is a company engaged in the manufacture and sale of incense sticks and allied products. The business was founded by late N.Ranga Rao in the year 1948 as a

proprietary concern and was subsequently converted into a partnership firm and thereafter incorporated as a private limited company in the year 2014. According to the plaintiff, it is one of the largest manufacturers and exporters of incense sticks in India and exports its products to more than 40 countries. It is the specific case of the plaintiff that the trademark 'CYCLE' was adopted in the year 1954 and has been extensively used ever since. The plaintiff claims that it has obtained registrations of the mark "CYCLE" and the cycle device under various classes, including Classes 29 and 30 in respect of food products. According to the plaintiff, by reason of long, continuous and extensive use, substantial sales turnover, extensive advertisements and promotional activities and the enforcement actions taken against infringers, the mark "CYCLE" has acquired enormous reputation and goodwill and has become associated exclusively with the plaintiff and its products. It is further claimed that the mark has attained the status of a well-known trademark within the meaning of Section 2(1)(zg) of the Trade Marks Act, 1999.

4. The plaintiff would further state that it came to know that the defendant had adopted and commenced using the identical mark "CYCLE"

in respect of edible oils falling under Class 29. According to the plaintiff, the defendant has adopted the identical mark only with an intention to take undue advantage of the goodwill and reputation attached to the plaintiff's trademark. It is the specific case of the plaintiff that the use of the identical mark by the defendant is likely to cause confusion and deception among the trade and public and is detrimental to the distinctive character and reputation of the plaintiff's trademark. Hence, the suit came to be instituted seeking permanent injunction restraining infringement and passing off, rendition of accounts of profits, surrender of offending labels, blocks and dies and costs.

5. The case of the defendant, as set out in the written statement, in brief, is that the defendant has been manufacturing and marketing edible vegetable oils under the trademark "CYCLE" since the year 2009. According to the defendant, the plaintiff has used the mark "CYCLE" only in relation to incense sticks and agarbathies and has never used the same in respect of food products. The defendant would contend that the registrations obtained by the plaintiff in Classes 29 and 30 were only on a proposed to be used basis and were liable to be cancelled on the ground of non-user. It is further contended that edible oils are neither allied nor cognate to incense sticks and

agarbathies and, therefore, there is no possibility of confusion or deception among the consuming public. According to the defendant, "CYCLE" is a common dictionary word and the plaintiff cannot claim monopoly over the said word in respect of all goods. It is also the specific case of the defendant that it is the prior user of the mark "CYCLE" in respect of edible oils and has been continuously using the same since the year 2009.

6. On the above pleadings, the learned Single Judge framed the following issues:

> "(1) Whether the defendant has infringed the plaintiff's registered trademark "CYCLE"?
>
> (2) Whether the defendant is passing off its goods using the trademark "CYCLE" as and for the goods of the plaintiff under the registered trademark and copyrighted artistic work "CYCLE"?
>
> (3) Whether the defendant is manufacturing any products under the trademark "CYCLE" with respect to FOOD PRODUCTS falling under Class 29 or Class 30 of the Trade Mark Rules?
>
> (4) Whether the defendant adopted the trademark "CYCLE" for edible oils in the year 2009 and whether the defendant is continuously using the trademark "CYCLE" for edible oils?

(5) Whether the plaintiff's agarbathies/incense sticks and the defendant's products under the trademark "CYCLE" are allied or cognate goods?

(6) Whether the defendant's use of the trademark "CYCLE" is detrimental to the use of plaintiff's trademark "CYCLE" or to the distinctive character and repute of the plaintiff's trademark?

(7) Whether the plaintiff's trademark "CYCLE" has such reputation so as to prevent the defendant from using the dissimilar goods other than those used by the plaintiff and whether the trademark CYCLE has come to be associated with the plaintiff if used in any product?

(8) Whether the plaintiff is entitled to the relief of rendition of accounts of profits earned by the defendant through the infringing use of the mark "CYCLE"?

(9) Whether the plaintiff is entitled to the surrender of entire stock of unused offending labels, blocks and dyes bearing the offending trademark "CYCLE" for destruction?

(10) Whether the plaintiff is entitled to costs of the suit?

(11) To what other reliefs the plaintiff is entitled to?"

7. Based on the pleadings made by the parties and issues framed by the Court, both the parties let in oral and documentary evidence. On the side of the plaintiff, V.Ramamoorthy, Associate Regional Manager of the plaintiff company, was examined as P.W.1 and Exs.P1 to P14 were marked. On the

side of the defendant, K.Paramasivam, Proprietor of the defendant concern, was examined as D.W.1 and Exs.D1 to D3 were marked.

8. Upon considering the pleadings, oral and documentary evidence and the submissions made on either side, the learned Single Judge dismissed the suit holding that the distinctiveness established by the plaintiff was only in respect of "Cycle Brand Agarbathies" and not "CYCLE" per se; that "CYCLE" being a dictionary word cannot confer monopoly across all goods; that incense sticks and edible oils are neither allied nor cognate goods and, therefore, there was no likelihood of confusion or deception; that the plaintiff had failed to establish use of the mark in respect of food products under Classes 29 and 30; and that the defendant had adopted the mark arbitrarily and was the prior user in respect of edible oils.

9. Aggrieved by the said judgment and decree, the appellant/plaintiff has preferred the present appeal.

10.1. The learned Senior Counsel appearing for the appellant would submit that the learned Single Judge did not properly appreciate the pleadings and the oral and documentary evidence on record and consequently dismissed the suit on an erroneous understanding of the facts and law. According to the learned Senior Counsel, the evidence on record clearly establishes that the appellant adopted the trademark "CYCLE" in the year 1954 and has been openly, continuously and extensively using the same for several decades. It is submitted that the appellant initially adopted the trademark "CYCLE" in respect of agarbathies and incense sticks and, over a period of time, expanded its business to several other products. It is submitted that, by reason of such long and uninterrupted use, substantial sales turnover, extensive advertisements and promotional activities and exports to several countries, the mark "CYCLE" has acquired enormous reputation and goodwill and has become exclusively associated with the appellant and its products.

