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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**  
*Date of Decision: 11<sup>th</sup> October, 2022*

+ **CS (COMM) 617/2022 & I.A. 14369/2022**  
SUNSHINE TEAHOUSE PVT. LTD. .... Plaintiff  
Through: Mr. Ankit Miglani & Ms. Kaveri  
Rawal, Advocates (M-7276358720)

versus








MTRM GLOBAL PVT. LTD. .... Defendant  
Through: Ms. Swati Sukumar, Mr. Abhishek  
Jain, Ms. Sutapa Jana, Mr. Gagan  
Gulati, Ms. Anjali Bisht, Mr.  
Shivansh Bhatt, Mr. Jasneet Singh &  
Ms. Himangi Kapoor, Advocates (M-  
9810857920)

**CORAM:**  
**JUSTICE PRATHIBA M. SINGH**

**Prathiba M. Singh, J. (Oral)**

1. This hearing has been done through hybrid mode.
2. The present suit has been filed by the Plaintiff, seeking permanent injunction restraining infringement of its registered trademark and the unauthorised use of the trade name *etc.* relating to the competing trademarks 'CHAAAYOS' and 'CHAIOPS'. The Plaintiff - M/s Sunshine Teahouse Pvt. Ltd. is a company registered under the Companies Act, 1956 having its registered office based out of New Delhi. It is the trademark owner of the brand 'CHAAAYOS' which it claims to be using since the year 2012 and became the registered owner of the trademark in the year 2017. The Plaintiff claims to be the leading chain of Chai Cafes in India operating in various states across the country offering customised Chai in over 12,000 ways in more than 200 outlets across the country. Further, where the physical stores are not present, the Plaintiff has reached out to its customers through its

website [www.chaayos.com](http://www.chaayos.com) offering delivery services and e-marketplaces like [www.amazon.in](http://www.amazon.in), [www.flipkart.com](http://www.flipkart.com), Bigbasket, Instamart, Grofers, etc. The Plaintiff has a number of registered trademarks in various Classes as set out below:

1.	3311872	<b>CHAAYOS TOGO</b>	43	Registered
2.	3311873	<b>CHAAYOS CAFÉ</b>	43	Registered
3.	3467732	CHAAYOS	16	Registered
4.	3467733	CHAAYOS	29	Registered
5.	2516648		30	Registered
6.	3467734	CHAAYOS	32	Registered
7.	3241012	CHAAYOS	43	Registered
8.	3502283		07	Registered
9.	3502284		16	Registered
10.	3502285		29	Registered
11.	3502286		30	Registered
12.	3502287		32	Registered
13.	3502288		43	Registered

3. The Defendant - MTRM Global Pvt. Ltd., which was incorporated on 10th March, 2017 has its registered office based out of Ghaziabad, UP. The Defendant conceptualised and adopted the mark



sometime in July, 2020 for selling tea products through

a cafe under the name and style of 'CHAIOPS'.

4. The case of the Plaintiff is that the Defendant adopted the mark 'CHAIOPS' for offering products and services identical to that of the Plaintiff which is a violation of the Plaintiff's registered trademark 'CHAAAYOS'. Ms. Sukumar, Id. Counsel for the Defendant submits that the Defendant already had 37 outlets.

5. The present suit was first listed on 6<sup>th</sup> September, 2022, on which date considering the prayer for interim injunction that had been made, this Court was of the opinion that an amicable resolution ought to be explored between the parties considering the status of the businesses of the Plaintiff and the Defendant. The Plaintiff had about 200 outlets and the Defendant had already opened 37 outlets by that date. Since the dispute primarily was on the word mark and the device and the logo were not objected to, the parties explored various options for the word mark, which the Defendant could have adopted. However, the mediation proceedings failed and on the next date of hearing, i.e., 23<sup>rd</sup> September, 2022 further options were explored.

6. Yesterday, i.e., on 10th October, 2022 in the presence of Mr. Satvir Singh on behalf of the Defendant, it was finally agreed that the Defendant would change its word mark to '**ChaiApps**' instead of 'CHAIOPS'. This was acceptable to the Plaintiff. Id. Counsels for the parties were requested to finalise the consented settlement terms and place the same before Court.

7. Draft consent terms are stated to have been exchanged between counsel for the parties. Today, submissions have been heard on the consent terms as well. There is some dispute as to what timeline should be given to the Defendant to give effect to changeover the word mark. After hearing the submissions and considering the fact that the legal notice was exchanged

between the parties in August, 2021 and the suit was filed one year later, this Court is of the view that some reasonable time can be granted to the Defendant to give effect the changeover. The Court then put to the counsels for both the parties as to whether the parties would be satisfied if the Defendant effects the change to its existing centres, physical boards, stationery etc. by 1<sup>st</sup> April, 2023 and in respect of online platforms and/or any new outlets to be opened, the change would be immediate. This is acceptable to both parties. Draft consent terms which were exchanged between counsel in track change mode have been handed over to the Court. On the basis of the same and the submissions made today, the following consent terms are recorded as a full and final settlement of all the disputes that have arisen between the parties in the present suit:

1. The Plaintiff and the Defendant hereto confirm and declare that they have voluntarily and of their own free will and volition without any force or coercion arrived at this full and final settlement.
2. The Defendant confirms and declares that it will change its mark 'CHAIOPS' to 'ChaiApps' (New Word Mark). Accordingly, the new mark/logo of the Defendant will be as follows:



3. The change to the new mark 'ChaiApps' as set out above shall be effected in the following manner.
  - (i) For all new outlets to be opened with effect from today, the new name and logo shall be used by the Defendant, its

franchisees and/or licensees.

