



* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% Judgment delivered on: 13.10.2025

+ **FAO(OS) (COMM) 61/2024**

SABU TRADE PRIVATE LIMITEDAppellant

versus

RAJKUMAR SABU & ANR.Respondents

+ **FAO(OS) (COMM) 62/2024 CM APPL. 18111/2024 CM APPL. 51018/2024 CM APPL. 55947/2024 CM APPL. 23757/2025**

KAUSHALYA DEVI SABU & ORS.Appellants

versus

RAJKUMAR SABURespondent

Advocates who appeared in this case

For the Appellant : Mr. J Sai Deepak, Sr. Advocate with Mr. Lalitaksh Joshi, Mr. Luv Virmani, Ms. Ananya Sanjiv Saraogi, Advocates.

For the Respondent : Mr. Chander Lall, Sr. Advocate with Mr. Divyakant Lahoti, Ms. Vindhya Mehra, Ms. Samridhi Bhatt and Ms. Ananya Mohan, Advocates.

CORAM:

HON'BLE MR. JUSTICE V. KAMESWAR RAO

HON'BLE MR. JUSTICE VINOD KUMAR

JUDGMENT

V. KAMESWAR RAO, J.

1. In FAO (OS) (COMM) 62/2024, the appellant no. 1 is Kaushalya



Devi Sabu. The appellant no. 2 is Gopal Sabu and the appellant no. 3 is Sabu Trade Private Limited ('STPL'), incorporated on 05.05.1993, wherein the appellants no. 1 and appellant no. 2 are Directors. The respondent i.e., Mr. Rajkumar Sabu and appellant no. 2 are sons of (Late) Smt. Chandrakanta Sabu (**mother**). In FAO (OS) (COMM) 61/2024, the appellant is STPL and the respondent no.1 is Rajkumar Sabu. For the purpose of convenience, we shall refer to the parties as per FAO (OS) (COMM) 62/2024.

2. The present appeals arise from the common order dated 05.03.2024 ('impugned order') passed by the learned Single Judge, granting interim injunction in favour of the respondent and against the appellants in



relation to the trade mark 'SACHAMOTI' and label in CS (COMM) No. 761/2016 and CS(COMM) No. 97/2020 whereby I.A. No. 7624/2016 in CS(COMM) 761/2016 filed by the respondent under Order XXXIX Rule 1 and 2 read with Section 151 of the Code of Civil Procedure, 1908 ("CPC") was allowed and I.A. No. 13439/2023 in CS (COMM) 97/2020 filed by the appellant was rejected. Thereafter, during the pendency of the present appeals, vide order dated 22.03.2024, this Court granted *status quo ante* to the appellants while asserting that this is a family dispute and till the pendency of the appeals, the position which existed prior to 05.03.2024 must prevail.

3. Before going into the merits of the present appeals, we shall briefly narrate the factual background of the *lis*. The respondent herein, has filed a suit numbered CS(COMM)No.761/2016 before the learned Single



Judge of this Court against the appellants from which an order dated 10.06.2016 has emerged. In this, the respondent had obtained an *ex-parte ad-interim* injunction and the appellants were restrained from using the



trade mark 'SACHAMOTI' and label. The said interim order was confirmed on 22.01.2019 by the learned Single Judge.

4. The appellant no. 3/ STPL had filed a suit before the Principal District Judge, Salem, Tamil Nadu ["PDJ, Salem"] against the respondent, which was numbered OS 148/2016, wherein, I.A. No. 156/2016 filed by STPL was dismissed by the PDJ, Salem vide order dated 02.02.2018. An appeal was preferred from the order of the Salem Court before the Madras High Court. The learned Single Judge of the Madras High Court set aside the order dated 02.02.2018 passed by the PDJ, Salem vide order dated 07.01.2019 and held that STPL had made out a prima facie case that they are prior users of the trade mark 'SACHAMOTI' and that the Trial Court had erred in dismissing I.A. No. 156/2016.

5. The respondent preferred a Special Leave Petition (SLP) against the judgment dated 07.01.2019 passed in favour of the appellants by the Madras High Court. The appellants, on the other hand, filed a transfer petition before the Supreme Court seeking a direction for transferring the suit filed by the respondent in Delhi, i.e., CS(COMM)No.761/2016 to the District Court, Salem, Tamil Nadu. Similarly, the respondent filed a transfer petition seeking the transfer of OS No. 148 of 2016, pending before the District Court, Salem to this Court so that the said suit could be



tried along with CS (COMM) 761/2016.

6. The Supreme Court passed a common order dated 18.07.2019 in Transfer Petition (C) Nos. 1676/2017, 1328/2018, and Civil Appeal Nos.5644-5645/2019 [arising out of SLP Nos.1472-1473/2019]. This order resulted in the suit filed by the appellants in Salem, i.e., OS No.148/2016 being transferred to this Court. The Supreme Court while disposing of the aforementioned matters passed the following operative directions:

“(i) OS No. 148 of 2016, titled as Sabu Trade Pvt. Ltd. v. Rajkumar Sabu & Anr., pending. before the District Court, Salem, be transferred to the Delhi High Court for adjudication along with CS (COMM) No. 761 of 2016, titled as Mr. Rajkumar Sabu v. Ms. Kaushalya Devi Sabu & Ors. pending before the Delhi High Court.

(ii) The injunction granted by the Delhi High Court vide order dated 10.06.2016, and confirmed by order dated 22.01.2019, is hereby set aside. The interim application for temporary injunction filed in CS (COMM) No. 761 of 2016 stands revived before the Single Judge of the Delhi High Court and may be heard on merits. FAO(OS) (COMM) No. 69/2019, FAO(OS) (COMM) No. 72/2019 and FAO (OS) (COMM) No. 73/2019, filed before the Division Bench of the High Court as against the order dated 22.01.2019, stand disposed of.

(iii) The order of the Madras High Court dated 07.01.2019 in CMA No. 846 of 2018 and CMP No. 6995 of 2018, as also the order dated 02.02.2018 passed by the Principal District Court, Salem, are set aside. The application for injunction filed in OS No. 148 of 2016 by Sabu Trade Pvt. Ltd. (through Gopal Sabu) also stands revived, and is transferred along with the said suit to the Delhi High Court to be heard in the transferred suit along with the application revived in CS (COMM) No. 761 of 2016 mentioned above.

(iv) The learned Single Judge of the Delhi High Court is



requested to decide both the abovementioned applications for injunction in the respective suits within three months.

(v) In view of the clubbing of OS No. 148 of 2016, titled as Sabu Trade Pvt. Ltd. v. Rajkumar Sabu & Anr., pending before the District Court, Salem, along with CS (COMM) No. 761 of 2016, titled as Mr. Rajkumar Sabu v. Ms. Kaushalya Devi Sabu & Ors. Pending before the Delhi High Court, and the fact that C.S.No.195/2016, pending before the Calcutta High Court, is identical to the one transferred above, we think it is unnecessary for the parties to litigate and pursue the matter pending before the Calcutta High Court. Accordingly, we direct the petitioner to withdraw C.S.No.195/2016.

(vi) We make it clear that we have not expressed any opinion on the merits of the matter and the applications for injunction shall be decided by the High Court on their own merit, uninfluenced by any observations made by either this Court or any High Court regarding this matter.”

7. From the above, it can be noted that following the operative directions issued by the Supreme Court, the third suit which had been filed by the appellants at the Calcutta High Court had been withdrawn, the injunction granted by the learned Single Judge of this Court vide order dated 10.06.2016 was also set aside. Thus, the suits between the parties i.e. CS(COMM) 761/2016 and CS(COMM) 97/2020 are pending litigation. We, however, are concerned with the impugned order dated 05.03.2024 passed by the learned Single Judge deciding applications in these two suits.

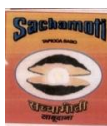
SUBMISSIONS:-

8. Mr. J. Sai Deepak, learned Senior Counsel appearing for the appellants stated that the appellant no. 2 was studying and staying at Kolkata and after the completion of his studies, he commenced the business as a commission agent for selling *Sabudana*. He continued his business activities



and started his own business in 1984, in the name of Sabu Traders with Ms. Kaushalya i.e. appellant no. 1 being the sole proprietor of the same, and appellant no. 2 as the manager. Sabu Traders was involved in the business of sago products under the brand ‘SACHAMOTI’ and ‘CHAKRA’.

9. The appellants incorporated a Private Limited company on 05.05.1993 in the name of Sabu Export Salem Pvt. Ltd/ SESPL and the name of said company was changed to Sabu Trade Private Limited/ STPL on 09.08.2006. Hence, Sabu Traders was merged with Sabu Trade Pvt. Ltd. (STPL/appellant no. 3) and accordingly, as per Mr. Sai Deepak, the trade



marks ‘SACHAMOTI’ and ‘CHAKRA’ came under the appellant no. 3. Thereafter, the appellant no. 2 assigned all rights in ‘SACHAMOTI’ trade mark to STPL vide Assignment Deed dated 01.03.2016. According to Mr. Sai Deepak, it is admitted by the respondent in his plaint itself that after the incorporation of STPL, it was agreed between the parties that *sabudana* would be sold as ‘packed by SESPL’. Thereafter, the respondent being one of the directors of STPL, was appointed as the distributor of the company for the region of Madhya Pradesh from 1994.