10.2. The learned Senior Counsel would further submit that the documentary evidence produced by the appellant clearly establishes the reputation and goodwill acquired by the mark "CYCLE". According to the learned Senior Counsel, Ex.P2 evidences the registrations obtained by the appellant in respect of the mark "CYCLE" and the cycle device under various classes, including Classes 29 and 30. Ex.P3 comprises invoices and other documents evidencing the continuous and extensive use of the mark "CYCLE" by the appellant over several decades. Ex.P4 is a copy of the sales invoice evidencing use of the mark "CYCLE" in respect of oil. Ex.P5 consists of copies of various advertisements issued by the appellant for the mark "CYCLE", which demonstrate the extensive advertisements and promotional activities undertaken by the appellant and the reputation and goodwill enjoyed by the mark throughout the country. Ex.P6 comprises copies of various awards and recognitions conferred upon the appellant and its predecessors. It is submitted that these documents, read together, clearly establish that the mark "CYCLE" enjoys extensive reputation and goodwill and has acquired a secondary significance in relation to the appellant's products.

10.3. The learned Senior Counsel would further submit that the learned Single Judge proceeded on the erroneous premise that the distinctiveness established by the appellant was confined only to "Cycle Brand Agarbathies" and not to the mark "CYCLE" itself. According to the learned Senior Counsel, the mark "CYCLE", by reason of its long and extensive use, has attained a secondary significance in relation to the products of the appellant, thereby transcending its primary meaning. It is submitted that these facts have been adequately substantiated by the appellant through documentary evidence. In such circumstances, the learned Single Judge erred in treating the mark "CYCLE" as a common dictionary word and as a generic or weak mark that can be used by anyone without causing dilution to the distinctive character of the appellant's mark.

10.4. The learned Senior Counsel would further submit that due consideration was not accorded to the registrations obtained by the appellant under various classes, including Classes 29 and 30, and the matter was examined as though the appellant's rights were confined only to incense sticks and agarbathies. According to the learned Senior Counsel, the appellant had specifically contended that the mark "CYCLE" had acquired such reputation that any product sold under the mark "CYCLE" would immediately be associated by the trade and public with the appellant. It is further submitted that, by reason of such long, continuous and extensive use coupled with substantial goodwill and reputation, the trademark "CYCLE" has acquired the status of a well-known trademark within the meaning of Section 2(1)(zg) of the Trade Marks Act. It is submitted that, for the purpose of Section 29(4) of the Trade Marks Act, it is sufficient if the appellant establishes that the registered mark has a reputation in India and that the respondent's use is without due cause and takes unfair advantage of or is detrimental to the distinctive character or reputation of the registered trademark. According to the learned Senior Counsel, the law does not require the appellant to establish overwhelming reputation in respect of the same class of goods as those dealt with by the respondent.

10.5. The learned Senior Counsel would further submit that the respondent had not assigned any reason whatsoever for adopting the identical mark "CYCLE" along with the cycle device. It is submitted that the respondent admittedly had knowledge of the appellant's mark and yet failed to explain the reason for adopting the identical mark. According to the learned Senior Counsel, in the absence of any explanation for such adoption, an adverse inference ought to have been drawn against the respondent and the plea of honest and bona fide adoption ought not to have been accepted.

10.6. The learned Senior Counsel would further submit that the side-by-side comparison of the rival labels and marks clearly demonstrates that the respondent has adopted the identical word mark "CYCLE" and a cycle device substantially similar to that of the appellant. According to the learned Senior Counsel, the appellant's mark consists of the word "CYCLE" and the cycle device appearing within an oval device, whereas the respondent has adopted the identical word mark and cycle device within a rectangular device. It is submitted that the learned Single Judge erred in noticing dissimilarity between the device marks merely because one is contained within an oval device and the other within a rectangular device. According to the learned Senior Counsel, such differences are trivial in nature and side-by-side comparison of marks has been consistently disapproved by various High Courts and by the Hon'ble Supreme Court. It is submitted that the rationale behind the said principle is that an average consumer does not possess the mental acumen or detective skills of a fictional character like Sherlock Holmes and would only be guided by the overall similarity and general impression created by the marks. According to the learned Senior Counsel, having held that the word marks are identical, the learned Single

Judge ought not to have relied upon such trivial dissimilarities to conclude that there was no possibility of confusion.

10.7. The learned Senior Counsel would further submit that the issue of likelihood of confusion and deception was not examined from the proper perspective. According to the learned Senior Counsel, the appellant, by producing extensive documentary evidence, had established that the mark "CYCLE" enjoys reputation throughout the country and that any product sold under the trademark "CYCLE" would immediately be associated with the appellant. It is submitted that, in such circumstances, the respondent's adoption of the identical mark is bound to cause confusion amongst the trade and public notwithstanding the fact that the goods are different.

10.8. The learned Senior Counsel would further submit that the learned Single Judge erred in differentiating between the products on the basis that one is used for smell and the other is used for taste. According to the learned Senior Counsel, such differentiation is arbitrary and capricious and is contrary to the settled principles governing likelihood of confusion. It is submitted that the learned Single Judge failed to consider the established tests relating to the possibility of confusion, namely, the overall similarity of the marks, the similarity of trade channels and the class of customers to whom the products are marketed.

10.9. The learned Senior Counsel would further submit that the learned Single Judge failed to consider the fact that the products of both the appellant and the respondent are fast-moving consumer goods which are sold in the same Kirana stores and supermarkets and are likely to be kept side by side. According to the learned Senior Counsel, such circumstances are likely to lead to confusion amongst the trade and the public regarding the origin of the goods and are also likely to cause the public to associate the respondent's goods with those of the appellant.

