
(2001) 02 RAJ CK 0118

In the Rajasthan High Court

Case No : Civil Miscellaneous Appeal No. 644/99 against Order of ADJ No. 1, Jodhpur in Civil Miscellaneous Case No. 43/99

Chunni Lal

APPELLANT

Vs

Bharat Lal

RESPONDENT

Date of Decision : 26-02-2001

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 39 Rule 1, Order 39 Rule 2
Trade and Merchandise Marks Act, 1958 — Section 105, 8

Citation : (2002) 24 PTC 535

Hon'ble Judges : V.G. Palshikar, J

Bench : Single Bench

Advocate : J.P. Joshi, for the Appellant; P.C. Sharma, for the Respondent

Final Decision : Allowed

Judgement

V.G. Palshikar, J.—This appeal is directed against the order passed by the Additional District Judge No. 1, Jodhpur on 11.8.99 in Civil Misc. Case No. 43/99 on an application under Order 39 Rules 1 & 2 C.P.C By the impugned order, the learned trial Judge enjoined the defendant present appellant from using a trade mark allegedly belonging to the plaintiff present respondent. The effect and operation of the order was, however, stayed by this Court when the appeal was admitted. Hearing of the same was, therefore, expedited and the matter has been heard on 16.2.2001. The matter was then reserved for orders.

2. The facts giving rise to the present appeal stated briefly are that a suit for permanent injunction was filed in the trial court by the original plaintiff Bharat Lal (hereinafter referred to as "the Plaintiff), who is respondent-plaintiff in this Court against the original defendant Chunni Lal (hereinafter referred to as "the defendant"), who before this court is appellant. The plaintiff had alleged that since the year 1968, he is manufacturing under the trade name M/s. Bharat Industrial Corporation tractor, hydraulic pump, and tractor parts. The applicant has specifically averred that he manufactures various tractor parts with

specialisation in control valve, safety valve and spool and lowering assembly tractor parts which have a distinct place in the country and the plaintiff has a reputation in this regard. It would be necessary in the circumstances to note that in para 2 of the plaint, the plaintiff has averred that he has a trade mark duly registered for the tractor parts manufactured by him and he has described.

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Throughout the plaint, the plaintiff has averred that he has acquired by his own intelligence and labour a special reputation in the designs that he is manufacturing. It is then averred that it is duly registered under the provisions of the Trade & Merchandise Marks Act, 1958 (hereinafter referred to as "the Act") and it is valid upto 1.3.2003, Then in para No. 5, it is alleged that the plaintiff knew the defendant and, therefore, in the year 1976, he appointed the defendant as his agent to sell the tractor parts manufactured by him. Thus, on the pleadings of the plaintiff himself, the defendant was his distributor since 1976. It is nowhere alleged in the plaint as to whether this distributor was any time terminated by the plaintiff. Then it is claimed by the plaintiff that he read a notice published in Rajasthan Patrika dated 12.4.99 whereby the defendant had applied for registration of the trade mark BIC and cautioned others not to use it. It was after publication of this notice that the plaintiff came to know that the defendant is planning to manufacture and sell tractor parts using BIC monogram as his own, which the defendant had no right to use. Para 9 contains the averments that if the defendant is not restrained from manufacturing tractor parts under the trade mark of BIC and sell the same, irreparable loss would be caused to the plaintiff. The suit was filed u/s 105 of the Act. The cause of action is alleged to have occurred on 12.4.99 when the notice was published. The plaintiff consistent with his claim also filed an application for temporary injunction on almost identical averments. In the injunction application also, the averments regarding infringement of trade mark have been mentioned, which read is under :-

^^V?sMekdZ ds eky dks ch-vkbZ-lh- vFkok mlls feyrs twyrs uke ls VsDVj ikBZI dk fo?; cktkj esa djus yx x;k vFkok djuk izkjEHk fd;k gS tks iw.kZr;k xyr gS vizkFkhZ dks bl uke ls eky fo?; djus dk dksbZ gd vf/kdkj ugha gS vkSj u gh bl uke ls feyrd tqyrs uke ls gh vizkFkhZ ,slk djus dk vf/kdkjh gh gSA**

3. The defendant contested the application by filing appropriate reply and claimed that no case whatever for grant of injunction is made out. It was claimed that no case for entertaining the suit itself is made out, there is no cause of action much less any case for injunction under Order 39 C.P.C.

