
(2004) 04 CAL CK 0030

In the Calcutta High Court

Case No : G.A. No. 2313 of 2003 and C.S. No. 138 of 2003

Heinz Italia Sr L and Another

APPELLANT

Vs

Dabur India Ltd. and Others

RESPONDENT

Date of Decision : 02-04-2004

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 2 Rule 2, Order 2 Rule 2(3), 10, 151

Citation : AIR 2005 Cal 89 : (2004) 3 CALLT 10 : (2004) 1 CALLT 142

Hon'ble Judges : Jayanta Kumar Biswas, J

Bench : Single Bench

Advocate : Anuradha Salhotra and Subhojit Roy, for the Appellant; Sudipto Sarkar Siddhartha Mitra and M. Bhattacharya, for the Respondent

Judgement

Jayanta Kumar Biswas, J.—This is an application u/s 10 of the Code of Civil Procedure, 1908 (in short, "the CPC"); it has been filed by the defendants in C.S. No. 138 of 2003. It is for stay of the suit and dismissed of the interlocutory application (G.A. No. 1675 of 2003) filed by the plaintiffs in the suit.

2. Plaintiff 1 is the proprietor of the registered trade mark "GLUCON-D". Under the trade mark plaintiff 2 is manufacturing and marketing an instant energy drink. Defendant 1 is manufacturing and selling an instant energy drink under the trade mark "GLUCOSE-D". Alleging that acts of defendant 1 amounted to infringement of registered trade mark and passing off, the plaintiffs filed Civil Suit No. 2 of 2003 in the Court of the Additional District Judge at Gurgaon (Haryana). Such suit filed on February 19th, 2003 is pending. The present suit was filed on May 8th, 2003. Alleging that the matter in issue in the present suit is also directly and substantially in issue in the previously instituted suit, the defendants have filed this application u/s 10 of the Code of Civil Procedure.

3. Mr. Sudipto Sarkar appears for the defendants. He submits that the Gurgaon suit was filed by the plaintiffs on February 19th, 2003. The packet complained of in the Gurgaon suit was not in use when the suit was filed, because in January, 2003 the defendants had introduced a new packet. Reliefs prayed for in the

Gurgaon suit cover all packets used by defendant 1 for selling its energy drink under the trade mark "GLUCOSE-D". So the packet complained of in the present suit cannot be excluded from the effect of the orders passed and the final decision to be taken in the pending Gurgaon suit. Defendant 1 in its written statement filed in the Gurgaon suit, before filing of the present suit by the plaintiffs, disclosed the packet complained of in the present suit. From the statements in the pleadings of the two suits and the prayers made in them one can scarcely find any material to distinguish them. Hence, it is a fit case where the present suit, involving substantially the same issue as in the prior Gurgaon suit, should be stayed. For staying the subsequent suit matters in issue in it need not be identical with the prior suit; it is sufficient if the matters in issue in the two suits are substantially same.

4. Ms. Anuradha Salhotra appears for the plaintiffs. In reply she submits that the causes of action and the subject matters of the two suits are different. The packets complained of in them are different. As held in Vallabh Das Vs. Madan Lal and Others, unless reliefs in two suits are claimed on same cause of action, their subject matter will not be same; and mere identity of some of the issues in two suits does not bring about an identity of their subject matter. In Adhish Chandra Sinha Vs. Hindusthan Gas and Industries Ltd. and Another, it was held that for attracting Section 10 the subject of both the suits must be identical, and mere existence of a common issue in both the suits would not make their subject matter identical. It was held in M/s. Bengal Waterproof Limited Vs. M/s. Bombay Waterproof Manufacturing Company and Another, that infringement of a registered trade mark and passing off from time to time would give a recurring cause of action to the holder of the trade mark to seek appropriate relief from the Court by filing more than one suit. Hence on the facts of the present case provisions of Section 10 of the CPC would have no manner of application, and the plaintiffs are entitled to proceed with the present suit.