10.10. The learned Senior Counsel would further submit that the respondent has shown a propensity to adopt popular and reputed marks available in the market for its products and that such conduct has a direct bearing on the question whether the respondent's use is without due cause within the meaning of Section 29(4) of the Trade Marks Act. According to the learned Senior Counsel, the appellant had placed materials and precedents before the learned Single Judge in support of the said contention. However, neither the conduct of the respondent nor the precedents relied upon by the appellant received due consideration and consequently an erroneous conclusion was reached that the appellant had failed to satisfy the requirements of Section 29(4) of the Act.

10.11. The learned Senior Counsel would further submit that the learned Single Judge erred in holding that the appellant had made no claim regarding dilution of its mark by the respondent's use of the mark "CYCLE". According to the learned Senior Counsel, both the plaint and the affidavit contain specific pleadings regarding dilution of the reputation of the mark "CYCLE". It is submitted that the impugned judgment is also inconsistent on this issue. While at one place the learned Single Judge observed that, for establishing dilution, the appellant is required to prove reputation and likelihood of confusion as to origin, while dealing with Issue No.6, it was held that dilution should be proved through documentary and third-party evidence. According to the learned Senior Counsel, these findings are selfcontradictory and contrary to settled principles of law. The learned Senior Counsel would further submit that actual dilution need not be proved and that it is sufficient if the impugned use is likely to take unfair advantage of, or be detrimental to, the distinctive character or reputation of the appellant's mark.

10.12. The learned Senior Counsel would therefore submit that the reasons assigned in the impugned judgment are contrary to the pleadings, evidence and settled principles governing infringement, dilution and passing off and that the judgment and decree under appeal are liable to be set aside and the suit decreed as prayed for.

11.1. Per contra, the learned counsel appearing for the respondent submitted that the appellant has never used the trademark "CYCLE" in respect of edible oils. According to him, though the appellant obtained registrations for the trademark in respect of agarbathies, incense sticks and certain other goods, it has not obtained or used the trademark for edible oils. The registrations under Classes 29 and 30 were only on a proposed to be used basis and, therefore, no exclusive right can be claimed without actual commercial use. It was further contended that such registrations are liable to be cancelled on the ground of non-user. It was also submitted that "CYCLE" is an ordinary dictionary word and that the appellant cannot claim monopoly over the said word in respect of all classes of goods. It was further submitted that the respondent has been continuously using the trademark "CYCLE" for edible oils from the year 2009 and is, therefore, the prior user in respect of those goods. Since the appellant and the respondent deal with entirely different products, namely agarbathies and edible oils, which are neither allied nor cognate goods, there is no possibility of confusion or deception among consumers.

11.2. The learned counsel further contended that there was no dishonest or mala fide intention on the part of the respondent while adopting the trademark. According to him, the respondent has not attempted to take advantage of the appellant's goodwill. The learned Single Judge, after properly appreciating the oral and documentary evidence, rightly dismissed the suit, which does not call for any interference by this Court in the present appeal. Therefore, the learned counsel prays for dismissal of the appeal.

12. Heard the rival submissions and perused the materials available on record.

13. It is not in dispute that the appellant commenced its business in the year 1948 and adopted the trademark "CYCLE" in the year 1954. Since then, it has continuously used the trademark in relation to incense sticks and allied products. It is also not in dispute that the respondent adopted the identical trademark "CYCLE" in the year 2009 for edible vegetable oils. Therefore, the dispute is not about who first adopted the mark. The real issue is whether the respondent is legally entitled to use the identical trademark in respect of different goods.

14. The learned Single Judge dismissed the suit mainly on the ground that the appellant had established reputation only in respect of incense sticks and agarbathies. The learned Single Judge also held that the appellant's registrations in Classes 29 and 30 were obtained on a proposed to be used basis and that there was no satisfactory evidence of actual use of the

trademark in respect of those goods. It was further held that edible oils and incense sticks are neither allied nor cognate goods and, therefore, there was no likelihood of confusion or deception among consumers. The learned Single Judge also found that the respondent was the prior user of the trademark in respect of edible oils. The learned Single Judge observed that "Cycle" is a common word by itself and the appellant's reputation was only in respect of products connected with Agarbathies and not in the word "Cycle" alone. On these findings, the learned Single Judge concluded that the appellant was not entitled to protection under Section 29(4) of the Trade Marks Act, 1999.

15. In the light of the above findings, the main question that arises for consideration is whether the appellant has established that the trademark "CYCLE" had acquired sufficient reputation in India before the respondent adopted the identical mark. If so, it must then be examined whether the respondent's use of the identical mark is without due cause and whether such use takes unfair advantage of, or is detrimental to, the distinctive character or reputation of the appellant's registered trademark within the meaning of Section 29(4) of the Trade Marks Act.

16. The oral and documentary evidence on record shows that the appellant has been continuously using the trademark "CYCLE" since the year 1954. The evidence also shows that the business, which began as a proprietary concern, was later converted into a partnership firm and thereafter into a private limited company, while continuing to use the same trademark. The respondent has not seriously disputed the appellant's prior adoption or its long and continuous use of the trademark. Therefore, it is clear that the appellant is the prior adopter and has been continuously using the trademark for several decades.

17. The appellant has produced various documents in support of its case. Ex.P2 consists of the trademark registration certificates relating to the mark "CYCLE" and the cycle device. Ex.P3 consists of invoices and other records showing continuous commercial use of the trademark over several years. Ex.P4 is a sales invoice relied upon to show use of the mark in relation to oil products. Ex.P5 contains advertisements and promotional materials relating to the trademark "CYCLE". Ex.P6 consists of awards and recognitions received by the appellant and its predecessors. These documents, taken together, establish the long and continuous use of the

trademark, the growth of the appellant's business and the reputation acquired by the mark over the years. The respondent has not seriously disputed the genuineness of these documents.