10. He stated that the business was started in 1984 and expanded pan India to the states of Maharashtra, Rajasthan, Delhi, Uttar Pradesh, West Bengal, Assam, Bihar, Jharkhand, Odissa, Telangana, Andhra Pradesh, Madhya Pradesh and Punjab.

11. According to him, on 09.10.1994, the appellants held a contest i.e., ‘Sachamoti *Sabudana* Recipe Contest’, in Indore, Madhya Pradesh. The



respondent participated in this event. The event was video recorded and is part of the electronic records. The respondent made a speech at this event and admitted that the business under ‘SACHAMOTI’ and ‘CHAKRA’ was started by the respondent’s elder brother Gopal Sabu (appellant no. 2) who went to Salem and started the business from there. The same is reproduced as under:-

“... before 20 years when our elder brother Shri Gopal Sabu, who is at Salem, went to Salem, where there is primary sabudana production mandi. After going there he saw about the quality and saw about scope of experimenting and he devoted himself to that work. For the past 20 years he is in this business. Before 11 years to cater to the needs of the consumers of sabudana in small packing he was the first to start in ‘CHAKRA’ brand. Slowly and slowly he continued his experiments and was accredited by Indian standard institute with AGMARK for the first time which was granted to him under ‘SACHAMOTI’ brand.. ”

12. Mr. Sai Deepak stated that in the year 1994, to expand the business, various press briefings were given whereby it was published that the appellants are the owners of the mark ‘SACHAMOTI’ and ‘CHAKRA’ and the respondent has been appointed as their distributor.

13. He further stated it is admitted by the respondent that the appellants obtained the AGMARK in ‘SACHAMOTI’ on 19.07.1993 itself. He also contended that the respondent used to place the order of ‘SACHAMOTI’ sabudana, the appellants would supply the ‘SACHAMOTI’ product and raise invoices upon the respondent, who made payments for the same. On 05.09.1986, Sabu Traders wrote a letter to its attorney for registration of the impugned trade mark along with letters dated 27.08.1986 and 30.08.1986, which must be considered.



14. The trade mark registrations in favour of the appellants are the following:

Sl.	Mark	Reg. No.	Date	Class	Status
1.		A-115409/2016	02.02.2015	Copyright	Registered
		3094770	06.11.2015	39 (packaging of goods including sabudana (tapioca sago), sabudana papar, starch powder and other starch products, haldi and haldi	Registered

15. To protect their trade marks, the appellants filed a trade mark application no. 1926631 for 'SACHAMOTI' , in class 30 inter alia for *sabudana* on 23.02.2010, incorrectly claiming user since 25.01.2010. Hence, the same was abandoned, Later, on 31.10.2011, the appellants filed

another trade mark application, for the mark  bearing no. 2226836 in class 30 inter alia for, *sabudana appalam* with claim of user since



19.07.1993. Objections were raised by the Registrar of Trade Marks in the said application including that of the respondent.

16. Mr. Sai Deepak stated that the respondent maliciously applied and got the registration of trade marks for 'SACHAMOTI' in 2003 and 2006 respectively, without informing the appellants while the respondent was still the distributor for the appellant no. 3, who were continuous and uninterrupted users of the mark. Since the respondent himself was one of the Directors of STPL, he neither informed STPL nor obtained any permission or entitlement from STPL before applying for registration of 'SACHAMOTI' in his own name, though 'SACHAMOTI' was admittedly the brand owned by STPL by virtue of continuous and uninterrupted use since 1993 and, in fact, since 1984. The appellants got to know about this during the proceedings in the applications for registration of trade mark of 'SACHAMOTI' by the appellants, when the Registrar of trade marks raised objections including that of the respondent. Since the respondent was a Director in STPL/appellant no. 3, he owed a fiduciary duty towards it. Accordingly, the respondent should have obtained the registration of the mark in the name of the company and not on his own name. Reliance is placed on the case of ***Dale Carrington v. PK Prathapan; (2005) 1 SCC 212.*** The details of the applications of 2003 and 2006 respectively are as follows:-

Trade Mark	Date of Appl.	Regn. No.	User	Goods
SACHA MOTI	28.01.2003	1169859	29.07.1997	Sago (Sabudana) preparations
SACHA MOTI	15.02.2006	1421804	Proposed to be used	Spices and Salt



17. Mr. Sai Deepak stated that in order to settle the dispute amicably within the family, the appellants requested the respondent to withdraw the trade mark registration in favour of 'SACHAMOTI' and issue an NOC/MOU/Affidavit in favour of the appellants to get registration in the mark 'SACHAMOTI', which the respondent denied. Instead, he resigned from the company i.e., appellant no. 3, on 14.08.2015. Hence, the appellants sought the rectification/cancellation of trade marks held by the respondent in



the brand 'SACHAMOTI' under no. 1169859 & 1421804



. In view of these facts, the appellants filed two separate petitions against the respondent bearing ORA No. 302/2015/TM/CH and ORA No. 303/2015/TM/MUM seeking cancellation of the trade mark registrations held by the respondent. Further, appellants also challenged the copyright held by the respondent in the said mark before the Copyright Board, Delhi. These are pending litigation and will have a bearing on this case. The appellants have also relied upon the total sales statement/turnover and expenses incurred by them on advertisement and sales promotion of the mark.

18. Mr. Sai Deepak has also contended that after seeking the interim injunction, the respondent has started packing and selling inferior quality *sabudana* products under the brand name 'SACHAMOTI', and has threatened the dealers of the appellants, maligning the appellants' reputation and affecting their business.

19. He further stated that the respondent has not filed the suit with clean hands. According to him, the respondent has placed on record a fake,



purportedly self created affidavit and video dated 08.06.2016 of Chandrakanta Sabu, alleging transfer of right title and interest in 'SACHAMOTI' to the respondent. However, this affidavit and video are fake, created a day prior to the listing of the suit on 09.06.2016, bearing CS(COMM) No. 761 of 2016 before the learned Single Judge. The affidavit is in English but her signature is in Hindi; it is not mentioned whether she was present before the notary officer or not as she was 86 years old at the time and she could not walk and was not in a condition to affix her signatures; the details of the Advocate (enrollment no., office address, contact no.) who has identified her signature on this affidavit have not been mentioned. Further, the affidavit does not bear the complete particulars, registration/license no. etc. of the Notary Public. The same were checked by a handwriting expert, who certified that the signatures of Chandrakanta Sabu on the said affidavit are fake, not genuine. Additionally, the forensic report dated 30.06.2016 concludes that the affidavit was infact not signed by her. Reliance has been placed on the case of ***Ayaaubkhan Noorkhan Pathan v. State of Maharashtra, (2013) 4 SCC 465***. The video of Chandrakanta Sabu shows in the last 2 seconds that the video is tutored and prepared after the disputes arose between the parties. Moreover, this video is prepared under pressure from the respondent as she is being prompted on what to say and thus no reliance can be placed on this affidavit and video. He further stated that on 08.02.2016, Chandrakanta Sabu executed a registered Will, which is also sought to be filed before this Court via CM App. No. 55947/2024, wherein she has admitted that she has affixed her thumb impression as she is not in a position to sign.



20. He also stated that the respondent has no cause of action as he has deceitfully tried to cheat the appellants and steal their business. Further, no family arrangement by Chandrakanta Sabu transferring 'SACHAMOTI' to the respondent has been filed by the respondent and no documents showing Chandrakanta Sabu's rights in 'SACHAMOTI' have been filed.

21. Mr. Sai Deepak further submitted that the prior adoption of the trade mark is actually by the appellants, and can be evidenced through various documents. He further stated that the respondent was aware of the appellants' use and ownership of the trade mark for the last thirty years. Hence, the appellants being the prior users of the mark enjoy superior rights under Section 34 of the Trade Marks Act, 1999.

22. Reliance has also been placed by Mr. Sai Deepak on notices dated 31.12.1994 and 31.07.1996 issued by the Food Inspector, Rajgarh to Sabu Traders, describing its goods with trade mark 'SACHAMOTI'. He also submitted that, in another instance of acknowledging appellant No.3 as owner of the impugned trade mark, a notice dated 28.04.2008 was issued by the Office of the Inspector, Weights and Measures, Madhya Pradesh to the appellant no.3 for goods bearing the trade mark 'SACHAMOTI' and, on 19.05.2008, a response to the said notice was given by the respondent in his capacity as the Director of STPL wherein he admitted that 'SACHAMOTI' is the appellant's brand for sago.

23. It is his submission that the respondent had admitted in his plaint that the appellants have been using the mark since 1993. He had acknowledged that 'SACHAMOTI' was adopted through Sabu Traders. He further acknowledged the AGMARK Certification of the appellants. He also submitted that the assessment proceedings of the Commercial Tax



Department dated 27.03.2000, state that Sabu Traders sold *sabudana* under the ‘SACHAMOTI’ brand.