5. I think for deciding the question whether in terms of Section 10 of the CPC the trial of the present suit should be stayed till the trial and determination of the previous suit filed by the plaintiffs in the Court of the Additional District Judge at Gurgaon (Haryana), it will be useful to reproduce herein the prayers of the two suits filed by the plaintiffs.

In the Gurgaon suit the plaintiffs prayed for the following reliefs:

"(A) The defendant, its successor, assigns, representatives, dealers and servants be restrained by a permanent injunction from using the trade mark GLUCOSE-D or any other trade mark deceptively similar to the registered trade mark GLUCON-D.

(B) The defendant, its successor, assigns, representative, dealers and servants be restrained by a permanent injunction from using a trade dress/packaging deceptively similar and/or reminiscent of the plaintiffs trade dress/packaging used with relation to goods sold under the trade mark GLUCON-D.

(C) The defendant, its successor, assigns representative, dealers and servants be restrained by permanent injunction from using in relation to goods the packet design which is a copy of the plaintiff's package design by the goods sold under the trade mark GLUCON-D and or any other packet design which is an infringement of the plaintiff's copyright in the artistic work.

(D) The defendant, its successor, assigns representative, dealers and servants be restrained by permanent injunction from passing of his goods and for the goods of the plaintiff.

(E) The defendant be directed to render a true and proper account of the profit made by them by the use of the trade mark GLUCOSE-D and the deceptively similar packaging On the goods being manufactured and marketed by them and a decree be passed in favour of the plaintiff for the amount thus found due.

(F) The defendant, their representatives, agents and servants and assigns be ordered by a mandatory injunction to deliver upto the plaintiff on affidavit all sales promotion literature, stationery, printing, blocks and any goods bearing the trade mark GLUCOSE-D or any other word deceptively and/or confusingly similar to GLUCON-D for destruction.

(G) Award costs of the suit to the plaintiff; and

(H) Grant such other further relief as this Hon"ble Court may deem fit and proper in the circumstances of the case."

6. In the suit filed in this Court the plaintiffs have prayed for the following reliefs:

"(a) A perpetual injunction restraining the defendant, its successors, assigns, representatives, dealers and servants from using the trade mark GLUCOSE-D or any other trade mark deceptively similar to the registered trade mark GLUCON-D; and

(b) Perpetual injunction restraining the defendant, its successors, assigns, representatives, Healers and servants from using a trade dress/package deceptively similar and/or reminiscent of the plaintiff's trade dress/package used with relation to goods sold under the trade mark GLUCON-D; and

(c) Perpetual injunction restraining the defendant, its successor, assigns, representative dealers and servants from using the packet design which is a copy of the plaintiff's package design for the goods sold under the trade mark GLUCON-D and or any other packet design which is an infringement of the plaintiff's copyright in the artistic work; and

(d) Perpetual injunction restraining the defendant, its successor, assigns, representative dealers and servants from passing of his goods as and for the goods of the plaintiff; and

(e) Enquiry into loss and damage suffered by the plaintiff's and decree for the amounts found due to the plaintiffs.

(f) Rendition of true and proper account of the profit to be rendered by the defendant by the use of the trade mark GLUCLOSE-D and the deceptively similar packaging on the goods being manufactured and marketed by them and a decree be passed in favour of the plaintiff for the amount thus found due; and

(g) Mandatory injunction restraining the defendant, their representative, agents and servants and assigns to deliver upto the plaintiff on affidavit all sales promotion literature, stationery, printing blocks and any goods bearing the trade mark Glucose-D or any other word deceptively and/or confusingly similar to; and

(h) Such other further relief as this Hon"ble Court may deem fit and proper in the circumstances of the case; and

(i) Attachment; and

(j) Receiver; and

(k) Costs;

(l) Further or other reliefs."

7. It is apparent from the prayers that in both the suits the plaintiffs have prayed for identical reliefs. Matters in issue in both the suits are also identical; they are:--(a) whether by using the trade mark "Glucose-D" on the packets of the energy drink sold by the defendants, they have been infringing the plaintiffs' registered trade mark "Glucon-D" used by them on the packets of their energy drink; (b) whether the package design used by the defendants has been infringing the plaintiffs' copyright in the artistic works used in their package design, and (c) whether the defendants have been passing off their products as that of the plaintiffs. The parties are also same in both the suits. Admittedly, the previously instituted suit is pending in a Court that is competent to grant the claimed reliefs.