18. The materials on record further show that the appellant's products are sold throughout India and are also exported to several foreign countries. The appellant has produced documents relating to advertisements, promotional activities, awards and recognitions received over the years. There have also been several litigations in which protection was granted to the appellant's trademark. In one such case, one of us, while presiding over a Single Bench in C.S.No.310 of 2014, examined the reputation of the trademark "CYCLE". The relevant portion of the said judgment is extracted below:

> “a. According to the plaintiff, the mark of the plaintiff CYCLE is declared as a well known mark under Section 2(1) (zg) of the Trade Marks Act, 1999. In the earlier cases filed by the plaintiff, this Court passed order, which shows that Trade mark Registry specifically declared that the mark CYCLE is well known and for which, the learned counsel for the plaintiff also relied on the decision of this Court in the case of

Mahendra T.Thakkar and another Vs. N. Ranga Rao & Sons Pvt. Ltd., dated 25.10.2019 in A.Nos.7501 and 7502 of 2018 in C.S.No.296 of 2018 wherein, this Court has held:

> *"14..... The Cycle brand Agarbathy and other products of the plaintiff is in existence for many decades and also gained substantial reputation."*

b. In the case of ***N.Ranga Rao and sons Private Limited Vs. Sriman Industries, unreported judgment in C.S.No.260 of 2017 dated 04.11.2019,*** this Court, while deciding the question as to whether the Agarbathis and Benzoin (Sambrani) are allied and cognate, proceeded to restrain the defendants' use of the mark CYCLE in respect of Sambrani, holding that,

> *"26. Admittedly, the Plaintiff has registered mark under Class 3 and have reputation not only to Aagarbathies but also pooja products….*

c. Further, in the case of ***N.Ranga Rao and Sons Private Limited Vs. M/s.Shyam Detergents and another, unreported judgment dated 16/11/2021 in C.S. No. 101 of 2006,*** this Court has held that the mark CYCLE is well known in the following manner;

8. The name CYCLE BRAND is well known and the plaintiffs goods are used by the consumers from all walks of society."

d. Therefore, from the pleadings, oral and documentary evidence and also from the above judgments, it is clear that the mark CYCLE with the device of "Cycle" has been declared to be well known, not only by the appropriate authority, but also by this Court in multiple occasions while granting protection even against the use for goods other than Agarbathis for which the plaintiff is the registered proprietor."

The above observations, though made in cases relating to agarbathies and other allied products, are relevant in considering the reputation acquired by the trademark "CYCLE". Those decisions show that the appellant's business has been consistently identified by the trademark "CYCLE" over several decades. The evidence in the present case also shows that the appellant has continuously used the trademark "CYCLE" since the year 1954, has widely advertised the mark, has built up substantial business in India and abroad, has received several awards and recognitions, and has taken consistent steps to protect its trademark. These facts clearly establish that the trademark "CYCLE" has acquired substantial reputation and goodwill and has become associated in the minds of the public with the appellant and its business. Therefore, the reputation established by the appellant cannot be confined only to agarbathies or allied products. In the facts of the present case, the evidence establishes that the trademark "CYCLE" itself has acquired an independent reputation and distinctiveness.

19. A trademark is not merely a mark used to identify a product. By long and continuous use, it acquires a separate identity and represents the reputation and goodwill of the business of its owner. Therefore, while deciding whether a trademark has acquired reputation, the Court has to consider the overall evidence relating to its period of use, extent of business, advertisements, recognition among consumers and market acceptance, and not only the particular goods in which the mark is currently used.

20. As discussed above, the oral and documentary evidence clearly establishes that the trademark "CYCLE" had acquired substantial reputation and goodwill in India much before the respondent adopted the identical mark in the year 2009. The evidence also shows that the trademark had become associated with the appellant and its business and had acquired distinctiveness among the purchasing public. We are, therefore, unable to agree with the finding of the learned Single Judge that the appellant had established reputation only in respect of products connected with agarbathies and not in respect of the trademark "CYCLE" itself. Having arrived at this finding, the next question for consideration is whether the appellant is

entitled to protection under Section 29(4) of the Trade Marks Act, even though the respondent is using the identical mark for different goods.

21. The main reason given by the learned Single Judge for rejecting the appellant's claim was that the appellant had not proved actual use of the trademark "CYCLE" in respect of edible oils and that the registrations obtained under Classes 29 and 30 were only on a proposed to be used basis. Based on this reasoning, the learned Single Judge held that the appellant could not claim exclusive rights over edible oils. In the view of this Court, such an approach does not consider the true scope of protection provided under Section 29(4) of the Trade Marks Act.

22. The appellant has not claimed rights over edible oils on the ground that it was manufacturing or selling edible oils before the respondent or merely because it obtained registrations under Classes 29 and 30. The appellant's case is that, long before the respondent adopted the mark, the trademark "CYCLE" had already acquired considerable reputation and goodwill through continuous use for several decades. According to the

appellant, the respondent adopted the identical mark without any proper reason and attempted to take advantage of the reputation already created by the appellant. Therefore, the issue is not about the respondent selling edible oils, but about the adoption of an identical trademark which had already acquired reputation in favour of the appellant. This issue has to be examined under Section 29(4) of the Act.

23. The learned Single Judge also held that edible oils and incense sticks are different products and are not allied or cognate goods. However, even if the goods are treated as different, that factor alone cannot determine the present dispute. Section 29(4) of the Trade Marks Act provides protection to a registered trademark even in respect of dissimilar goods or services, subject to the requirements contained therein. At this juncture, it is relevant to extract Section 29(4) of the Trade Marks Act:-

> "29(4) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which-
>
> (a) is identical with or similar to the registered trade mark; and
>
> (b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and

(c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.”

24. The respondent has relied upon the plea that he has been using the trademark "CYCLE" for edible oils from the year 2009 and claimed to be the prior user in respect of those goods. In this regard, the admissions made by D.W.1 in cross-examination are relevant:

"Q: What business are you carrying on since 1981?