24. He reiterated that the respondent was the director in the company Sabu Export Salem Pvt. Ltd since 1993 (since its inception) and left only in August 2015 when a dispute arose between the parties and also refused to sign an NOC to transfer the trade mark registration in favour of the appellants.

25. Further, he stated that the respondent has taken a vacillating stance with respect to his date of use of the impugned mark. The respondent has pleaded that he became the successor of the mark after he became the sole proprietor of Shiv Trading Co. (‘STC’) in 2000. However, in the plaint he has stated the mark was adopted by his mother in 1982. A third stance has appeared from various applications and sworn statements before the Trade Marks Registry where the respondent has claimed the use of the mark since 1997. These, according to him, are false.

26. Mr. Sai Deepak further submitted that the respondent has pleaded that substantial investments were made for advertisements of the mark prior to transfer of proprietorship in the respondent’s name, to support this, the respondent has filed CA certified statements showing year wise expenditures but for the year 1994-95 & 1995-96, the expenditure statement is ‘Nil’. However, for the same period, voluminous bills towards advertisements and new paper cuttings have been filed. These, according to Mr. Sai Deepak, are forged and fabricated. Post 2003, expenses have been shown only from 2006, indicating that there was a gap of three years where there were zero sales and promotional expenses.



27. He has heavily relied on the fact that the trade mark registration of the respondent bearing no. 1169859 in Class 30 for the impugned mark is for goods being SAGO (*SABUDANA*) PREPARATIONS [without comma, thus, does not mean *sabudana*]. It was only the appellants, who highlighted this for the respondent, whereafter, the respondent moved an application for correction before the Registrar of Trade marks, Mumbai to insert a comma between "SAGO (*SABUDANA*)" and "PREPARATIONS" which was allowed. The appellants challenged this in W.P.(L) No. 4814 of 2023 before the Bombay High Court and an order dated 02.08.2023 was passed, whereby, a Division Bench of the Bombay High Court has stayed the action of the Registrar of Trade Marks, Mumbai, restricting the respondent from using the rectified trade mark with an inserted comma. In an affidavit dated 09.08.2017 before the Registrar of Trade Marks, Mumbai, the respondent has claimed the use of the impugned mark since 1997 only.

28. He also stated that the respondent is diluting the reputation and goodwill of impugned trade mark by assigning it to third parties such as Royal Ratan Industries Pvt. Ltd., for which the appellant has filed an interim application bearing no. I.A. 8834/2022 IN CS (COMM) 97 of 2020.

29. Mr. Sai Deepak, also stated that when the appellants had filed a fresh application for the registration of the trade mark, on 31.10.2011, the respondent had opposed this and reaffirmed that he has been user for the mark since 1997.

30. Mr. Sai Deepak submitted that the impugned order is bad in law and needs to be set aside since the respondent is aware that the appellants have been using the said mark for 30 years i.e., since 1993 and the respondent himself has admitted this in his plaint and hence, the judgment by the



learned Single Judge is erroneous and contrary to the settled tenets enshrined by the Supreme Court in the case of ***Wander Ltd. v. Antox India (P) Ltd., 1990 Supp. SCC 727***. It is, in fact, the appellants who have been using the impugned trade mark since the date of incorporation of STPL i.e. since 05.05.1993. Sabu Traders, in fact is the originator of the impugned trade mark and the respondent was only the distributor of the same. He reiterated that there is absence of establishment of sufficient reason for not considering the following documents on which the appellants have heavily relied:-

- a. the AGMARK certification dated 19.07.1993 issued in favour of Sabu Traders.
- b. Assessment proceedings issued by the Commercial Tax Department dated 27.03.2000 to Sabu Traders for the year 1994-95 wherein it is stated that Sabu Traders sold sago, i.e. *sabudana* under 'SACHAMOTI' brand.
- c. Sales Tax assessment for the year 1993-1994 and
- d. Advertisements of the appellants for 'SACHAMOTI'

31. He also stated that the respondents have claimed the adoption of the mark only in 1997 and nowhere do they refer to any date prior to 1997 for the adoption of the impugned mark either by the mother of respondent which they are now trying to allege. This can also be seen from the notice of opposition dated 18.06.2013 filed by the respondent in application no. 1874273 in class 30 of the impugned mark where it was stated that the respondent has been using the impugned mark since 1997. It is settled law that the response to objections by the trade mark registry are relevant documents and amount to suppression if they are directly related to the issue



before the court but not filed, as held in the case of ***Om Logistics Ltd. v. Mahendra Pandey*** CS(COMM) 447/2021. The respondent has filed only a single document which too is the forged affidavit dated 08.06.2016, purportedly executed by Chandrakanta Sabu to advance their plea.

32. In any case, he stated the respondent's trade mark registration states the user claim to be of 1997, subsequent to the appellant's AGMARK certification issued on 19.07.1993. It is settled law that rights of prior user are recognised to the superior than that of the registration. The AGMARK certificate issued in favour of the appellant in 1993 pre-dates the user claimed by the respondent from 1997. He further stated that the respondent in his own trade mark application no. 1169859 claimed to have adopted the mark only on 28.07.1997. There is no document in effect, in support of the claim of the adoption of the impugned trade mark 'SACHAMOTI' by the respondent. Reliance in this regard has been placed on the case of ***S. Syed Mohideen v. P. Sulochana Bai***, (2016) 2 SCC 683 to say that the rights conferred by registration are subject to the rights of prior user of the trade mark..

33. He further stated that the impugned order is erroneous because a registered trade mark entitles its proprietor, as of right, to a remedy against infringement thereof by virtue of Section 28(1) of the Trade Marks Act, 1999 inasmuch as the provision under Section 28(1) of the Act is not absolute, and has to be given effect to as per facts and circumstances of a given case and not in isolation and the same is also subject to Section 33 [i.e. acquiescence] and Section 34 [i.e. prior use] of the Act and is attracted in the facts and circumstances of the present case.



34. He also stated that the adoption of the mark by the respondent or his predecessor-in-interest i.e. STC has not been established in the impugned order and no examination as to when and on what basis the rights were assigned in favour of the respondent by Chandrakanta Sabu. As such, the learned Single Judge erroneously held the respondent to be the originator of the mark in 1982.

35. It is his submission that an alleged invoice of 1983 on which reliance has been placed by the respondent for 100 empty gunny bags of 'SACHAMOTI' *Sabudana*, which is issued by one Tarun Trading Co. to Shiv Trading Company/STC is not genuine. Since it was Chandrakanta Sabu, who was the proprietor of STC back in 1982, in any case, the respondent cannot be identified as the owner of the impugned mark. There is a conspicuous silence about the adoption of the mark in 1982 by the respondent.

36. He further stated that the findings of the learned Single Judge under Section 30 of the Act, are erroneous. The appellants made necessary factual averments in their pleadings in the suit before the learned Single Judge. It has been erroneously held that the respondent drew attention to communications and documents indicating use of the brand 'SACHAMOTI' since 1972. Further, no explanation has been forthcoming for varying stands adopted by the respondent in 1982. And in any case, the respondent cannot claim the registration of the impugned trade mark as the action of the Registrar of Trade marks, Mumbai was stayed by the Bombay High Court vide order dated 02.08.2023.

37. The learned Senior Counsel reiterated that the impugned mark was truly adopted and used by the appellants and the respondent was only a



distributor of appellant no. 3 till May, 2016 and started packing *sabudana* under the impugned trade mark only from 24.5.2016, which triggered the appellant to file the suit at Salem, Tamil Nadu, bearing OS no. 148 of 2016. He also stated that prior to the respondent's resignation from the company appellant no. 3, the respondent was buying *sabudana* from the appellant no. 3 for the purposes of distributing it in the state of Madhya Pradesh.

38. It was further submitted that the impugned order is bad in law since the documents listed in favour of the appellants before the learned Single Judge have not been dealt with and the documents of the respondent therein have not been examined to test their reliability and veracity. He stated that the appellants must enjoy superior rights under Section 34 of the Act. He further stated that the documents shown by the respondent indicating the use of the brand in 1972 are incorrect and to substantiate the same they have relied on various documents issued by government authorities to the appellants.

39. He has also relied on the copyright and trade mark registrations of the appellants with respect to the impugned mark in their favour, the details of which have been reproduced above in tabular form.

40. He further stated that the trade mark application no. being 1169859



for the device “‘SACHAMOTI’ device” and not the wordmark ‘SACHAMOTI’, the respondent cannot be permitted to claim trade mark registration for ‘SACHAMOTI’ for any other device.

41. In reply to the argument of the respondent wherein they stated that the



appellants sent them a mail regarding the use of a mark ‘BABAMOTI’ by an infringing third party, meaning the appellants acknowledged the ownership of the respondent, the learned Senior Counsel for the appellants stated that this argument is unsustainable as the respondent himself was a director in the appellant no. 3/STPL and consequently, the domain of email id of the respondent i.e. ‘sabuindia.com’ in the said email is owned by appellant no. 2/Mr. Gopal Sabu since 1999 with respect to ‘SACHAMOTI’ *sabudana*.

42. Concluding his submissions, Mr. Sai Deepak stated that in light of the submissions made by him, the impugned order is liable to be set aside.

