

(2012) 01 AHC CK 0044

In the Allahabad High Court

Case No : First Appeal From Order No. 13 of 2003

Ganga Prasad Rawat

APPELLANT

Vs

M/S Shivhare Pharmacy, Fatehpur and Others

RESPONDENT

Date of Decision : 13-01-2012

Acts Referred:

Arbitration and Conciliation Act, 1996 — Section 2, 34
Bengal, North- Western Provinces, Agra and Assam Civil Courts Act, 1887 — Section 3, 8, 8(2)
Civil Procedure Code, 1908 (CPC) — Section 2(4)
General Clauses Act, 1897 — Section 4(12)
Specific Relief Act, 1963 — Section 37, 38
Trade Marks Act, 1999 — Section 134, 2, 28(3)
Uttar Pradesh General Clauses Act, 1904 — Section 3(17)

Citation : AIR 2013 All 102 : (2013) 3 ALJ 328

Hon'ble Judges : Pankaj Mithal, J

Bench : Single Bench

Advocate : W.H. Khan, J.H. Khan, for the Appellant; R.R. Shivhare, for the Respondent

Judgement

Hon'ble Pankaj Mithal, J.—The appeal under Order 43 Rule (1) (r) CPC is directed against the order of the court below dated 16.11.2002 allowing the plaintiffs application paper no. 5 Ga-2 for interim injunction in Original Suit No. 3 of 2001 M/S Shivhare Pharmacy and others Vs. Ganga Prasad Rawat. The plaintiffs instituted the above suit for permanent injunction restraining the defendant, his agents and his representatives from using trade names "Himshankar Lal Tail" and "Shivshankar Vijay Tail", as both the above trade names were similar and deceptive to the registered trade marks "Himshankar Vijay Tail" and "Shivshankar Vijay Tail" of the plaintiffs and further to restrain the defendants, his agents and representatives from interfering in the plaintiffs use of the aforesaid trade marks and in carrying of business of the above products.

2. The aforesaid suit was filed on the allegation that plaintiff no. 1 M/S Shivhare Pharmacy is a sole proprietorship firm and that plaintiff no. 2 is its sole

proprietor. The plaintiffs are in business of manufacturing and selling of ayurvedic products under the trade marks "Himshankar Vijay Tail" (trade mark registration no. 425844 of 1984) and "Shivshankar Vijay Tail" (trade mark registration no. 425841 of 1984). Both the aforesaid registrations were granted under the Trade and Merchandise Mark Act, 1958. The defendant has started dealing with ayurvedic products having similar trade names "Himshankar Lal Tail" and Shivshankar Vijay Tail". Both of which are similar and identical to the trade marks of the plaintiffs and as such are deceptive. The use of the said trade names by the defendant is violative of the Trade Marks Act, 1999 (hereinafter for short "Act")

3. The suit is being contested by the defendant denying the plaint allegations.

4. In the suit the plaintiffs also applied for grant of interim injunction. In reply to the said application objections no. 17 Ga-2 were filed by the defendant.

5. The defendant contended that the plaintiffs are not having any registration in respect of the trade names "Himshankar Vijay Tail" and Shivshankar Vijay Tail". The plaintiffs have never manufactured any oil with the trade name of "Shivshankar Vijay Tail". They are only manufacturing "Himshankar Vijay Tail". The bottle, label and cap of the bottle of which are quite different and distinct from the packing of the "Himshankar Lal Tail" manufactured and sold by the defendant since 1977. The defendant as such has not violated any provisions of the Act. In fact had had applied for registration of his trade name separately. No prima-facie case for grant of interim injunction is made out in favour of the plaintiffs whereas the balance of convenience lies in favour of the defendant.