- (ii) In respect of usage on all online platforms including the website, email addresses, social media handles like Twitter, Facebook, LinkedIn etc. the Defendant shall within one month inform its customers that it has now changed over to the new name “ChaiApps” as set out above. Upon the expiry of the one month period, the Defendant shall cease all use of Chaiops on all online platforms;
- (iii) In respect of all physical outlets of the Defendant, i.e., 37 outlets, which have already been opened by the Defendant, the change in the display boards outside the physical premises shall be effected with effect from 1st April, 2023. In the meantime, in all the said outlets the stationery etc. shall be removed in a phased manner so that the customers are informed that the earlier name ‘CHAIOPS’ has been changed to the new name ‘ChaiApps’. With effect from 1<sup>st</sup> April 2023, all use of the mark CHAIOPS even in existing outlets shall be ceased.
- (iv) The Defendant agrees that it will change the marks in the existing outlets, shops, kiosks, cafes etc., menu cards, pamphlets, labels, stationery articles, flyers, façades and destroy all pending inventory or stocks bearing the mark “Chaiops” by 1<sup>st</sup> April, 2023. The Defendant also agrees that subsequent to the said date, it will neither be in possession of nor in power or control of any pending stock, stationery items, advertisement or promotional or any

materials, or otherwise any item of any nature bearing the mark “Chaiops”.

- (v) The terms of this agreement shall be duly informed to all the Defendant’s franchisees, affiliates and subsidiaries, which are operating the existing outlets so that they are made aware of the terms of settlement and they can prepare their respective activities so as to be in compliance with the deadlines specified above.
- (vi) Hence, the Defendant agrees that w.e.f 1<sup>st</sup> April, 2023, it will cease use of the mark ‘CHAIOPS’. However, subsequently, in case any such material comes to the notice of the Plaintiff, the Plaintiff undertakes to bring such material immediately to the knowledge of the Defendant wherein the Defendant shall take down boards, signage, destroy such goods, materials, online or otherwise, not later than within one week of receipt of such notice, failing which the defendant shall be liable to damage to the tune of Rs.50,000/- for each day, the default continues.
- (vii) The Defendant agrees to change its domain name and emails and remove all references of the earlier mark ‘CHAIOPS’ from the World Wide Web including websites, social media platforms, food delivery platforms, e-commerce websites or any other third party websites managed, operated, owned or dealt by the Defendant or on their behalf directly or indirectly in any manner whatsoever within one month from today.

(viii) The Defendant shall take down, remove and delete all the posts, videos, photos, reels etc. bearing or containing reference of earlier mark 'CHAIOPS', posted by the Defendant on any social media platforms including but not limited to Instagram, Facebook, Twitter, LinkedIn, Youtube etc. within one month from the date of settlement. The Defendant shall further immediately stop all their promotional activities, promotions, advertisements relating to earlier mark 'CHAIOPS' being run on any platform, whether online or offline, within one month of signing the settlement agreement.

4. The Plaintiff agrees not to object to the use and/or registration of above-mentioned New Word Mark 'ChaiApps', or any variants thereof, in any manner whatsoever before any judicial and/or quasi-judicial authority.

5. The Defendant shall withdraw their currently pending trademark applications before the Trademark Registry for the trademark "Chaiops" or its variants within one week of this settlement and e-mail the proof of having done so to the counsel for the Plaintiff.

6. The Defendant hereby declares and undertakes that it shall destroy all hoardings, boards, signage etc. that may have been put up by or on behalf of the Defendant bearing the mark 'CHAIOPS' and/or its variations by 31st March, 2023, of the present suit being decreed and share the proof of the same to the counsel of the Plaintiff.

8. The Parties hereto declare, assure and undertake that no other case or court proceedings are pending between the Parties except as mentioned above.

9. The Parties agree that the settlement terms provided herein are final and binding on both Parties and their respective partners, servants, agents, licensees, assigns in business and/or any person directly or indirectly related to them in their ordinary course of business activities or even otherwise.

10. The present settlement terms shall be confidential to the Parties and shall not be disclosed to third parties without the written consent of the other party. The Defendant may disclose the essence of this Agreement to its franchisees to enable them to change their existing branding.

11. The above consent terms shall be binding on the parties and anyone acting on their behalf. In view of the undertakings and assurances given by the Defendant, as recorded above, the Plaintiff does not press for damages and rendition of accounts.

12. The suit shall stand decreed in the terms captured above. Decree sheet be drawn accordingly. All pending applications are also disposed of.

13. The present order be sent to the office of CGPTDM at [llc-ipo@gov.in](mailto:llc-ipo@gov.in) for compliance.

14. In view of the amicable resolution of disputes, full court fee is directed to be refunded to the Plaintiff in terms of the judgment of the Id. Division Bench of this Court in *Nutan Batra v. M/s. Buniyaad Associates, 2018 (255) DLT 696*, through counsel.

**PRATHIBA M. SINGH**  
**JUDGE**

**OCTOBER 11, 2022/dk/SR**