43. Mr. Chander M. Lall, learned Senior Counsel appearing on behalf of the respondent submitted that the respondent is the proprietor of Shiv Trading Co. (STC), established in 1972 under the proprietorship of Chandrakanta Sabu. The respondent procured high quality sago from different suppliers from Salem in Tamil Nadu, which was thereafter packed and marketed by STC. In 1982, the trade marks ‘SACHAMOTI’ and ‘CHAKRA’ were adopted by Chandrakanta Sabu with respect to her food/grocery and *sabudana*. The complete right, title and interest in the trade mark ‘SACHAMOTI’ was transferred by her, to the respondent in the year 1997 and he was made the sole proprietor of the trade mark ‘SACHAMOTI’ by her in the year 2000, due to her advancing age. The respondent thereafter applied for the registration of the impugned mark through the following applications:

S. No.	TM Application/ registration no.	Mark	Class	Specifications	Specified use



1	1169589	'SACHAMOTI'	30	Sabudana preparation	28/07/1997
2	1421804	'SACHAMOTI'	30	Spices and salt	Proposed to be used
3	2278219	'SACHAMOTI'	35	Marketing, Retailing, Distribution, Dealership of spices, sauces, salt, papad, Flour and preparations made from cereals, pulses, condiment, rice, tea, bakery and confectionery, salty preparations, Sago (sabudana), Edible oil and fats	28/07/1997

44. He submitted that multiple advertisements were issued through the respondent's website 'www.sachamoti.com', and money was spent to expand their business and make 'SACHAMOTI' a household name. He stated various other products were introduced and the pan India business of STC was looked after by Chandrakanta Sabu at Indore. The business was widely developed, marketed and advertised in newspapers, sponsorship and organizing events and the appellants at no point had any stake in STC, Indore.

45. He also stated that the respondent also holds a copyright registration

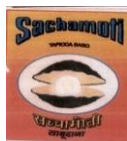


in the distinctive and unique packaging of the 'SACHAMOTI' label with the device of the "oyster with a pearl in its mouth." The said copyright was filed on 19.08.2013 by the respondent under no. A-I03337 of 2013.

46. It is his submission that since the respondent and his brother Shivkumar were handling the business of STC at Indore, the appellant no. 2 was sent to Salem to procure good quality sago for the business as a commission agent. Hence, in 1980, as per this arrangement, the appellants no. 1 and 2 went to Salem as commission agents to procure sago, pack them



in bags of 50 kg and 90 kg and send them to STC for sale. Subsequently, in 1982, Chandrakanta Sabu obtained rights in the trade marks



‘SACHAMOTI’

and ‘CHAKRA’



and rights in

‘CHAKRA’



were handed over to the appellant no. 2 in 1982 itself, him being the eldest son.

47. Further, in 1984, the appellant no. 2 founded ‘Sabu Traders and Co.’ and the respondent was the manager therein. In 1993, the appellant no. 2 applied for an AGMARK in the name of Sabu Traders and Co. for ‘SACHAMOTI’ and ‘CHAKRA’, as it was agreed in good faith between the brothers since the appellant no. 2 was at Salem procuring the sago. Later, in 1993, to expand the business of STC, a new company was incorporated i.e. Sabu Export Salem Private Limited (‘SESPL’), on 05.05.1993. The Directors in the company were Rajkmar Sabu (respondent), Gopal Sabu (appellant no.2), Kaushalya Sabu (appellant no. 1) and Shivnarayan Sabu (brother of the appellant no. 2 and the respondent). As consumers are conscious of the fact that good quality sago grows in Salem, it was agreed that Sago products under the mark ‘SACHAMOTI’ would be sold as "Packed by Sabu Export Salem Private Limited". Subsequently, on 09.08.2006 the name of the company was changed to Sabu Trade Private Limited (‘STPL’).

48. Mr. Lall stated that it is in fact the respondent who has established prior proprietorship over the impugned mark, which can be evidenced from



the various trade mark registrations held in their favour, which are as under:-

(a) Registration Certificate No.1169859 with effect from



28.01.2003 of device mark 'SACHAMOTI' under Class 30 for tapioca sago (*Sabudana*), preparation;

(b) Registration Certificate No.1169860 with effect from 28.01.2003 of wordmark 'SACHAMOTI' under Class 30 for poha, preparations;

(c) Registration Certificate No.1421804 with effect from 15.02.2006 of device mark 'SACHAMOTI' under Class 30 for spices and salt;

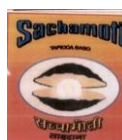


(d) Registration Certificate No. 2278219 with effect from 02.02.2012 class 35 for Marketing, Retailing, Distribution, Dealership of spices, sauces, salt, papad, flour and preparations made from cereals, pulses, condiment, rice, tea, bakery and confectionery, salty preparations, Sago (*sabudana*), Edible oil and fats.



(d) Copyright certificate under title 'SACHAMOTI' vide registration No. A-103337/2013, the device of "oyster with a pearl in its mouth", granted on 19.8.2013.

49. Mr. Lall Stated that Chandrakanta Sabu transferred the right title and



interest in trade marks 'SACHAMOTI', 'CHAKRA'



and "SHIVJYOTI" in the name of her sons , the details of which are as under:



- a. 'CHAKRA' trade mark was transferred to Gopal, appellant no.2 in 1982
- b. 'SACHAMOTI' trade mark was transferred to the respondent in 1997;
- c. 'SHIVJYOTI' trade mark which was adopted in 1988 was transferred to Mr. Shivnarayan Sabu, as the same was adopted to signify his and his wife's name i.e., "Shivjyoti "

50. He stated that this family arrangement can also be confirmed by referring to the affidavits filed by the other family members i.e. Shivnarayan Sabu and Manorama Kabra, acknowledging the respondent's ownership.

51. The learned Senior Counsel for the respondent has placed an affidavit and a recorded video of Chandrakanta Sabu to support this. In May, 2015, due to the inadvertent issuance of two DIN numbers, the respondent resigned from STPL. Despite the family arrangement, the appellants no. 1

and 2, despite having rights in the mark 'CHAKRA'  asserted their rights in the mark 'SACHAMOTI'. To prove this, the following

applications for mark 'CHAKRA'  as filed by the appellant no. 1, can be seen:

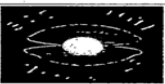
#	Trademark application/ registration no.	Mark	Class	Specifications	Date of use claimed	Remarks
1.	559320	CHAKRA	30	Sago, starch and tapioca products including in class 30	Filed on 27/09/1991 on proposed to be used basis.	This application was abandoned



2.	1524760		30	Wafers, flour, tapioca, starch	Filed on 25/01/2007 claiming use since 14/01/1996	This application was refused vide order dated September 7, 2012
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3.	2226838		30	Tapioca sago appalam, papad, poha, namkeen and turmeric	Filed on 31/10/2011 claiming use since 19/07/1993	This application is currently pending and is being prosecuted by the Defendants, as reply to examination report for the same has been filed on November 20, 2014.
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52. Despite having rights in the mark 'CHAKRA', the appellants malafidely applied for rights in the mark 'SACHAMOTI', without obtaining any authorisation from the respondent, the details of the same are:

	Trademark application/ registration no.	Mark	Class	Specifications	Date of use claimed	Remarks
1.	1926631		30	Manufacturers of sago (sabudana), tapioca, wafers (papad, appalam), starch, poha, namkeen (ready to eat products), bhagar, turmeric, coconut powder	Filed on 23/02/2010 claiming use since January 1, 2010	This application was abandoned, as the Plaintiff's trademarks were cited in the examination report for this mark. In the response to the examination report, the Defendants have stated that the use of the mark started in 2010.
2.	2226836		30	Tapioca sago appalam, papad, poha, namkeen and turmeric	Filed on 31.10.2011 claiming use since 19.7.1993	The Plaintiff's trademarks were cited in the examination report for this mark. In the response to the examination report, the Defendants have changed their stand with respect to the date of use from 2010 to 1993. Defendant No. 2 has also sworn a false affidavit in this regard showing the date of adoption of the mark as July 1993



53. It was contended *malafide* that the appellants applied for the following websites :

- i. <http://www.sabuji.com>: which when one clicks appears as ‘SACHAMOTI’ homepage in Hindi- created on 23.2.2013
- ii. <http://sabuindia.com>: created on 05.10.1999 and last updated on 02.04.2016
- iii. <http://www.sachamoti.in>: created on 10.06.2015 and last updated on 03.06.2016
- iv. <http://www.sachamotisabudana.com>: created on 17.8.2015 and last updated on 24.8.2015

54. He further stated that on 24.08.2015, the appellants acknowledged the respondent’s prior use of the impugned mark which can be seen from the fact that they sought an NOC on 24.08.2015 for the registration of the mark ‘SACHAMOTI’ in their name. This was done via an email sent by the son of the appellants no. 1 and 2 i.e., Vikas Sabu, to the respondent. The respondent did not grant the NOC. Further, in November 2015, the appellants applied to the Intellectual Property Appellate Board for the cancellation of the respondent’s trade mark registrations under no. 1421804 being ORA No. 302/2015/TM/CH and registration no. 1169589 being ORA No. 303/2015/TM/MUM. This has been challenged by the respondent and in these proceedings, no adverse order has been passed as on date. In December 2015, the appellants falsely advertised ‘SACHAMOTI’ in newspapers in Bhopal and Jaipur as owners, stating that the respondent and Shiv Trading Co. are only the distributors of ‘SACHAMOTI’. Further, on



01.03.2016, appellant no. 1 and 2 forged an assignment deed transferring



‘SACHAMOTI’ and ‘CHAKRA’  from from appellant no. 1 to appellant no. 2 for Rs. 1,00,000/- , for which no stamp duty was paid. He stated that this assignment is subsequent to seeking the NOC by the appellants, which further highlights the falsity of this assignment.