6. The court of first instance vide impugned order dated 16.11.2002 allowed interim injunction application holding that the plaintiffs are the holders of registered trade marks "Himshankar Vijay Tail and "Shivshankar Vijay Tail" since 1994. The products of the defendant with the names "Himshankar Lal Tail" and Shivshankar Vijay Tail" are not only similar and identical but deceptive and their use amounts to violation of the Act. There is no separate registration in favour of the defendant. The plaintiffs have succeeded in establishing a prima-facie case. The balance of convenience is also in their favour and they would suffer irreparable loss and injury in the event injunction is refused and the defendant is permitted to use the aforesaid deceptive trade names.

7. The aforesaid order has been challenged by the defendant in this appeal.

8. Parties have exchanged the necessary affidavits and further a supplementary affidavit has been filed on behalf of the defendant appellant.

9. Learned counsel for the parties agreed for deciding the appeal finally. I have heard Sri Gulrej Khan learned counsel for the defendant appellant and Sri M.N. Singh, learned counsel for the plaintiff respondents.

10. Sri Gulrej Khan, learned counsel for the defendant appellant candidly submitted that he is confining his appeal to the use of the trade name/trade

mark "Himshankar Vijay Tail". He is giving up his claim for the trade name/trade mark "Shivshankar Vijay Tail".

11. Thus in appeal the address is limited to the trade name/trade mark "Himshankar Vijay Tail". In other words, the dispute now relates to the effect as to whether the trade name "Himshankar Lal Tail" is similar and deceptive to the trade mark Himshankar Vijay Tail" which belongs to the plaintiff respondents.

12. I have perused the aforesaid pleadings of the parties.

13. Learned counsel for the defendant appellant has made the following submissions:-

(i) The suit is u/s 134 of the Trade Marks Act, 1999 (herein after referred to as the Act) and the District Judge alone is competent to try the same and it could not have been decided by the Additional District Judge;

(ii) The trade name used by the defendant appellant for his product is neither similar to that of the alleged trade mark of the plaintiffs nor is deceptive; and

(iii) The defendant appellant having now obtained the registration of his trade mark can not be stopped from use of the same.

In dealing with the first aspect, it would be convenient to refer to Section 134 of the Act which reads as under :-

134. Suit for infringement, etc., to be instituted before District Court. (1) No Suit -

(a) For the infringement of a registered trade mark; or

(b) Relating to any right in a registered trade mark; or

(c) For passing off arising out of the use by the defendant of any trade mark which is identical with or deceptively similar to the plaintiff's trade mark, whether registered or unregistered,

shall be instituted in any court inferior to a District Court having jurisdiction to try the suit.

(2) For the purpose of clauses (a) and (b) of sub-section (1), a "District Court having jurisdiction" shall, notwithstanding any thing contained in the Code of Civil Procedure, 1908 (5 of 1908) or any other law for the time being in force, include a District Court within a local limits of whose jurisdiction, at the time of the institution of the suit or other proceeding, the person instituting the suit or proceeding, or, where there are more than one such persons any of them, actually and voluntarily resides or carries on business or personally works for gain. Explanation:- For the purposes of sub-section (2), "person" includes the registered proprietor and the registered user.

14. The suit from the nature of its pleadings is one for permanent prohibitory

injunction u/s 38/37 of the Specific Relief Act, 1963. However, as the permanent injunction claimed relates to a registered trade mark, it would essentially be a suit u/s 134 of the Act which provides a suit for infringement of a registered trade mark relating to any right in a registered trade mark or for passing of an order arising out of use of any trade mark which is identical with or deceptively similar to the plaintiff's trade mark whether registered or unregistered.

15. In view of special provision of Section 134 of the Act, the aforesaid suit is not to be instituted in a court inferior to the District Court having jurisdiction to try suit. The "District Court" has not been defined under the Act or any other enactment. However, "District" has been defined u/s 2 (4) CPC to mean the local limits of the jurisdiction of a principal civil court of original jurisdiction. Thus, principal court of original jurisdiction is called a "District Court".

16. Section 3 (17) of the General Clauses Act and Section 4 (12) of the U.P. General Clauses Act, 1904 provides that "District Judge" shall mean "Judge of a principal civil court of original jurisdiction".