4. The learned trial Judge as aforesaid on consideration of the pleadings as made by the parties, granted temporary injunction under Order 39. It is this order,

which is assailed in this Misc. appeal by the defendant on the grounds mentioned in the memo of appeal.

5. This contention of the appellant that no case of prima facie rights have been made out by the plaintiff, the plaintiff had failed to make out a case of any irreparable loss being caused to the plaintiff nor is there any proof of the balance of convenience being prima facie in favour of the plaintiff. There is no infringement of the trade mark and, therefore, there is no question of any injunction being granted. It is alleged in the appeal that the trade mark which the plaintiff possesses is different from trade mark which the defendant applied for, is different Trade mark which the defendant has applied pertains to Entry 12 in Schedule IV of the Act whereas the trade mark registered by the plaintiff is under Entry 7 of Schedule IV. Both are entirely different and taking into consideration the provisions of the Act, there is no question of any injunction being granted in favour of the plaintiff. The impugned order is illegal, against the provisions of law and hence, liable to be set aside.

6. Defending the order of injunction, the learned counsel appearing on behalf of the plaintiff submitted that he being holder of the trade mark registered, that can be used to the exclusion of others, the defendant is infringing that trade mark and, therefore, the trial Judge was justified in granting the injunction.

7. On careful consideration of the rival contentions, the question which arises for determination in this appeal is whether the plaintiff has proved that the balance of convenience is in his favour and in the matter of infringement of trade mark by the defendant. In this connection, the law has been summarised and finally laid down by the Hon'ble Supreme Court of India in a recent judgment in the case of M/s. S.M. Dyechem Ltd. v. Cadbury (India) Ltd. AIR 2000 SC 2114 wherein it has been laid down by the Supreme Court that in trade mark matters, it is now necessary to go into the question of "comparable strength" of the cases of either party, apart from balance of convenience that is to say, in order to succeed in the matter of injunction on the basis of a trade mark, the plaintiff must prove not only that the balance of convenience is in his favour but also that his case has comparable strength than that of the defendant. It is in the light of this dicta of the Supreme Court of India that the present case will have to be considered.

It would be worthwhile in the circumstances to note the entry under which the plaintiff holds the registration as also the entry under which both the plaintiff and the defendant, have applied for registration in the years 1999 and 1998 respectively. Entry 7 reads thus:-

"7. Machines and machine Tools: Motors: (except for vehicles); Machines couplings and belting (except for vehicles) large size agricultural implements incubators."

The machine and machine tools both mentioned in the entry, therefore, do not include machine and machine tools used for vehicles. A tractor is admittedly a

vehicle. Entry 12 reads thus:-

"Entry 12:-- Vehicles; apparatus; for locomotion by land, air or water."

It obviously includes everything for making tractor parts. Therefore, the registration is of Entry 12. The plaintiff is holder of a registration for manufacturer of machine and machine tools not for vehicles. According to the plaintiff, the trade mark is in relation to any goods, the user for which the goods are purchased according to the plaintiff is irrelevant. The plaintiff has also claimed injunction on the basis that the defendant is passing off goods as those manufactured by the plaintiff under the trade mark registered by him. Great emphasis has been laid down by the learned counsel on the fact that injunction was granted on likelihood to deceive or to cause confusion. According to the learned counsel, therefore, likelihood to {deceive or cause confusion is necessary for grant of injunction and it is not necessary in the circumstances to prove factual deceit or confusion before injunction can be granted. The contention of the plaintiff further is that the likelihood to deceive or cause confusion is proved by publication of the notice of 12.4.99 and, therefore, issue of injunction by the learned trial Judge was proper. Reliance is placed on several judgments rendered by different High Courts as also the Supreme Court of India for this proposition. In view of the judgment of the Supreme Court in *Mis. S.M. Dyechem Ltd. 's case* (supra), I do not think it necessary to refer to any other decision. The Supreme Court has observed in this regard thus:-