55. Additionally, in April 2016, the appellants approached the respondent for signing an MOU, reproduced below, which the respondent refused:

"The Second Party undertake not to raise any objection or to file notice of opposition or any other proceeding challenging the registration and use and ownership of trade mark 'SACHAMOTI' and 'CHAKRA' and/or any other trade mark in the name of first party in respect of any of the goods and business activities carried on by the First Party"
and

"this Memorandum of Understanding is executed by the parties voluntarily in their full senses, without any force, pressure, threat or coercion from any side"

56. Subsequently, on 28.05.2015, as a counterblast, the appellants filed a cancellation action against the registered copyright of the respondent under



no. A-I03337 of 2013 for the artistic work in the ‘SACHAMOTI’ label. Further, they advertised another false public notice stating that the "distributorship" of the respondent and STC has been cancelled and called for distributors in Madhya Pradesh. In response to the same, the respondent also published caution notices with respect to their ownership in the mark



‘SACHAMOTI’. On 24.05.2016, the appellants again published a public notice maligning the respondent and STC.

57. Mr. Lall stated that the position of prior use and the mother being the adopter of the trade mark has been admitted by the appellants in the order of this Court dated 22.03.2024 (in para 12) on which basis (in para 20) it has been observed that this is a family dispute and pursuant to it, the order granting *status quo ante* was passed.

58. Mr. Lall, while responding to the argument that the respondent was a director of STPL from 1993-2005, stated that appellant no.3 had filed a criminal complaint against the respondent under Section 420 of the Indian Penal Code, 1860 (IPC), alleging the same story. However, after considering the entire evidence and upon the cross-examination of the appellant no.2, the learned Magistrate discharged the respondent and dismissed the criminal complaint by order dated 23.02.2023 in CC 82/2018.

59. He further submitted that the respondent was never a distributor of the appellants and such commercial arrangement is impermissible under Section 297(4) of the Companies Act, 1956 which provides that a director of a company cannot enter into any contract on behalf of the company for sale, purchase, supply or other services, which may create conflict in interest without a board resolution. No distributorship agreement or board resolution has been placed on record by the appellants. It is also his submission that even though the respondent’s trade mark registrations states the user since 1997, undisputed documentary evidence regarding the respondent’s firm STC having ownership of ‘SACHAMOTI’ since 1983 has been established.



60. Mr. Lall also stated that the argument of the appellants that their mother's affidavit dated 08.06.2016 is forged, is incorrect and can be evidenced by the fact that a police complaint for the same has been closed on basis of a statement given by Mr. Rajesh Solanki, Advocate confirming that the signature by the mother was done in his presence on 08.06.2016. Further, the appellants have also concealed their sister's and brother's affidavit which have been filed along with the suit to corroborate the contents of the mother's affidavit.

61. He also submitted that it was only after the appellants failed to seek any registration for the mark 'SACHAMOTI' in class 30 for *Sabudana*, they filed multiple applications and applied for the packaging services for

'SACHAMOTI' in class 39 under application no. 3094770  and a

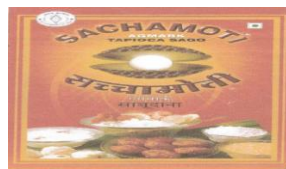
device mark named 'True Pearl'  filed on 20.04.2015 in class 39. For these, the respondent has already initiated rectification/cancellation the proceedings. The copyright registration of the appellants is subsequent to respondent's copyright by 3 years. The artistic work of the respondent has been copied by the appellants from the earlier copyright registered by the respondent.

62. Mr. Lall has drawn a comparison of the two copyright registrations. The respondent's copyright registration no. A-103337/2013 dated 19.08.2013 is as follows:





The appellants' copyright registration no. A-115409/2016 dated 07.06.2016 is as follows:



63. He also submitted that the news articles published in the newspapers are hearsay evidence and no judicial notice of the same can be taken, being secondary evidence. Moreover, mere issuance of notices or seizures made by the Food Inspector and the Commercial Tax Officer cannot prove proprietorship of trade mark or bona-fide use of the appellant for the trade mark 'SACHAMOTI'. The Food Inspector can only monitor manufacturing, processing, storage, or sanitization issues, and not verify/ corroborate the claim of proprietorship of the trade mark. The officer cannot ascertain whether the party was legitimately making any sales under the impugned trade mark as an owner. Similarly, the Commercial Tax Officer would confine his enquiry to tax issues only. Any seizure memo issued by such Officer for any packet under trade mark 'SACHAMOTI' will not give a right to the appellants to claim ownership over the impugned mark. He further stated that the respondent has neither issued nor signed the reply dated 28.04.2008, on behalf of the appellant no. 3, purportedly sent to the Inspector of Weights & Measures, Shajapur (MP) which is sought to be relied upon by the appellants.

64. He also submitted that the learned Single Judge has duly considered these registrations and held that as per Section 31 of the Act, the very fact of



the registration of the trade mark is *prima facie* evidence of its validity and hence, there is no initial onus on the proprietor of the mark to establish its validity i.e, the onus stands discharged.

65. He also stated that the appellants were always aware about the trade mark registration in favour of the respondent and have acknowledged the same on various occasions. Firstly, the appellant no.2 sent an email dated 10.03.2011 informing the respondent about the use of a deceptively similar trade mark 'BABAMOTI' launched in Lucknow, for taking legal action against such third party infringing the mark. In furtherance of the same, the respondent sent a cease and desist notice to the infringing party as the registered owner of the trade mark 'SACHAMOTI' under STC. A copy of this notice was also forwarded to the appellant and no action was taken by them. Secondly, On 24.08.2015, Mr Vikas Sabu sent an email to the respondent attaching the format of an NOC to be signed by the respondent for allowing the trade mark registration of 'SACHAMOTI' in favour of the appellant no.3, which the respondent refused. Thirdly, in response to the objections raised by the Trade mark Registry to application No.2226836 filed by appellant no.3 in class 30 for 'SACHAMOTI', the appellant no.3 has stated that the trade mark registered vide application No.1169859 belongs to their family member and accordingly they shall seek an NOC from them. This weakens their plea of prior user. Fourthly, appellant also sent an MOU (which has been reproduced earlier herein) to the respondent for the transfer /assignment of 'SACHAMOTI' for a nominal consideration of Rs.1,00,000/- in favour of the appellant no.3. Considering these continuous admissions, the appellants must be barred from making



subsequent claims over the impugned mark due to the law of estoppel.

66. He submitted that as evidenced from the appellants' trade mark filings

in respect of the trade mark 'CHAKRA'  it was in fact their mother, (Chandrakant Sabu) who adopted the three trade marks and transferred one to each of her sons.

67. The learned Senior Counsel for the respondent also stated that the appellants have made self-contradictory statements of use and adoption of the impugned mark which is also rightly recorded by the learned Single Judge in paragraph no. 48 of the impugned order. In trade mark registration application no. 1926631, the user was claimed by them from 25.01.2010.



Further, in the trade mark application no. 2226838 for mark  filed on 30.10.2011, user was claimed since 19.07.1993. Reliance is placed on the judgment in the case of *In Suzuki Parasrampuriah Suitings v. the Official Liquidator*, [(2018) 10 SCC 707], wherein it is held that a litigant can take different stands at different times but cannot take contradictory stands in the same case. A party cannot be permitted to approbate and reprobate on the same facts and take inconsistent shifting stands. Further, in *Vijay Enterprises v. Gopinath Manacle Koli & Ors*, [2006 SCC Online Bom 454], it is held that justice delivery system has to be pure and should be such that the persons who are approaching the Courts and filing the proceedings must be afraid of using fabricated documents and also of making false statements on oath.



68. He has also submitted that no invoices other than the hand written forged invoices have been filed by the appellants. All the invoices filed by the appellants mention 'tapioca sago common' and no trade mark has been mentioned. The trade mark 'SACHAMOTI' finds mention only after May 2016 in the appellant no.3's /STPL's invoices which confirms that the appellants never sold any goods under trade mark 'SACHAMOTI' before the year 2016. Thus, not even a single invoice mentions any product sold under the trade mark 'SACHAMOTI'. Reliance in support of this contention has been placed on *Amaravathi Enterprises vs Karaikudi Chettinadu*, 2007 SCC OnLine Mad 1650.

69. It was also his submission that the appellants have obtained the *status quo ante* order dated 22.03.2024 passed by this Court, by placing reliance on false, exaggerated, and misleading sales figures generated under the trade mark 'SACHAMOTI'. These figures were submitted and relied upon before various forums, including this Court, despite being completely at odds with the official records filed by appellant no.3 before the Ministry of Corporate Affairs. To substantiate this argument, he has drawn our attention to a comparative analysis of the sales figures in their counter affidavit.