A: I am carrying on business of trading in edible oils alone.

Q: Under what brands have you been carrying on business since 1981?

A: I have been using various brands from time to time. I have been using brands such as ANNAPURNA BRAND, CYCLE BRAND, THENDRAL BRAND, DR. GOLD and SAMYNGOLD.

Q: What was the name of your business since 1981?

A: In the year 1981 the business was started under the name ANNAPURNA OIL STORES, which was subsequently changed to SREE ANNAPURNA AGRO FOODS in the year 2005.

Q: Have you filed any document to prove your claim of being in the business since 1981?

A: I have not filed any document.

> *Q: Have you stated in your written statement about your being in the business since 1981?*
>
> *A: I have not stated in my written statement. Witness further adds: In Ex.D3, the letter head shows 1981. "*

The above admissions show that the respondent claims to have been carrying on the edible oil business since 1981 under different brand names. However, he has not produced any contemporaneous document to support the said claim, nor were these facts pleaded in the written statement. It is also admitted that the business was originally carried on as "ANNAPURNA OIL STORES" and that the name was changed to "SREE ANNAPURNA AGRO FOODS" only in the year 2005. Significantly, although the respondent claims to have adopted the trademark "CYCLE" in the year 2009, he has not explained what prompted him to adopt that particular mark when he was admittedly carrying on the same business under several other brand names. There is also no evidence to show that the adoption of the mark "CYCLE" had any connection with the respondent's name, business, family, or any other independent circumstance. These admissions are important to decide whether the identical mark was adopted with due cause under Section 29(4) of the Trade Marks Act.

25. The respondent has also contended that the word "CYCLE" is a common dictionary word and that no person can claim exclusive rights over such a word. While it is true that an ordinary dictionary word cannot ordinarily be monopolised, the law is equally well settled that such a word may, by reason of long, continuous and extensive commercial use, acquire a secondary meaning and become exclusively associated in the minds of the purchasing public with the goods or business of a particular proprietor. Once such distinctiveness is established, the mark is entitled to protection under the provisions of the Trade Marks Act. Whether a mark has acquired such distinctiveness depends upon the facts and evidence of each case. In this regard, it is useful to refer to the judgment of the Hon'ble Supreme Court in ***Mahendra & Mahendra Paper Mills Ltd. v. Mahindra & Mahindra Ltd.,*** *[(2002) 2 SCC 147]*, wherein the Hon'ble Supreme Court considered whether the defendant's use of the trade name "Mahendra" was deceptively similar to the plaintiff's well known trade name "Mahindra", which had acquired distinctiveness and secondary meaning through long and extensive use. Holding that such use was likely to cause confusion and adversely affect the plaintiff's goodwill and reputation, the Hon'ble Supreme Court upheld the grant of injunction. The relevant observations are extracted below:-

> " 24. Judging the case in hand on the touchstone of the principles laid down in the aforementioned decided cases, it is clear that the plaintiff has been using the words "Mahindra" and "Mahindra & Mahindra" in its companies/business concerns for a long span of time extending over five decades. The name has acquired a distinctiveness and a secondary meaning in the business or trade circles. People have come to associate the name "Mahindra" with a certain standard of goods and services. Any attempt by another person to use the name in business and trade circles is likely to and in probability will create an impression of a connection with the plaintiffs' Group of Companies. Such user may also affect the plaintiff prejudicially in its business and trading activities. Undoubtedly, the question whether the plaintiffs' claim of "passing-off action" against the defendant will be accepted or not has to be decided by the Court after evidence is led in the suit. Even so for the limited purpose of considering the prayer for interlocutory injunction which is intended for maintenance of status quo, the trial court rightly held that the plaintiff has established a *prima facie* case and irreparable prejudice in its favour which calls for passing an order of interim injunction restraining the defendant Company which is yet to commence its business from utilising the name of "Mahendra" or "Mahendra & Mahendra" for the purpose of its trade and business. Therefore, the Division Bench of the High Court cannot be faulted for confirming the order of injunction passed by the learned Single Judge."

The above principle was subsequently reiterated by the Hon'ble Supreme Court in ***T.V. Venugopal v. Ushodaya Enterprises Ltd. and Another, [(2011) 4 SCC 85].*** In the said case, the Hon'ble Supreme Court considered whether the descriptive word "Eenadu", by reason of its long, continuous and extensive use, had acquired a secondary meaning and distinctiveness so as to be entitled to protection. The Hon'ble Supreme Court held that although "Eenadu" was originally a descriptive word, it had acquired extraordinary reputation and goodwill, had become exclusively associated with the respondent's business, and that the appellant's dishonest adoption of the identical mark was likely to cause confusion and amounted to an attempt to ride upon the respondent's goodwill. Accordingly, the Hon'ble Supreme Court held that the mark was entitled to protection. The relevant observations are extracted below: -

> "81. From the above discussions, the following two situations arise:
>
> (*i*) Where the name of the plaintiff is such as to give him exclusivity over the name, which would ipso facto extend to barring any other person from using the same viz. Benz, Mahindra, Caterpillar, Reliance, Sahara, Diesel, etc.
>
> (*ii*) The plaintiff's adopted name would be protected if it has acquired a strong enough association with the plaintiff and the defendant has adopted such a name in common field of activity i.e. the purchaser's test as to whether in the facts of the case, the manner of sale, surrounding circumstances, etc. would lead to an inference that the source of the product is the plaintiff.
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> …
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> …
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> 88. Lastly, the learned counsel for the respondent Company submitted that in any one of the following circumstances the plaintiff would be entitled to injunctive relief even qua a common word:
>
> (*a*) If the factors for justifying absolute protection as per "absolute protection for common words" have been made out then it would ipso facto entitle the plaintiff to protection against the world at large.
>
> (*b*) The protection would be given against any particular defendant if the plaintiff's name has acquired a secondary meaning and the defendant uses the name in a common field of activity i.e. where there are common purchasers. However, the court may decline to grant the relief if such name is descriptive of the defendant's product and not just a name unconnected with the defendant's product.

