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

+ **CS(COMM) 5/2023 & I.A. 21526/2023**

KHADI & VILLAGE INDUSTRIES COMMISSION..... Plaintiff

Through: Ms. Diva Arora Menon, Ms.
Devyani Nath, Ms. Aishwarya
Devarshni, Advs. (M. 7042547106)

Versus

MUKUL CHAWLA AND ANR. Defendants

Through: Mr Rishabh Kapur, Adv. (M.
7042181838)

CORAM:

JUSTICE PRATHIBA M. SINGH

ORDER

% 31.10.2023

1. This hearing has been done through hybrid mode.

I.A.21526/2023 (u/o XXIII Rule 3 CPC)

2. The present suit has been filed by the Plaintiff - Khadi & Village Industries Commission seeking enforcement and protection of its mark 'KHADI' registered in various classes for certified textile products and services against the Defendant Nos. 1 & 2- Mr. Mukul Chawla and AVS Herbals Pvt. Ltd. , who are using 'KHADI ROOTS' and 'MR. KHADI' as also the website www.thekhadiroots.com.

3. It is averred by the Plaintiff that the trademark 'KHADI' has also been granted the status of well-known mark by the Registrar of Trade Marks, published in the Trade Marks Journal bearing number 2065. The Plaintiff also operates its e-commerce website through the domain name www.ekhadiindia.com which redirects it to <https://khadiindia.gov.in/>.



4. The Defendant No.1 has been engaged in the business of marketing and selling cosmetic products under the marks 'KHADI ROOTS' and 'MR. KHADI'. The Defendants in the suit are Mr. Mukul Chawla - Defendant No.1 and AVS Herbals Pvt. Ltd. - Defendant No.2. The Defendant No.2 is the manufacturer and packer of the products sold by Defendant No.1. Vide order dated 11th January, 2023, an *ad interim* injunction was granted in the following terms.

“29. A prima facie case is made out on behalf of the plaintiff. Balance of convenience is in favour of the plaintiff and against the defendants. The defendant no.1 has adopted the Impugned mark, which is identical to the well-known trade mark of the plaintiff and in respect of identical products. Irreparable injury would be caused to the plaintiff if the defendants continue to use the impugned marks/labels. Prejudice would also be caused to the public as the marks/labels of the defendants are deceptively similar to that of the plaintiff's and likely to cause confusion in the market.

30. Accordingly, the defendants, its partners, servants, representatives, agents, distributors and all others acting for and on their behalf are restrained from manufacturing, selling, offering for sale, advertising, directly or indirectly providing any kind of goods and/or services under the trademark 'KHADI ROOTS', 'MR. KHADI'



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and/or any mark



identical or deceptively similar to the plaintiffs registered KHADI trademarks. The defendant no.1 shall take down its website www.thekhadiroots.com and all its social media pages within three weeks from today. Further, the defendants shall also suspend the domain name www.thekhadiroots.com within three weeks from today.”

5. During the pendency of the suit, the parties have resolved their disputes amicably and have filed an application under Order XXIII Rule 3 CPC, 1908 being **I.A.21526/2023**. As per the said application, the parties have agreed to the terms and conditions contained in paragraph 4(a) to 4(n). As per the said terms, the Defendants have acknowledged the Plaintiff’s rights in the mark ‘KHADI’, Khadi logo in Hindi, ‘KHADI INDIA’. They have also agreed not to use any identical or deceptively similar marks. The Defendant No.1 has given an assurance that he has withdrawn the applications bearing nos.4703530 in class 3 for the mark ‘KHADI ROOTS’ and 4672571 for the mark ‘MR. KHADI’ in class 6.

6. The application is signed by both the parties as also their counsel and is supported by the affidavits of the parties. The new marks, which have been adopted by the Defendants, have also been set out as annexure A in the application. The trademark applications are also reflected as withdrawn on the website of the Trademark Registry.

7. In view of the settlement, which has been agreed between the parties, the suit shall stand decreed in terms of paragraph 4(a) to 4(n) of the settlement application. The suit is also decreed in terms of paragraph 61(a) to (d) of the prayer clause in the plaint. The relief claimed in prayer 61(e), 61(g) and 61(h) are not claimed. The relief claimed in paragraph 61(f) of the



plaint is complied in terms of paragraph 4(1) of the application. The settlement terms shall form part of the decree. All parties or anyone acting for and, on their behalf, shall be bound by the settlement terms.

8. The Defendants are, however, permitted to use the marks 'KHADI',



and



of the Plaintiff in terms of the certificate bearing no. SOA/RC/PMEGP/MUKUL/2022-2023, dated 3rd October, 2019 by Rural Self Employment Training Institute, granted under the Prime Minister's Employment Generation Programme (PMEGP) scheme implemented by the Plaintiff. The decree sheet be drawn accordingly.

9. In view of the fact that the disputes have been amicably settled between the parties, full Court fees be refunded to the Plaintiff through Counsel as per the judgment of *Nutan Batra v. Buniyaad Builders, 2018:DHC:7875-DB*.

10. All pending applications are also disposed of. Next date of hearing stands cancelled.

PRATHIBA M. SINGH, J.

OCTOBER 31, 2023/dk/ks