"In *U.K. Laddie, J.* reconsidered the principle recently and explained *American Cyanamid* in his judgment in *Series 5 Software v. Clark* (1996) 1 AH ER 853 . The learned Judge observed that in *American Cyanamid*, Lord Diplock did not lay down that the relative strength of the case of each party need not be gone into. Thereafter, this Court in *Colgate Palmolive (India) Ltd. Vs. Hindustan Lever Ltd.*, has referred to *Laddie J.*'s view and said that the view of *Laddie, J.* is correct and that *American Cyanamid* cannot be understood as having laid down anything inconsistent with the "old practice". We may also add that now the Courts in England go into the question whether the plaintiff is likely or unlikely to win in the suit i.e. into the comparative strength of the case of the rival parties - apart from the question of balance of convenience. (See again *Laddie, J.* in *Barclay's Bank Inc v. R.B.S. Advanta*, 1998 RFC 307 where such a question is posed and where *Series 5 Software* was followed. Therefore, in trade mark matters, it is now necessary to go into the question of "comparable strength" of the cases of either party, apart from balance of convenience. Point 4 is decided accordingly."

The case of the plaintiff for grant of injunction in the present suit will, therefore, have to be considered on comparable strength of the case of either party apart from balance of convenience. In so far as the balance of convenience is concerned, the plaintiff depends solely on the notice published on 12.4.99 and claims that the defendant is likely to cause confusion and deceit by his intended manufacture of goods under the trade name BIC. In so far comparable strength is concerned, according to me, the plaintiff has miserably failed to prove any

comparable strength in his favour. The provisions of law in that regard are very clear. The provisions of Section 18(2) may be noted in this regard, which read thus:-

"An application shall not be made in respect of goods comprised in more than one prescribed class of goods."

Thus, according to the scheme of the Act, the goods mentioned in each entry are basically and substantially different from the goods mentioned in another entry. It will further be seen from the provisions of Section 8, which provide that a trade mark may be registered in respect to any or all of the goods comprised in the prescribed class of goods. Even if, it is assumed, therefore, that the trade mark registered by the plaintiff is for all the goods mentioned in Entry 7, all those goods are for use otherwise than in vehicles. Heavy reliance has been placed by the plaintiff on the notice published in Rajasthan Patrika dated 12.4.99 claiming likelihood of deceit and confusion. This notice very clearly states that Shri Chunni Lal Baheti is holding the trade mark and monogram BIC for the manufacture of tractor and automobile parts. It would be necessary to note the vernacular

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From the averments in the plaint, the plaintiff holds the trade mark for Entry 7, which is for machine and machine tools and motors except for vehicles, machines couplings and belting (except for vehicles) large size, agricultural implements incubators. What is held by the plaintiff is trade mark registration, which is, therefore, for goods except for vehicles whereas what is claimed for is manufacture and sale of goods only for tractor and automobile, both of which are vehicles. Consequently assuming all the averments made in the plaint to be true, there is no question of any deceit or confusion to be caused in regard to goods manufactured for vehicles and in regard to goods manufactured for anything else than vehicles. The trade mark held by the plaintiff is for manufacture and sale of goods otherwise than for vehicles whereas the claim by the defendant is for manufacture and sale of goods held for vehicles. In this view of the obvious distinction between the two claims, the plaintiff has no comparative strength to claim injunction and hence, his application for injunction is liable to be rejected.

9. It will, however, be seen that the learned trial Judge has gone to consider the comparative merits and balance of convenience without appreciating the vast distinction between the two claims. In view of the provisions of Sections 8 and 18 and Entries 7 and 12 of Schedule IV, it is obvious that the claims of the plaintiff and defendant are entirely different, they do not clash nor is there any question of any possible deceit or confusion and there is, therefore, no comparative strength nor is there any balance of convenience in favour of the plaintiff for grant of injunction. The plaintiff has miserably failed to prove that the defendant is likely to use his trade mark because what the defendant has

proclaimed by notice dated 12.4.99 is manufacture and sale of goods of vehicles and the trade mark held by the plaintiff is for manufacture and sale of goods other than those used in vehicles. In this view of the matter, I do not find any merit in the application of the plaintiff for grant of injunction, the impugned order granting injunction and, therefore, set aside. The application under Order 39 Rules 1 & 2 C.P.C. is hereby dismissed.

10. The appeal is thus, allowed with costs.