8. The only distinguishing feature between the two suits is that the two packets complained of are different. Use of the packet complained of in the Gurgaon suit had been discontinued before it was instituted. This fact was disclosed by the defendants in their written statement filed in the Gurgaon suit. In the suit filed in this Court the packet complained of is the one disclosed by the defendants in the Gurgaon suit. The case of the plaintiffs is that since the packet complained of in this suit was not the one impugned in the Gurgaon suit, they are entitled to institute this suit to challenge its use by the defendants. On the basis of such case, the plaintiffs have contended that the matter in issue in the two suits is not same.

9. In Bengal Waterproof's case, its first suit for permanent injunction to restrain the defendants from infringing its registered trade mark "Duck Back" was dismissed on April 6th, 1982; it was held that the defendants did not infringe the trade mark "Duck Back". Sometime after May 1982 Bengal Waterproof filed the second suit stating that cause of action for it had arisen on or about April 6th,

1982 and continued to arise de die in diem. It was alleged that the defendants in the suit were carrying on the infringement of the plaintiff's registered trade mark and the defendants were also passing off their goods as goods of the plaintiff. The defendants took the defence that the second suit was barred by res judicata and also by Order 21 Rule 2(3) of the Code of Civil Procedure. In this context the Supreme Court was deciding the question whether the second suit filed by Bengal Waterproof was barred Order 2 Rule 2(3) of the Code of Civil Procedure. It was held that since the defendants in the suit had not brought on record of the trial the pleadings filed in the first suit, it was not open to them to raise the plea of Order 2 Rule 2(3) of the Code of Civil Procedure. It was held that the cause of action for the first suit of 1980 was based on the allegation of infringement of the plaintiff's trade mark by the defendants till the date of filing of the suit, and the grievance regarding passing off was also confined to the situation prevailing on such date. Their Lordships found that in the second suit entirely a different grievance was made by the plaintiff and the grievance was not based on any acts of infringement or passing off alleged to have been committed by the defendants in 1980. On such facts their Lordships held that the second suit was not based on the same cause of action on which the 1980 suit was based, and hence the second suit was not barred by Order 2 Rule 2(3) of the Code of Civil Procedure.

10. In Adhish Chandra Sinha's case the facts were these. Hindusthan Gas & Industries Ltd. was Adhish's tenant. In 1980 Hindusthan Gas filed a suit for declaration that it was lawfully inducted in the suit premises. In 1981 Adhish filed a suit for ejectment of Hindusthan Gas. On such facts a Division Bench of this Court held that the matter in issue in the subsequent suit was not directly and substantially in issue in the previously instituted suit.

11. In Vallabh Das's case the question for consideration was what is the meaning of the phrase "same subject matter" used in Order 23 Rule 1 of the Code of Civil Procedure. In such context the Supreme Court held that where the cause of action and the relief claimed in the second suit are not the same as the ones claimed in the first suit, the second suit cannot be considered to have been brought with respect to the same subject matter as in the first suit. Their Lordships further held that mere identity of some of the issues in the two suits do not bring about an identity of the subject matter in the two suits. In Vallabh Das's case while in the first suit the plaintiff sought to enforce his right to partition and separate possession, in the second suit he sought to get possession of the suit properties from a trespasser on the basis of his title. On such facts Lordships held that the subject matter in the two suits was not same, though the factum and validity of adoption of the plaintiff in both the suits had come up for decision.

12. I find that on the facts of this case the three decisions relied on by Ms. Salhotra do not help the plaintiffs in any manner. Here we are not concerned with any question regarding Order 2 Rule 2(3) of the Code of Civil Procedure. We are also not concerned with the question whether the subject matter of both the

suits is same. The question in this case is whether the matter in issue in the present suit is substantially and directly in issue in the previously instituted suit.