(*c*) The protection would be granted qua a defendant with relation to even an unrelated product where the tests of dishonest adoption are satisfied and the defendant will be restrained from cashing in or profiting from the plaintiff's name.

89. We have heard the detailed and comprehensive arguments advanced by the learned counsel for the parties. We place on record our appreciation for the able assistance provided by the learned counsel for the parties in this case. We have also carefully examined relevant decided Indian, English and American cases.

90. The respondent Company's mark "Eenadu" has acquired extraordinary reputation and goodwill in the State of Andhra Pradesh. "Eenadu" newspaper and TV are extremely well known and almost household words in the State of Andhra Pradesh. The word "Eenadu" may be a descriptive word but has acquired a secondary or subsidiary meaning and is fully identified with the products and services provided by the respondent Company.

91. The appellant is a Karnataka based company which has started manufacturing its product in Bangalore in the name of "Ashika" and started selling its product in the State of Andhra Pradesh in 1995. The appellant started using the name "Eenadu" for its agarbatti and used the same artistic script, font and method of writing the name which obviously cannot be a coincidence. The appellant Company after adoption of name "Eenadu" accounted for 90% of sale of their product agarbatti.

92. On consideration of the totality of the facts and circumstances of the case, we clearly arrive at the following findings and conclusions:

(*a*) The respondent Company's mark "Eenadu" has acquired extraordinary reputation and goodwill in the State of Andhra Pradesh. The respondent Company's products and services are correlated, identified and associated with the word "Eenadu" in the entire State of Andhra Pradesh. "Eenadu" literally means the products or services provided by the respondent Company in the State of Andhra Pradesh. In this background the appellant cannot be referred or termed as an honest concurrent user of the mark "Eenadu";

(*b*) The adoption of the word "Eenadu" is ex facie fraudulent and mala fide from the very inception. By adopting the mark "Eenadu" in the State of Andhra Pradesh, the appellant clearly wanted to ride on the reputation and goodwill of the respondent Company;

(*c*) Permitting the appellant to carry on his business would in fact be putting a seal of approval of the Court on the dishonest, illegal and clandestine conduct of the appellant;

(*d*) Permitting the appellant to sell his product with the mark "Eenadu" in the State of Andhra Pradesh would definitely create confusion in the minds of the consumers because the appellant is selling agarbattis marked "Eenadu" as to be designed or calculated to lead purchasers to believe that its product agarbattis are in fact the products of the respondent Company. In other words, the appellant wants to ride on the reputation and goodwill of the respondent Company. In such a situation, it is the bounden duty and obligation of the Court not only to protect the goodwill and reputation of the respondent Company but also to protect the interest of the consumers;

(*e*) Permitting the appellant to sell its product in the State of Andhra Pradesh would amount to encouraging the appellant to practise fraud on the consumers;

(*f*) Permitting the appellant to carry on his business in the name of "Eenadu" in the State of Andhra Pradesh would lead to eroding extraordinary reputation and goodwill acquired by the respondent Company over a passage of time;

(*g*) The appellant's deliberate misrepresentation has the potentiality of creating serious confusion and deception for the public at large and the consumers have to be saved from such fraudulent and deceitful conduct of the appellant;

(*h*) Permitting the appellant to sell his product with the mark "Eenadu" would be encroaching on the reputation and goodwill of the respondent Company and this would constitute invasion of proprietary rights vested in the respondent Company;

(*i*) Honesty and fair play ought to be the bases of the policies in the world of trade and business."

26. In the present case, the evidence adduced by the appellant establishes that the trademark "CYCLE" has been in continuous use since the year 1954. The documentary evidence relating to registrations, extensive commercial activities, advertisements, exports, sales turnover and the steps taken by the appellant to protect the trademark clearly establish that the

mark had acquired substantial goodwill, reputation and distinctiveness much prior to the respondent's adoption of the identical mark in the year 2009. Thus, although the word "CYCLE" is an ordinary dictionary word, it had, by long, continuous and extensive use, acquired a secondary meaning and had become exclusively associated in the minds of the purchasing public with the appellant and its business.

27**.** Once it is found that the appellant's trademark had acquired such reputation and goodwill, the next question that arises for consideration is whether the respondent was justified in adopting the identical trademark and whether such adoption satisfies the requirements of Section 29(4) of the Trade Marks Act. In particular, it becomes necessary to examine whether the respondent has established any due cause for adopting the identical mark and whether such use takes unfair advantage of, or is detrimental to, the distinctive character or reputation of the appellant's registered trademark.

28. At this juncture, it is useful to refer to the decision of the Full Bench of the Hon'ble Calcutta High Court in ***Sony Kabushiki Kaisha v.***

***Mahaluxmi Textile Mills**, [(2009) SCC OnLine Cal 531]*. The matter was referred to the Full Bench to consider whether, in an action for passing off, protection of a well known trademark is confined only to similar goods or whether such protection can also extend to dissimilar goods where the use of the mark is likely to cause confusion or create an impression of association with the proprietor of the mark. The Full Bench answered the reference by holding that the mere difference in the nature of goods would not, by itself, defeat a passing off action if the use of the mark is likely to deceive or confuse consumers. The relevant observations are extracted below:

> "25. In the case of *Thomas Bear & Sons (India) Ltd.* (supra), the plaintiffs were manufacturers and sellers of cigarettes and tobacco meant for smoking in pipes under a trade mark comprising of the representation of an elephant on the packets and tins in which those items were sold. These containers carried the designation "*Elephant Cigarettes*'. The defendants were also manufacturers of chewing tobacco and carried representation of elephant on their packets and tins. The claim of passing off of the appellants/plaintiffs was rejected by the Trial Court as well as the High Court of Allahabad, and the Judicial Committee also confirmed the order of the High Court, holding:
>
> > "It is clear that the right of property that may be acquired in such a trade mark is based on the proved association in the market of the device, name, sign, symbol or other means in question with the goods of the plaintiff, so that the use by the defendant on such goods of the trade mark will amount whether the defendant intends it or knows it or not-to the false representation that the goods are manufactured or put on the market by the plaintiff. There can obviously be no monoploy in the use of the trade mark. A manufacturer of cigarettes under an undoubted trade mark such as an animal, or any other device cannot legally object to the use of the identical mark on, say, hats, or soap for the simple reason that purchasers of any of the latter

kinds of goods could not reasonably suppose, even if they were well acquainted with the mark as used on cigarettes, that its use on hats or soap denoted that these goods were manufactured or marketed by the cigarette manufacturer; see (1887) 12 AC 453."