70. Mr. Lall further submitted that the appellant has repeatedly alleged that the respondent was appointed as the distributor of appellant no.3/STPL. However, during 1993-94, while the appellant no. 3 merely had sales of Rs.1,83,286/-, whereas, the sales of the respondent were Rs.98,32,309.50/-. Further, the appellants have alleged that the respondent applied for the trade mark 'SACHAMOTI' in his personal name, without seeking authorization from the appellants. However, in 2002-03, the sales of appellant no. 3 were

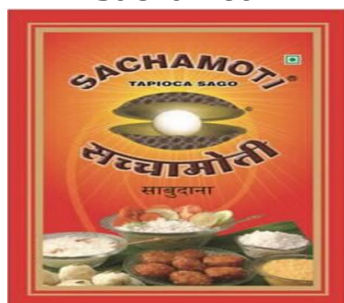


zero while the sales of the respondent were of Rs.1,84,73,965.38/-.

71. To the argument that the appellants hold an AGMARK issued in their favour in 1993 and the respondent has only been user of trade mark registration since 1997, Mr. Lall submitted that the respondent has demonstrated to be user to be since 1983 through an invoice dated 03.02.1983 issued by Tarun Trading Co. to STC for hundred gunny bags of ‘SACHAMOTI’ *sabudana*. This was also observed by the learned Single Judge while passing the impugned order. The reliance on the Agmark certificate itself does not show any proprietorship in the impugned mark ‘SACHAMOTI’, in favour of the appellants.

72. Mr. Lall alleged that the appellants are selling substandard products under ‘SACHAMOTI’ and are also promoting their deceptively similar trade mark i.e ‘SACHASABU’ as a premium product from the makers of ‘SACHAMOTI’ with the exact trade-dress to that of the respondent’s product with the intention of shifting the consumer base from ‘SACHAMOTI’ to ‘SACHASABU’. This deceptively similar packaging by the appellants can be seen below:

Sachamoti



Sachasabu



73. He also stated that the appellants’ products under ‘SACHAMOTI’ were tested by the Food Safety Department and declared substandard. The



said incidence was widely published in leading newspapers. The appellants were also subjected to a fine by the District Court, Indore for selling substandard goods under the trade mark 'SACHAMOTI' in the market. Since presently, both the appellants and the respondent are running their respective businesses using the same impugned mark i.e., 'SACHAMOTI', the general public/distributors are confusing the substandard and adulterated products packaged/ marketed by the appellant no.3 with that of the respondent. Hence, the appellants must be restrained from using the impugned mark and any other deceptively similar mark in the absence of which the appellants will continue to dilute the good will of the impugned mark.

74. He further stated that since the case of the appellant has been inconsistent from the very start and they cannot seek any protection under Section 34 of the Act, for which, it is imperative that a party must show:

- a) that their use of mark pre-dates registration of the registered owner
- b) its actual use

75. These conditions are conjunctive, not alternative. Reliance has been placed by Mr. Lall on the judgments in the cases of ***Trustees of Princeton University v. Vagdevi Education Society and Others***, 2023 SSC OnLine Del 5524 and ***Victoria Foods (P) Ltd. v. Rajdhani Masala***, 2021 SSC OnLine Del 4224.

76. He has placed a list documents upon which he wishes to rely, and also a list of documents, which, according to him, are forged by the appellants.

77. He further submitted that the interim direction granting *status quo*



ante in favour of the appellants is liable to be vacated in light of the settled law laid down by the Supreme Court in ***Wander Ltd. & Anr. (supra)***. In the said judgment, the Supreme Court authoritatively held that an appellate Court ought not to interfere with a discretionary order passed by the Court of first instance unless the exercise of discretion is shown to be arbitrary, capricious, perverse, or contrary to established legal principles. In such a case, the *status qua ante* has negated the respondent's subsisting rights and is impermissible under ***Wander v. Antox Doctrine***. Therefore, the impugned order needs to be upheld.

78. Mr. Lall also submitted that since the appellants were aware about the trade mark registration in favour of the respondent at least since 08.11.2010, despite the same, they did not raise any objection, whereas, the respondent got the mark registered in 2003 and 2006 without any opposition by the appellants, even when, the same were publically advertised. Hence, their cross suit is liable to be dismissed on the bar of limitation itself. He further stated that it is a settled position of law that the power to grant temporary injunction has been conferred in aid of or as ancillary to the final relief that may be granted. However, when a suit is itself barred by any law, then in such a suit *ad-interim* injunction cannot be granted. Reliance in this regard has been placed on the judgments in the cases of ***Prabha Construction (P) Ltd. & Ors. v. Smt. Shan Trilochan Singh & Anr.***, 1994 SSC OnLine Del 141 and ***Lavjibhai Parshottambhai Patel v. Bhimabhai Ajababhai Songara***, 2009 SSC OnLine Guj 10615.

79. He further stated that the appeal is not maintainable as the learned Single Judge while deciding the injunction application in a limited scope has



rightly examined and held that the respondent established its prior, continuous use and adoption of the mark.

80. Mr. Lall concluded by stating that in light of his submissions, the *status quo ante* order dated 22.03.2024 must be set aside and the impugned order, as rightly passed by the learned Single Judge must prevail.

ANALYSIS:-

81. Having heard the learned counsel for the parties and perused the record, at the outset, we may state that the challenge in these appeals is primarily to the decision of the learned Single Judge dated 05.03.2024 whereby the learned Single Judge has decided two applications being IA No.7624/2016 in CS (COMM) No.716/2016 and IA No.13439/2023 in CS (COMM) No.97/2020. The learned Single Judge has allowed the IA No.7624/2016 and dismissed the IA No.13439/2023.

82. IA No.7624/2016 was filed by Rajkumar Sabu, the plaintiff in CS (COMM) No.761/2016 (the respondent herein), seeking an injunction restraining the appellants from infringement of trade mark and copyright and passing off of the impugned mark 'SACHAMOTI'. The learned Single Judge vide order dated 05.03.2024 has allowed the said application i.e. IA No. 7624/2016. Thereafter, an application was filed before this Court in C.M. APPL. 18111/2024 by the appellants seeking an *ex-parte* interim stay of the impugned order dated 05.03.2024. This Court vide order dated 22.03.2024, had directed that the position that emerges and obtaining prior to 05.03.2024, that is, when the learned Single Judge passed the impugned order shall prevail. *Status quo ante* was ordered, primarily for both the sides



to run their respective businesses and it was directed that the disputants will not issue any advertisement claiming that they are the true and sole proprietor of the trade mark 'SACHAMOTI' .

83. The submission of Mr J. Sai Deepak, learned Senior Counsel appearing for the appellants can be summed up in the following manner:-

- (i) Adoption of the trade mark 'SACHAMOTI' by the appellants as is claimed in the AGMARK certification issued on 19.07.1973;
- (ii) The respondent was aware of the appellant's use and ownership of the trade mark for the last 30 years;
- (iii) The appellants held a recipe contest in the year 1994 in Indore where the respondent participated and admitted that the ownership and mark were in favour of the appellants when the business was started by appellant no.2;
- (iv) The respondent acknowledged that the appellants were owners of the impugned mark 'SACHAMOTI' as notice dated 28.04.2008 was issued by the office of the Inspector of Weights and Measures, Madhya Pradesh to the appellant no.3 for goods bearing the trade mark 'SACHAMOTI' and also on 19.05.2008, a response to the notice was given by the respondent;
- (v) The respondent was a Director of Sabu Export Salem Private Limited ('SESPL') since the year 1993 and left only in August 2015;



(vi) The respondent has pleaded that he became successor of the mark upon becoming the sole proprietor of STC in 2000, but in the plaint, he stated that the mark was adopted by his mother in 1982, which in itself is contrary;

(vii) The respondent has claimed usage of the mark before Trade Mark Registry since the year 1997;

(viii) The appellants have filed the applications for registration of the mark and claimed user since 19.07.1993, wherein the respondent opposed and reaffirmed his usage to be from the year 1997;

(ix) The impugned order is bad in law and needs to be set aside since the appellants have been using the trade mark for the thirty years since the year 1993. As such the rights of the prior user are recognized to be superior than that of the registration. Moreso, the usage claimed by the respondent is not supported by any document;

(x) The appellants adopted the mark and the respondent was only the distributor of the appellant no. 3 till May 2016 and started packing sabu dana under the impugned trade mark only from 24.05.2016;

(xi) The learned Single Judge has not dealt with the documents of the appellant nor has he examined the documents of the respondent to test their reliability and veracity;



(xii) It is clear from the trade mark application that the respondent has adopted the mark only on 28.07.1997 and any document showing otherwise, including the usage of the brand from 1972 is incorrect;

(xiii) It is settled law that response to the objections by the Trade mark Registry are the relevant documents and if not filed despite having a direct relation to the issue before the Court would amount to suppression.