13. In my opinion, the test is not whether both the suits are based on same cause of action. Whether the subject matter of both the suits is same--is also not the best. The causes of action and the subject matters of the two suits may be different, yet the matter in issue in one of them may be directly and substantially in issue in the other. The reliefs claimed in them can very often be decisive. What is to be seen is what reliefs the plaintiff seeks and what questions or issues are to be adjudicated for deciding the plaintiff's entitlement to the claimed reliefs.

14. I have already indicated that here the matter in issue in both the suits is same. There cannot be any dispute that if the plaintiffs succeed in the previously instituted suit, then it would not be necessary for them to proceed with the present suit, because the packet complained of in this suit has already been brought on record of the previously instituted suit. Hence I am of the view that the trial of this suit should remain stayed during pendency of the suit previously instituted by the plaintiffs in the Gurgaon Court.

15. Mr. Sarkar has also submitted that in *Jugometal Trg Republike Vs. Rungta and Sons (Private) Ltd.*, and *Life Pharmaceuticals (Private) Ltd. Vs. Bengal Medical Hall*, it was held that in an appropriate case inherent power u/s 151 of the CPC can be exercised by the Court for staying the trial of a suit. The present case should be treated as one of such cases for the conduct of the plaintiffs. They approached this Court after failing to get an order in the Gurgaon suit in which they sought repeated adjournments. Keeping the Gurgaon suit pending they approached this Court and obtained an ex parte order of injunction.

16. I, however, do not find any reason to exercise the inherent power u/s 151 of the CPC in this case. I have already held that in view of provisions in Section 10 of the CPC this suit should remain stayed till the trial and determination of the suit instituted previously by the plaintiffs in the Gurgaon Court.

17. Ms. Salhotra has argued that the interlocutory application for interim reliefs filed by the plaintiffs in the present suit can, however, be considered and disposed of, even if it is found that in view of pendency of the Gurgaon suit the present suit should be stayed in terms of Section 10 of the Code of Civil Procedure. Her submissions are these. Section 10 of the CPC provides only for stay of trial of the suit. As was held in *Indian Bank Vs. Maharashtra State Co-operative Marketing Federation Ltd.*, it is not a bar to the passing of interlocutory orders in the later suit. In *Century Proteins Ltd. Vs. Sham Sunder (Haryana) Industries Pvt. Ltd.*, it was held that even in a suit trial whereof has been stayed, an application under Order 39 Rules 1 and 2 of the CPC can be decided. Similar was the view in *V.P. Vrinda Vs. K. Indira Devi and Others*, ; *Baburao Sulunke v. Kaddrappa Prasappa Dabbannavar and Anr.*, AIR 1974 Mys 63; and *Smt. Kulsum Nisan v. Mohammad Farooq and Ors.*, AIR 1967. And in any event the decision given in the previously instituted suit being not binding on this Court,

the prayer for interim reliefs can be considered independently in this suit.

18. Mr. Sarkar's reply is this. As held in *Arun General Industries Ltd. Vs. Rishabh Manufacturers Private Ltd. and Others*, Section 10 of the CPC is not restricted only to the trial of a suit; it applies to all proceedings therein. As held in *Shorab Merwanji Modi and Another Vs. Mansata Film Distributors and Another*, ; *Jugometal Trg Republike Vs. Rungta and Sons (Private) Ltd.*, ; and *Challapalli Sugars Ltd. Vs. Swadeshi Sugar Supply Pvt. Ltd.*, judicial discipline and decorum warrants that parties should not be permitted to re-agitating the same issues before different forums. In this case prayer for same interim reliefs as made in this suit has already been rejected in the previously instituted suit. Hence the interlocutory application for interim reliefs filed by the plaintiffs in the present suit is liable to be dismissed.

19. Admittedly, the plaintiffs' prayer for interim reliefs has been refused in the previously instituted suit. The plaintiffs preferred an appeal and in it also their prayer for interim reliefs has been refused. In the present suit the plaintiffs are seeking the interim reliefs which have been refused in the previously instituted suit. It has been contended that even if the trial of this suit is stayed by this Court, the plaintiffs' prayer for interim reliefs can be considered and the decision in the previously instituted suit would not stand in the way in any manner. Decisions including the one by the Supreme Court in *Indian Bank's* case have been cited at the bar in support of this contention.

