

● SPLITTING HERITAGE

Battle for brand by brothers Lodha

GREAT DIVIDE. Corporate India is witness to yet another fratricidal war. Will court-mandated mediation resolve it?

Janaki Krishnan

On January 27, hearing the trademark dispute between Macrotech Developers and House of Abhinandan Lodha, the presiding judge at the Bombay High Court, Justice Arif Doctor, queried whether there had been any genuine effort to resolve the dispute through dialogue before approaching the courts.

The Lodha versus Lodha battle is yet another saga in India Inc's theatre of squabbles.

In 2004-05, when Dhirubhai Ambani's sons, Mukesh and Anil, fell out over taking management control of Reliance Industries and other businesses, family matriarch Kokilaben brokered peace between them and a settlement and division of assets was achieved.

In January this year, two brothers engaged in real estate, Abhishek and Abhinandan Lodha, approached the courts over a trademark dispute that had its origins in a near decade-old family split. The Bombay High Court lost no time in suggesting mediation.

Abhishek Lodha, MD and CEO of Macrotech Developers, claimed the right to use the 'Lodha' brand and trademark for his company and products, and sought to restrain its use by his brother and his company — House of Abhinandan Lodha.

The matter has been directed to be resolved within five weeks through mediation under former Supreme Court Justice RV Raveendran.

"Trademark disputes often occur in any industry, especially when a prominent name is at stake. The court has rightly directed the brothers to mediate to help resolve these issues," said Samit Shukla, Partner, Real Estate and Disputes Practice, Trilegal.

THE ROAD TO LITIGATION

The Lodha group was founded in the 1980s by Mangal Prabhat Lodha. Originally from Rajasthan, he began by building and selling mid-income homes in Mumbai. In 2003, his sons joined the business and it expanded.



SIBLING RIVALRY. Abhinandan Lodha, Chairman, House of Abhinandan Lodha; (right) Abhishek Lodha, MD and CEO, Macrotech Developers

In 2010, the 'Lodha' brand was registered as a trademark.

During 2008-15, the group's debt piled up and cracks began appearing in the family unit. As Abhinandan led the finance function at Macrotech Developers, the income tax raids against the company in 2011 worsened matters.

A family agreement was hammered out in April 2015, and another in September. These pertained to the direct and indirect interests — business and personal — related to the flagship company and the family, including properties held in various names, companies and entities.

However, these agreements were cancelled in 2017 and a new agreement was sealed, giving Mangal Prabhat Lodha and Abhishek control over the real estate business while Abhinandan took over 'new business' under 'Lodha Ventures'.

According to court filings, the agreement specified that Abhinandan would not interfere in, or have any right or claim to the real estate business, and Abhishek would have no claim to the new business.

The non-compete clause held that Abhinandan "will not, directly or indirectly, engage in any real estate activity in MMR (Mumbai Metropolitan Area) for a period of 60 months from the date of this

● HOW THE PLOT UNFOLDED

- 1980** — The company Lodha Developers is founded by Mangal Prabhat Lodha
- 1995** — Formally registers with the ROC
- 2003** — Sons Abhishek and Abhinandan join the company
- May 2010** — 'Lodha' trademark and brand registered
- 2008-15** — The company faces severe debt and other financial troubles. In 2011, following income tax raids on the company, friction develops between family members
- 2015-17** — Family decides to divide assets. Agreements are hammered out for a split. Abhishek gets Lodha Developers with its real estate assets, and Abhinandan gets new businesses under Lodha Ventures
- 2019** — Name of company changed to Macrotech Developers
- 2020** — Abhinandan launches House of Abhinandan Lodha, offering plotted developments
- 2021** — Macrotech Developers launches IPO and lists on bourses
- 2021-25** — Brothers get into a tussle over use of 'Lodha' brand
- Jan 2025** — Macrotech Developers files case against House of Abhinandan Lodha to stop the use of 'Lodha' brand name in any form. Court orders resolution of dispute through mediation

Amended Family Agreement". He was free to engage in real estate business outside MMR and London.

There was also a provision that 36 months from the amended agreement, the family council would have the right to allow Abhinandan to enter real estate business in MMR, "provided Lodha real estate business is in healthy financial shape and the terms of this ar-

range have not been violated" by the younger brother.

Importantly, the intellectual property rights of the Lodha real estate business, "including trade name, brand name, logo, design, copyright", would be vested in Lodha Developers. The new business under Abhinandan "will be entitled to advertise itself as 'Abhinandan Lodha venture/ project' but will develop and own a distinct and

separate IPR", clearly differentiated from the Lodha real estate business.

In 2019, the Lodha group under Abhishek was renamed Macrotech Developers and listed in 2021.

BRAND MATTERS

Macrotech contends that an agreement inked in 2023 specified that Abhinandan would not use any name similar to, or preceded by 'Lodha', but was not complying with it. A source told *businessline* this created confusion in the minds of customers and "can damage the goodwill of the other party or whoever had the brand", forcing Macrotech to take a call.

A spokesperson for Abhinandan Lodha group said Abhinandan had built up 'House of Abhinandan Lodha' from scratch since 2020.

"House of Abhinandan Lodha' is in plotted land and the product is different from what Macrotech Developers offers. Further, we are largely not present in the locations where their projects are on offer. Our customers are largely well informed, including top Bollywood and other celebrities with professional managers..."

"In addition, ours is an online only model... we have never met any of our 7,000 customers in person until the registration of documents, which in itself indicates high-level trust and good corporate governance. So this argument about confusing customers is a farce," the spokesperson said.

MEDIATION

Experts point out that the dispute highlights the importance of clear agreements and their enforcement within family-run businesses.

"While legacy and brand equity are invaluable, their protection through legal frameworks ensures fairness and clarity," said Akshat Khetan, Founder, AU Corporate Advisory and Legal Services.

Separation documents are key to avoiding such disputes, and prominent families in the real estate sector have successfully achieved this in the past, said Shukla.

If the mediation succeeds, the brothers will draw the curtains on an unseemly fratricidal war.