84. Suffice it to state, Mr. Lall has contested those submissions. The learned Single Judge after considering the pleadings of the parties has in the impugned order come to the conclusion by referring to the judgments of the Supreme Court in the case of ***Pernod Ricard India Private Limited & Another v. Karanveer Singh Chhabra : Neutral Citation : 2025 INSC 981*** wherein it is held that interlocutory applications are only made to protect the rival interest in a pending suit.

85. The learned Single Judge has held that the respondent Rajkumar Sabu/STC is indisputedly the proprietor of the trade mark 'SACHAMOTI' and copyright label. This conclusion of the learned Single Judge is primarily on the basis of the fact that the respondent had a trade mark registration in his favour. It follows that any use of



'SACHAMOTI' or  label would amount to infringement in terms of Section 29/51 of the Act.



86. There cannot be any dispute to the position of law in this respect. The learned Single Judge held the infringement of a valid registered trade mark entitles its proprietor to a right to seek remedy against the infringement thereof by virtue of Section 28(1) of the Act. He also highlighted that in terms of Section 31(1) of the Act, it is clear that registration of a trade mark is *prima facie* evidence of its validity and the onus to assail the validity would be on the person challenging the validity of the registered trade mark. We agree with the said conclusion of the learned Single Judge.

87. On facts, the case of the appellants is that they have adopted the trade mark 'SACHAMOTI' in the year 1993. The appellant contested the stand of the respondent that the word 'SACHAMOTI' was adopted by him in 1972/1983 by stating they in fact in their application for registration of the trade mark stated adoption of 'SACHAMOTI' in the year 1997. In other words, in view of the stand taken by the respondent in their own in the trade mark application of the year 1997, the same needs to be considered while deciding the prior user of the trade mark 'SACHAMOTI' and label. As such, the appellants being the prior user of the trade mark 'SACHAMOTI' with effect from 1993, the respondent has no right to interfere with the same.

88. In this respect, we would like to highlight paragraph no.44 of the impugned order wherein the learned Single Judge has posed two questions for his consideration in the following manner:-

“44. Two issues arise, therefore, at this stage, for prima facie consideration:



(i) Has the plaintiff been able to make out a prima facie case of user of the 'SACHAMOTI' mark by him, or by Chandrakanta, prior to the registration of the mark in favour of STC?

Alternatively, has the defendant been able to make out a prima facie case against such asserted user of the plaintiff?

(ii) Have the defendants been able to make out a case of user of the 'SACHAMOTI' mark prior to the registration, and user, of the mark by the plaintiff? "

89. He has also noted in paragraph no. 45 the case of the respondent as advanced by Mr. Lall. He has also referred to the cases and documents on which the appellants have placed their reliance in paragraph no.46 in the following manner:-

"46. To support their case on this account, the defendants relied on

(i) the transcript of a video taken on 9 October 1994, purportedly containing a statement made by RKS,

(ii) the fact that the affidavit of Chandrakanta was dated 8 June 2016, a day prior to the filing of the suit on 9 June 2016,

(iii) the report of a handwriting expert who opined that the signature on the affidavit was not Chandrakanta's,

(iv) the absence of any document by Chandrakanta in favour of RKS/STC, assigning rights in the 'SACHAMOTI' trade marks,

(v) communication dated 5 September 1986 from Sabu Traders to Kamath & Kamath, stating that Sabu Traders was intending to use the brand 'SACHAMOTI' for sabudana, starch and other tapioca products,

(vi) invoice dated 5 May 1990 issued to Sabu Traders by KIS Jag Decorators for "Drawing charges for New Desing creation of 'SACHAMOTI' Brand and 'CHAKRA' Brand",

(vii) the Agmark certificate dated 19 July 1993, which



was issued in the name of Sabu Traders,
(viii) a news article dated 7 February 1994, which refers to “Sabu Traders’ ‘sachamoti’ Tapioca Sago (sabudana)” and also states that STC was appointed its distributor for Madhya Pradesh,
(ix) an advertisement dated 26 August 1994 in the Nai Duniya newspaper, which referred to ‘sachamoti’ Sabudana as “marketed by Sabu Traders” and to STC as its “authorized distributor”,
(x) an advertisement for ‘SACHAMOTI’ Sabudana (making no reference to its source), which refers to STC as the distributor,
(xi) notice dated 31 December 1994 from the Food Inspector to Sabu Traders for having the sample of ‘SACHAMOTI’ sabudana tested for adulteration,
(xii) assessment order dated 27 March 2000, which states, towards the conclusion, that “a verification of copy of sales invoices, received from the Check Post, revealed that (Sabu Traders) have sold sago under ‘Sacha Moti Brand Agmark’”,
(xiii) the meta and Whois details for the webpage Sabuindia.com, created on 10 May 1999, which indicated Sabu Traders, Salem to be the manufacturer of SACHAMOT Sabudana,
(xiv) invoices dated 8 September 2000, 20 September 2004, 28 September 2005, 27 January 2006, 11 April 2006 and 16 May 2006 issued to Sabu Traders for manufacturing packing material for ‘SACHAMOTI’ sabudana,
(xv) notice dated 28 April 2008 issued by the Inspector (Weights & Measures) to STPL alleging irregularities in the packages of, inter alia, ‘SACHAMOTI’, manufactured/sold by STPL,
(xvi) the reply thereto, dated 19 May 2008, by RKS as the Director of STPL, in which he did not claim ownership of the ‘SACHAMOTI’ mark either by himself or by STC, and
(xvii) the Deed of Dissolution of STC, dated 1 April



2001, which makes no reference to the transfer of the ‘SACHAMOTI’ mark to RKS, or to STC as a sole proprietorship of RKS.”

90. The learned Single Judge has highlighted the stand of the appellants

being vacillating as they have claimed usage of ‘SACHAMOTI’ trade mark initially from 23.02.2010 and thereafter abandoning the application, filed a second application claiming usage from 19.07.1993.

91. So in effect, it needs to be seen whether the respondent was using the trade mark from 1972/1983 or 1997 as against the appellants from 1993. The learned Single Judge in paragraphs 49-50 has stated as under:-

“49. The evidence on which the defendants rely cannot, therefore, be said to be so strong as to unseat the presumption of validity available to the ‘SACHAMOTI’ mark as registered in favour of the petitioner, under Section 31(1) of the Trade Marks Act.

50. Any kind of detailed analysis of the veracity, validity and reliability of the documentary material relied upon by either learned counsel by this Court, at this stage, would be premature, especially as they would have to be proved, or disproved, during trial. The Court is only required to take a prima facie view of the matter and, thus viewed, it cannot be said that the defendants have placed, on record, material clinching enough to unseat the presumption of validity of the RKS/STC’s registration of the ‘SACHAMOTI’ trade marks, or the copyright held by it in the said marks.”

92. As would become clear from the above, the learned Single Judge was of the view that the evidence on which the appellants have relied upon is not so strong to unseat the presumption of validity available to the



‘SACHAMOTI’ mark as registered in favour of the respondent. He was of the view that any analysis of the veracity, validity and reliability of the documentary material by the learned counsel for parties, at this stage would be premature as the same would have to be proved or disproved during trial.

93. The records of both the appeals would reveal that the parties have filed voluminous documents. These documents inter-alia include the sales figures between the years 1984-2006 (filed by the appellants) and between the years 1985-2015 (filed by the respondents), money spent on advertisement/sales promotion, invoices raised showing the sale of *sabudana* with ‘SACHAMOTI’ mark; notices issued by the various public authorities to the appellants, the correspondences between the customers and the appellants in respect of ‘SACHAMOTI’, dealers’ declaration, balance sheets, copies of trade mark registrations, copies of the application for rectification, pleadings/affidavits filed before the trade mark registry, the appellants’ registrations, packaging samples of the product ‘SACHAMOTI’, recipes by the appellants, invoices showing the purchase of the packing material of ‘SACHAMOTI’ etc.

94. Though, the above documents filed by both the parties, show the mark ‘SACHAMOTI’ in their favour, most of the documents do not pertain to the years prior to 1993/1997. There are documents prior to 1993/97, which do not depict the mark ‘SACHAMOTI’. However, invoices and bills issued by Tarun Trading Co. dated 03.02.1983 and 05.12.1989 respectively to the STC/respondent herein refers to ‘SACHAMOTI’. Similarly, a document showing quotation of Ajay Arts



dated 14.02.1990 to STC/respondent refers to ‘SACHAMOTI’ *sabudana*. Likewise, the document filed by the appellants depicting the mark ‘SACHAMOTI’ is dated 05.05.1990 of KIS JAQ Decorators pertaining to design creation of ‘SACHAMOTI’. As such, the respondent has shown use of the mark ‘SACHAMOTI’, at least from 1983, as rightly recorded by the learned Single Judge. Even the bills dated 05.12.1989 and the quotation dated 14.02.1990, both filed by the respondent pre-date the document dated 05.05.1990 filed by and relied upon by the appellants.

95. The appellants have also relied upon the speech given by Raj Kumar Sabu depicting the grant of AGMARK certificate under ‘SACHAMOTI’ brand in favour of the appellant no. 3. The appellants have also filed the AGMARK certificate issued in their favour.