26. It would be apparent from this; passage that the Judicial Committee had dismissed the appeal upon coming to a finding that there was no possibility of confusion in the mind of the purchasers. All the authorities which were considered by the Hon'ble Division Bench in the case of *Rustom Ali Molla* appear to have proceeded on an underlying reasoning that if the goods of the rival traders were different, there would be no possibility of deception or confusion in the mind of consumers as regards the source or origin of the goods. But from the days of "one company one product", the commercial world has considerably changed and the large corporations in the contemporary world operate with multiple products or services across the globe. Modern marketing technology aided with improved communication system has also strengthened the distinctive properties of individual trade marks. Under these circumstances, to hold that the reputation of a trade mark shall remain restricted to those goods and services only in which its proprietor is directly engaged in, would be ignoring the ground realities of today's business world.

27. It is not our opinion that the class or category of goods or services to which a trade mark is applied ought to be altogether ignored while testing a passing of action. As laid down by the Hon'ble Supreme Court in the case of *Cadila Health Care Ltd.* (supra), the similarity in the nature, character and performance of the goods of the rival traders would be one of the factors in adjudication of a passing of action. In our view, it is one of the very important factors which the Court should consider while deciding a claim based on passing off. But in the event the nature, character of the goods are different, this very fact should not automatically result in failure of an action founded on the tort of passing off.

28. The key function of a trade mark is to indicate the source or origin of goods and services. The tort of passing off is committed if the offending trader applies an established trade mark in such manner so as to cause confusion or deception in the mind of the consumers as regards the source or origin of the goods and the mind of purchasers are directed to the firm whose identity is already linked with the trade mark in the market place. Even if the goods or services of the rival traders are different, in our opinion this factor alone would not altogether eliminate the possibility of

confusion or deception. If a highly distinctive trade mark is applied to a class of goods which its proprietor does not deal with, consumers may always wonder as to whether the proprietor of the trade mark has launched a new product. The purchasing decision of the consumers may be determined by this factor.

29. In the case of *Mahendra & Mahendra paper Mills Ltd.* (supra), it was argued on behalf of the appellant (defendant) that since there was no similarity of goods manufactured or sold by the parties, the question of deception or confusion among the consumers would not arise. Considering different authorities on the subject, the Hon'ble Supreme Court declined to interfere with the order of the High Court granting interim injunction restraining the defendant in that case from using the name "Mahendra" or "Mahendra & Mahendra" for the purpose of its trade and business. The decision of the Delhi High Court in the case of *Daimler Benz Aktiegesellschaft* (supra) involved use of the trade mark Benz for certain hosiery goods. The plaintiffs, who owned the trade mark in respect of automobiles were successful in obtaining a restraint order before the First Court. The matter was carried upto the Hon'ble Supreme Court in appeal, and the order of the Trial Court was approved. The other authorities relied upon by the appellants are in support of the proposition of cross goods protection of a highly distinctive mark. We do not consider it necessary to discuss each of these judgments individually, as they reflect the same line of reasoning.

30. We accordingly hold that the ratio of the decision of the Hon'ble Division Bench of this Court in the case of *Rustom Ali Molla* v. *Bata Shoe Co. Ltd.*, reported in AIR 1957 Cal 120, is no longer good law. We agree with the views expressed by the Hon'ble Division Bench in the order out of which this reference arises.

31. The reference is answered accordingly. The appeal may now be placed before the appropriate Division Bench for disposal in the light of the opinion expressed by us.

32. In view of the fact that the decision of the Hon'ble Division Bench in the case of *Rustom Ali Molla* v. *Bata Shoe Co. Ltd.* held the field for about five decades, we do not propose to make any order as to costs."

The above principles make it clear that, in appropriate cases, a trademark having substantial reputation is entitled to protection even in relation to dissimilar goods if its use by another trader is likely to cause confusion, deception or create an impression of association with the proprietor of the mark. Therefore, the mere fact that the respondent is dealing in edible oils, whereas the appellant is engaged in a different line of business, cannot by itself defeat the appellant's claim.

29. Applying the above principles to the facts of the present case, the respondent has stated that the trademark "CYCLE" was chosen arbitrarily. However, except making such a statement, the respondent has not explained why the identical mark was chosen. No evidence has been produced to show that the mark has any connection with the respondent's name, business, family, place or any other independent reason. When a trader adopts an identical trademark which has already acquired substantial reputation and goodwill, the reason for such adoption becomes important. In the absence of any satisfactory explanation, the respondent's plea that the mark was chosen arbitrarily cannot be accepted.

30. Therefore, this Court is unable to agree with the finding of the learned Single Judge that the respondent's use of the trademark "CYCLE" for edible oils from the year 2009 is, by itself, sufficient to defeat the appellant's claim. The issue is not merely whether the respondent was the first user of the mark in relation to edible oils. The real question is whether the respondent was entitled to adopt an identical trademark which had already acquired distinctiveness, reputation and goodwill in favour of the appellant. This question necessarily falls for consideration under Section 29(4) of the Trade Marks Act.