20. In *Indian Bank's* case, while considering the question whether the bar to proceed with the trial of the subsequently instituted suit, contained in Section 10 of the Code of Civil Procedure, is applicable to a summary suit filed under its Order 3.7, the Supreme Court held as follows:

"Therefore, the word "trial in Section 10 will have to be interpreted and construed keeping in mind the object and nature of that provision and the prohibition to "proceed with the trial of any suit in which the matter in issue is also directly and substantially in issue in a previously instituted suit. The object of the prohibition contained in Section 10 is to prevent the Courts of concurrent jurisdiction from simultaneously trying two parallel suits and also to avoid inconsistent findings on the matter in issue. The provision is in the nature of a rule of procedure and does not affect the jurisdiction of the Court to entertain and deal with the later suit nor does it create any substantive right in the matters. It is not a bar to the institution of a suit. It has been construed by the Court as not a bar of the passing of interlocutory orders such as an order for consolidation of the later suit with the earlier suit, or appointment of a Receiver or an injunction or attachment before judgment. The course of action which the Court has to follow according to Section 10 is not to proceed with the "trial" of the suit but that does not mean that it cannot deal with the subsequent suit any more or for any other purpose. In view of the object and nature of the provision and the fairly settled legal position with respect to passing of interlocutory orders it has to be stated that the word "trial" in Section 10 is not used in its widest

sense."

21. In my view, the principle laid down in Indian Bank's case will not apply to the present case. If the principle laid down in Indian Bank's case is interpreted to hold that prayer for same interim reliefs as considered and refused in the previously instituted suit can be considered twice over in the subsequently instituted suit and a fresh decision can be given, in my view such interpretation will be totally contrary to the object of the prohibition contained in Section 10 of the Code of Civil Procedure.

22. In Indian Bank's case it was not the position that the previously instituted suit was also one filed under Order 37 of the Code of Civil Procedure. In it the Supreme Court held that during pendency of the previously instituted suit the Court in which the summary suit under Order 37 of the CPC was filed would not be prohibited from dealing with it up to the stage of hearing the summons for judgment and passing the judgment in favour of the plaintiff (a) if the defendant has not applied for leave to defend, or (b) if application has been made and refused, or (c) if the defendant who was permitted to defend fails to comply with the condition on which the leave to defend was granted. It was held that in a summary suit the trial really begins after the Court or the Judge grants leave to the defendant to contest the suit.

23. In my view, the proposition of law laid down in Indian Bank's case would apply to a case where in the subsequently instituted suit the plaintiff does not seek same interim relief as was sought and rejected in the previously instituted suit. But in a case like the present one, where the matters in issue in both the suits are same and same prayer for interim reliefs has been rejected in the previously instituted suit, the proposition will not apply. I am also of the view that though the decision given in the Gurgaon suit is not binding on this Court, judicial discipline and comity warrants that this Court should not consider the prayer for same interim reliefs once again and give its independent decision.

24. In the face of the Supreme Court decision in Indian Bank's case I find that the other decisions relied on do not require any discussion. They do not advance the case of the plaintiffs in any other manner.

25. Hence I find that, on facts, the plaintiffs are also not entitled to proceed with the interlocutory application filed by them in the pending suit for interim reliefs. I, however, do not find any reason to dismiss such interlocutory application.

26. For the above reasons this application u/s 10 of the CPC is allowed in part. The prayer for stay of the suit is allowed. The prayer for dismissal of the interlocutory application is, however, rejected.

27. It is hereby ordered that during pendency of the Gurgaon suit (Civil Suit No. 2 of 2003), the suit (Civil Suit No. 138 of 2003) filed by the plaintiffs in this Court together with the interlocutory application (G.A. No. 1675 of 2003) filed by them in it, shall remain stayed. The costs of this application shall be the costs in

the suit.

Urgent certified xerox copy of this judgment and order, if applied for, may be supplied to the parties.