96. It may be stated here that the case of the respondent is that the proprietorship concern STC was established in the year 1972 by Chandrakanta Sabu. It is also their case that the mark ‘SACHAMOTI’ and ‘CHAKRA’ were adopted by Chandrakanta Sabu for food and grocery and *sabudana* in the year 1982. Chandrakanta Sabu gave ‘CHAKRA’ to the appellant no. 2 and ‘SACHAMOTI’ to the respondent. Though a reliance has been placed by the respondent on the affidavit of Chandrakanta Sabu, the same is contested by the appellants by stating it is forged. In any case, the veracity of the documents relied upon by the parties needs to be decided and the same would be possible only during the trial. The case of the appellants is that even if the mark ‘SACHAMOTI’ is registered in Class 30 in favour of the respondent, being a prior user, the appellants are within their rights to use the same.



This stand of the appellants has to be proved by the appellants, more so, in view of what has been stated by the respondent, which we have noted in paragraph 94 above.

97. The fact is that the mark ‘SACHAMOTI’ and the copyright in the label are registered in favour of the respondent. The same shall enure to the benefit of the respondent insofar as the rights flowing under Sections 28 and 29 of the Act, is concerned, at least as of now.

98. We are in complete agreement with the conclusion drawn by the learned Single Judge. At this juncture, we may refer to the judgment of this Court in the case of **Sona Mandhira Pvt. Ltd. & Anr. v. Sona BLW Precision Forgings Ltd. & Ors., FAO(OS)(COMM.) 40/2023**, decided on 17.04.2023 wherein paragraphs 24, 39, 42 and 43 read as under:-

“24. Mr. Akhil Sibal and Mr. Rajshekhar Rao, learned senior counsel appearing on behalf of the respondents, at the outset, have contested the stand of the appellants that the learned Single Judge has erred in granting the injunction. According to them, the scope of an appeal against a discretionary interim order is limited inasmuch as the appellate court will not interfere with the exercise of discretion of the court of first instance and apply its own discretion, except when such discretion of the court of first instance has been shown to have been exercised arbitrarily, capriciously or perversely, or when the settled principles of law have been ignored. In this regard, they have relied upon the decision of the Supreme Court in the case of Wander Limited and Anr. v. Antox India P. Limited, 1990 (Supp) SCC 727.

... ..

39. They also contended that as has been found by the



learned Single Judge, the balance of convenience hangs in favour of the respondents for a multitude of reasons. The suit was filed within one month of the change of the corporate name of the appellant No.1. Any use of the logo/mark SONA MANDHIRA by the appellants is exclusively after filing of the suit and therefore, no equity can arise in their favour. Any goods manufactured and sold using the device logo/mark SONA MANDHIRA would have been manufactured and sold after filing of the suit. It is well settled that a defendant cannot derive any equities from infringing use, especially after being expressly put to notice. Reference in this regard is made to the decision in *M/s Hindustan Pencils Private Limited v. M/s India Stationary Products Co. & Anr.*, AIR 1990 Delhi 19. They have also relied upon the judgment of the Supreme Court in *Midas Hygiene Industries (P) Limited & Another v. Sudhir Bhatia & Others*, (2004) 3 SCC 90, to contend that in case of infringement, either of a Trade Mark or of a copyright, an injunction must follow. The grant of injunction becomes necessary if it *prima facie* appears that the adoption of the mark itself was dishonest.

... ..

42. At the outset, we may highlight the position of law with respect to the powers of an appellate Court dealing with an appeal against a discretionary order. It is well settled that the appellate Court will not reassess the material on which the Court of first instance has decided to grant or refuse an interim protection. The locus classicus in this regard, is the judgment in *Wander Limited (supra)*, wherein a three-judge Bench of the Supreme Court has held as under:-

“14. The appeals before the Division Bench were against the exercise of discretion by the Single Judge. In such appeals, the appellate court will not interfere with the exercise of discretion of the court of first instance and substitute its own



*discretion except where the discretion has been shown to have been exercised arbitrarily, or capriciously or perversely or where the court had ignored the settled principles of law regulating grant or refusal of interlocutory injunctions. An appeal against exercise of discretion is said to be an appeal on principle. Appellate court will not reassess the material and seek to reach a conclusion different from the one reached by the court below if the one reached by that court was reasonably possible on the material. The appellate court would normally not be justified in interfering with the exercise of discretion under appeal solely on the ground that if it had considered the matter at the trial stage it would have come to a contrary conclusion. If the discretion has been exercised by the trial court reasonably and in a judicial manner the fact that the appellate court would have taken a different view may not justify interference with the trial court's exercise of discretion. After referring to these principles Gajendragadkar, J. in *Printers (Mysore) Private Ltd. v. Pothan Joseph* [(1960) 3 SCR 713 : AIR 1960 SC 1156] : (SCR 721)*

*“... These principles are well established, but as has been observed by Viscount Simon in *Charles Oseinton & Co. v. Jhanaton* [1942 AC 130] „...the law as to the reversal by a court of appeal of an order made by a judge below in the exercise of his discretion is well established, and any difficulty that arises is due only to the application of well settled principles in an individual case”*
.....”

43. In fact, this view has been further propounded by the Apex Court in a veritable plethora of cases including *K. Palaniswamy v. Shanmugam & Ors.*, Civil Appeal 1392/2023, *Shyam Sel & Power Limited v. Shyam Steel Industries*, (2023) 1 SCC 634, *Narendra*



Hirawat & Co. v. Sholay Media Entertainment, (2022) 1 SCR 857 and Ambala Sarabhai Enterprises v. K.S. Infraspace LLP, (2020) 5 SCC 410 and by this Court in Shrivats Rathi and Anr. v. Anil Rathi and Ors., 2021 SCC OnLine Del 2.”

99. Reliance has been placed by Mr Sai Deepak to buttress his arguments, on the decisions in the cases of ***S. Syed Mohideen; Om Logistics Ltd; Ayaaubkhan Noorkhan Pathan; Wander Ltd; and Dale Carrington (supra)***. Suffice it to state, though there is no dispute as to the law laid down in these decisions, however, the same would not be applicable to the facts of the present case.

100. In view of the above position of law, we do not find it necessary to interfere with the impugned order passed by the learned Single Judge. As such, the present appeals challenging the order dated 05.03.2024 passed in IA No. 7624/2016 in CS (COMM) 761/2016 and IA No. 13439/2023 in CS (COMM) No. 97/2020 are liable to be dismissed, we order accordingly. Our conclusion above is a *prima facie* view and shall have no bearing on the final outcome of the suits.

C.M. APPL. No. 51018/2024 in FAO(OS) (COMM) 62/2024

101. We find that the application has been filed by the appellants seeking the clarification of the order dated 22.03.2024, with the following prayer:

“a. Allow the present application and clarify that the observations recorded in paragraph nos.12 and 20 of the order dated 22.03.2024 that Smt. Chandrakanta Sabu was the creator of the marks ‘SACHAMOTI’ and



‘CHAKRA’ is a submission of the Respondent which is disputed by the Appellants;”

102. Suffice it to state, we have dismissed the appeals, surely the rights between the parties need to be decided by the Trial Court. Any observations made in paragraphs 12 and 20 of the order dated 22.03.2024 shall be subject to the final outcome of the decision in the suits.

103. The application is, accordingly, disposed of.

C.M. APPL. No. 23757/2025 in FAO(OS) (COMM) 62/2024

104. This application has been filed with the following prayers:-

“a. Vacate/Set-aside the direction of status quo ante passed on 22.03.2024 in FAO (OS) (COMM.) NO. 61/2024 and FAO (OS) (COMM.) NO.62/2024 and direct the Appellants to resume the position as it prevailed from 05.03.2024;

b. Direct the Appellants to comply with the Impugned Order dated 05.03.2024 and restrain the Appellants, their partners or proprietors, as the case may be, their principal officers, servants and agents, distributors, and all others acting on their behalf, from manufacturing, selling, importing, exporting, offering for sale, advertising: directly or indirectly dealing in any manner with Turmeric, Sago, Bhagar, Poha and all other products under the mark "Sachamoti", filing any trade mark and/or copyright applications or adopting any other deceptively similar to the Respondent's trade mark amounting to infringement of Respondent's trade mark and copyright "Sachamoti", till the pendency of the present Appeal.”

105. In view of the fact that we have dismissed the appeals, this application has become infructuous.



C.M. APPL. No. 55947/2024 in FAO(OS) (COMM) 62/2024

106. This application has been filed with the following prayer:-

“a. Allow the present application and take on record Annexure-A i.e. certified copy of the registered Will dated 08.02.2016 executed by Late Smt. Chandrakanta Devi Sabu, as additional evidence and consider it during/for the adjudication of the present appeal; and”

107. Appropriate shall be for the respondent to file such an application before the learned Single Judge, who is seized of the suits, for consideration and decision.

108. The application is, accordingly, disposed of.

C.M. APPL. No. 18111/2024 in FAO(OS) (COMM) 62/2024

109. In view of the fact that we have dismissed the appeals, this application has become infructuous.

V. KAMESWAR RAO, J

VINOD KUMAR, J

OCTOBER 13, 2025

M/sr/rk/rt