31. Section 29(4) of the Trade Marks Act extends protection to a registered trademark having a reputation in India even in relation to dissimilar goods or services. To attract the said provision, the registered proprietor must establish that the trademark has acquired reputation in India, that the impugned use is without due cause, and that such use takes unfair advantage of, or is detrimental to, the distinctive character or reputation of the registered trademark. The object of the provision is to preserve the distinctiveness and goodwill of a reputed trademark and to prevent any person from unfairly exploiting or diluting its reputation.

32. In the present case, the appellant has proved, through oral and documentary evidence, that the trademark "CYCLE" had acquired substantial reputation and goodwill long before the respondent adopted the identical mark. The evidence of continuous use since 1954, extensive business, advertisements, trademark registrations, exports, and recognition clearly shows that the mark had become exclusively associated with the appellant. The respondent has not given any valid reason or due cause for adopting the identical trademark. A mere claim that the mark was chosen arbitrarily is not enough, particularly when no explanation has been given for selecting the identical mark "CYCLE" and no evidence has been produced to show that it was adopted independently. Therefore, the respondent's use of the identical mark is without due cause and is likely to take unfair advantage of, and harm the distinctive character and reputation of, the appellant's registered trademark. Accordingly, the requirements of Section 29(4) of the Trade Marks Act are satisfied.

33. The respondent has also contended that it is the prior user of the trademark "CYCLE" in respect of edible oils. As already observed, this

contention cannot be accepted. Even assuming that the respondent has been using the trademark for edible oils from the year 2009, such use, by itself, does not defeat the appellant's rights under Section 29(4) of the Trade Marks Act. The appellant has already established that its registered trademark had acquired substantial reputation and goodwill in India much prior to the respondent's adoption of the identical mark. Therefore, the burden lay upon the respondent to establish, by satisfactory evidence, that the adoption of the identical mark was honest, bona fide, independent and with due cause. Except producing documents evidencing use of the mark from the year 2009, the respondent has neither explained why the identical trademark "CYCLE" was adopted nor produced any material to establish that such adoption was honest and independent of the appellant's well known trademark. Mere prior use in relation to edible oils, without establishing bona fide adoption and due cause, is therefore insufficient to defeat the appellant's statutory rights under Section 29(4) of the Trade Marks Act.

34. Once a trademark has acquired a substantial reputation and goodwill, the use of the same or an identical mark by another trader, even for different goods, may still lead consumers to believe that those goods are

connected with the proprietor of the registered trademark. In modern trade, it is common for the same trademark to be used for different categories of goods. Therefore, the use of an identical mark is likely to create an impression of a commercial connection and may enable the subsequent user to take unfair advantage of the reputation and goodwill attached to the registered trademark.

35. In view of the substantial reputation and goodwill acquired by the appellant's registered trademark "CYCLE", the respondent's use of the identical mark for edible oils, though in respect of different goods, is likely to take unfair advantage of and dilute the distinctive character and reputation of the appellant's trademark. Such use is without due cause and therefore attracts Section 29(4) of the Trade Marks Act, 1999.

36. The further contention of the respondent that there is no evidence of actual confusion or actual loss also cannot be accepted. Section 29(4) does not require proof of actual confusion or actual damage. It is sufficient if the use of the impugned mark is likely to take unfair advantage of, or is

detrimental to, the distinctive character or reputation of the registered trademark.

37. From the oral and documentary evidence available on record, this Court is satisfied that the appellant has established all the ingredients required under Section 29(4) of the Trade Marks Act. The trademark "CYCLE" had acquired reputation in India much before the respondent adopted the identical mark. The respondent has failed to establish any due cause or bona fide explanation for such adoption. Consequently, the respondent's use of the identical trademark is likely to take unfair advantage of and dilute the distinctive character and reputation of the appellant's registered trademark.

38. In the above circumstances, this Court is unable to concur with the findings of the learned Single Judge. Though the learned Single Judge rightly observed that the goods dealt with by the parties are different, that circumstance alone is not sufficient to reject the appellant's claim under Section 29(4) of the Trade Marks Act. The statutory requirements under the said provision stand fully established in the present case.

39. In view of the foregoing discussion, this Court holds that the appellant has established infringement of its registered trademark under Section 29(4) of the Trade Marks Act, 1999. The appellant is therefore entitled to a decree of permanent injunction and the consequential relief of surrender of the unused offending labels, blocks, dies and other materials bearing the impugned trademark for destruction. However, the claim for passing off cannot be granted, as the plaintiff has failed to establish the necessary ingredients of passing off. Likewise, the relief of rendition of accounts cannot be granted, as no documentary evidence has been produced to establish or quantify the profits allegedly earned by the respondent from the use of the impugned trademark.

40. Accordingly, the Original Side appeal is partly allowed and the judgment and decree dated 17.08.2021 passed by the learned Single Judge in C.S.No.259 of 2017 are set aside. The suit is partly decreed by granting a permanent injunction restraining the respondent, his men, agents, servants, dealers, distributors or any person claiming through or under him from manufacturing, marketing, advertising, selling or dealing in edible oils or any other goods under the trademark

"CYCLE", the Cycle device, or any other mark identical with or deceptively similar to the appellant's registered trademark. The respondent shall also surrender to the appellant, within eight weeks from the date of receipt of a copy of this judgment, all unused offending labels, packaging materials, blocks, dies and other materials bearing the impugned trademark or device for destruction. The remaining reliefs sought in the suit stand rejected. There shall be no order as to costs.

[P.V.J.,] [K.G.T.J.,]
28 / 07 / 2026

Index:Yes
Speaking order
Internet:Yes
Neutral Citation:Yes

r n s

To

The Sub Assistant Registrar,
(Original Side)
Madras High Court,
Chennai.

P.VELMURUGAN. J.
and
K.GOVINDARAJAN THILAKAVADI, J.

r n s

Judgement in
O.SA.(CAD)No.3 of 2022

28 / 07 / 2026