17. The classes of courts is provided u/s 3 of the Bengal, Agra and Assam Civil Courts Act, 1987. It provides for the following classes of courts:-

- (i) The court District Judge;
- (ii) The court of Additional Judge;
- (iii) The court subordinate judge (now Civil Judge (Senior Division))
- (iv) The court of Munsif (now Civil Judge, Junior Division)

18. Section 8 of the Bengal, Agra and Assam Civil Court Act, 1887 provides for the appointment of the Additional Judges for speedy disposal of the business pending before the District Judge. It further provides that Additional Judges so appointed shall discharge any of the functions of the District Judge which the District Judge may assign to them and shall exercise the same powers as the District Judge.

19. In nutshell, Additional Judges or Additional District Judges exercise the same powers as the District Judges and are entitled to discharge the functions entrusted or assigned to them by the District Judges. The District Judge is the principal Judge of civil court of original jurisdiction and the principal civil court of original jurisdiction is called a district court. The suit u/s 134 of the Act is required to be instituted in a court not inferior to that of District Judge but it does not mandate for its decision by the District Judge himself. Therefore, a suit filed u/s 134 of the Act though required to be instituted before the District Court on assignment by the district Judge can be decided by the Additional Judge also.

20. In A.K. Enterprises, Agra Vs. Sterling Machine Tolls and another, , his Lordship of this Court in the discussion made it clear that under the provisions of Trade and Merchandise Act, 1958 which were para-materia with the provisions of the present Act, only the District Judge was competent to take cognizance of the

suit relating to infringement of trade mark with the power to transfer the same to the Court of Additional District Judge.

21. Admittedly, the above suit was instituted before the District Judge and thereafter it was assigned and transferred to the court of Additional District Judge who had decided the same as additional Judge by virtue of powers u/s 8 of the Bengal, Agra and Assam Civil Courts Act, 1887. Additional Judges are empowered to discharge functions of District Judge which may be assigned to them by the District Judge. Accordingly, the order passed by the Additional District Judge can not be said to be an order passed by a court or a court inferior to that of District Court.

22. The decision of this Court in Sanjai Kumar alias Mallu Vs. Manoj Kumar Sahu and Others, only says that suit u/s 134 of the Act is to be filed before the District Judge and not in the Court of Civil Judge (Sr. Division). It does not lay down that Additional District Judge has no authority to decide such a case. It is therefore of no help to the defendant-appellants.

23. Similarly, reliance placed upon ITI Limited Allahabad Vs. District Judge, Allahabad and Others AIR 1998 All. 313 is also misplaced. The said case relates to Arbitration and Conciliation Act, 1996 where Section 34 of the Act provides that arbitral award can be set aside by the court only. The "court" has been defined u/s 2(e) of the said Act to mean principal civil court of original jurisdiction. It means that no other court except the principal court of original jurisdiction has the power to set aside an arbitral award. It was in this context that his Lordship of this Court took the view that Additional District Judge is shorn of jurisdiction to entertain an application u/s 34 of the said Act and it can not be transferred to him by the District Judge. The position in the present case is slightly different. Here, Section 134 of the Act provides that the suit has to be instituted in the court not inferior to that of District Court but there is no obligation upon him to decide it himself. Thus, the District Judge is not denuded from exercising powers u/s 8 (2) of the Bengal, Agra and Assam Civil Courts Act, 1887 in transferring the suit to the court of Additional District Judge who possesses the same powers as the District Judge.

Accordingly, the first submission is merit less and fails. 24. The second submission of the learned counsel for the defendant appellant is that the trade name "Himshankar Lal Tail" is not deceptive and similar to the trade mark "Himshankar Vijay Tail" of the plaintiff respondent, as the bottle, label and the cap of the bottle of both the products are quite different. The above argument is patently devoid of substance.

25. The Apex Court in Amritdhara Pharmacy Vs. Satyadeo Gupta, while considering a similar controversy relating to two ayurvedic products Luxman Dhara and Amrit Dhara held that the trade name Luxman Dhara is similar and deceptive to the trade mark Amrit Dhara as the common man may not be able to distinguish between the two products and may be deceived.

26. I myself in dealing with somewhat a similar controversy in M/S Galaxy Burshare and another Vs. Ramesh Sood and another 2009 (7) ADJ 606 relying upon one earlier decision of the Allahabad High Court in the case of M/S Poonam Detergent Agencies Vs. Kanpur Trading Company Limited 2004 ALJ 2545 held that the trade name "Super Beekay" is similar and deceptive within the meaning of Section 2 (h) of the Trade Marks Act, 1999 to the trade mark "Bekay".

27. In view of the aforesaid decisions, prima-facie the court below has rightly found that trade name "Himshankar Lal Tail" is similar and deceptive to the trade mark "Himshankar Vijay Tail" and the packing would not make much difference.

28. Now coming to the last submission of the learned counsel for the defendant appellant that the appellant had obtained the registration of the trade name "Himshankar Lal Tail" on 4.10.2009 and as such can not be stopped from using the same, it would be relevant to refer to Section 28 of the Act. It provides that registered proprietor of the trade mark has exclusive right to use the trade mark and that where two persons are registered proprietors of trade marks, which are identical with or nearly resemble to each other, the exclusive right to use of any of those trade marks shall not be deemed to have been acquired by any one of those persons but each of those persons would have the same rights as if they were the sole registered proprietor.

29. For the sake of convenience Section 28 is quoted below:-

28- Rights conferred by Registration---

(1) Subject to the other provisions of this Act, the registration of the trade mark shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods or services in respect of which the trade mark is registered and obtained relief in respect of infringement of the trade mark in the manner provided by this Act.

(2) The exclusive right to the use of a trade mark given under Sub-section (1) shall be subject to any conditions and limitations to which the registration is subject.

(3) Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons merely by registration of the trade marks but each of those persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor.

30. A plain reading of Section 28 (3) of the Act reveals that where two identical or nearly similar trade marks having resemblance with one another are got registered in the name of two persons, each one of them would have right to use

the respective trade marks though other persons shall not be permitted to use them.

31. In the present case the defendant appellant has obtained registration of "Himshankar Lal Tail" as his registered trade mark w.e.f. 2005 vide order dated 4.10.2009. The registration certificate in this regard is part of supplementary affidavit and the averments made therein have not been denied except that the aforesaid order of registration is subject matter of appeal. Admittedly there is no interim order in appeal and the registration granted in favour of the defendant appellant is operative.

32. In the above situation, today both the plaintiff respondents and the defendant appellant are the registered owners of the trade marks "Himshankar Vijay Tail" and "Himshankar Lal Tail" respectively. Therefore, in view of the provision of Section 28 (3) of the Act both of them are entitled to use their respective trade marks subject to decision in appeal.

33. The submission of the learned counsel for the defendant appellant that the plaintiff respondents have stopped manufacturing the product "Himshankar Vijay Tail" and consequently he can not be restrained from the use of the aforesaid trade mark, can not be accepted at this stage as it was not the point raised in the court below and there is no sufficient material to establish it. Admittedly, on record the aforesaid trade mark was granted to the plaintiff respondents on 16.8.1984 and was valid initially up to 16.8.1991. It was thereafter renewed for two periods of 7 years each on 16.8.1991 and 16.8.1998, meaning thereby that the aforesaid registration had at least continued up to 15.8.2005.

34. In view of the aforesaid facts and circumstances, the injunction granted by the court below is perfectly justified but in view of the subsequent registration granted to the defendant/appellant, I modify the injunction order by limiting it till the date of registration of the trade mark of the defendant appellant ie. 4.10.2009 and the said injunction would not be operative thereafter. Appeal disposed of accordingly. The trial court is expected to decide the suit expeditiously.