
(2004) 03 BOM CK 0037

In the Bombay High Court

Case No : Ordinary Original Civil Jurisdiction Notice of Motion No. 3714 of 2003
in Suit No. 3940 of 2003

Hindustan Petroleum Corpn. Ltd.

APPELLANT

Vs

H.P. Oil Corporation Ltd.

RESPONDENT

Date of Decision : 04-03-2004

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 39 Rule 1, Order 39 Rule 2, 9A, 9A(2)
Trade Marks Act, 1999 — Section 29

Citation : (2004) 3 ALLMR 52 : (2004) 3 MhLj 187 : (2004) 28 PTC 362

Hon'ble Judges : A.M. Khanwilkar, J

Bench : Single Bench

Advocate : Salil Shah, Ramesh Gajria, M.R. Nair and Deepa Hate, instructed by Gajria and Co, for the Appellant; H.N. Thakore and Agnes Jiwani, instructed by Thakore Jariwala and Associates, for the Respondent

Judgement

A.M. Khanwilkar, J.—This Notice of Motion was to be taken up for final disposal. However, the Defendants have raised preliminary objection regarding jurisdiction of this Court. It is contended that by virtue of Section 9A of the Code of Civil Procedure, as applicable to the State of Maharashtra, the Court will have to first resolve the preliminary issue of jurisdiction. There is substance in this submission. In the circumstances, on the basis of pleadings, as filed as of now, it is agreed that the following issue will have to be framed as preliminary issue of jurisdiction, namely:-

"Whether this Hon"ble Court has jurisdiction to entertain and try the present suit, in view of the fact that the Defendants are carrying on business outside Mumbai and the alleged action of infringement and passing off as claimed by the Plaintiff"s has taken place outside Mumbai?"

Accordingly, the above issue is framed to be tried as a preliminary issue as provided in Section 9A of C.P.C.

2. The question, however, is whether this Court can consider the prayer for ad

interim relief even if the preliminary issue of jurisdiction is raised and would arise for consideration? In my view, by virtue of Sub-section (2) of Section 9A of the Code, there is no impediment in deciding the matter for grant of ad interim relief. Accordingly, this order will dispose of the prayer for ad interim relief, as prayed for by the Plaintiff's.

3. The Plaintiff's have approached this Court for reliefs against the Defendants essentially on the assertion that the Defendants have infringed their trade mark and are also indulging in passing off. The Plaintiff is a Government of India Enterprise. It is the case of the Plaintiff that it is the second largest refining and marketing oil company in India and one of the three oil majors that dominate India's energy market. The Plaintiff is popularly known as "HP", which letters, according to the Plaintiff, have become synonymous with the plaintiff, the letters being abbreviation of the Plaintiff's corporate name. The Plaintiff conceived of and adopted "HP" logo with the letters "HP" written inside a circle containing sprout shaped device below the words "HP" as back as in 1975. The Plaintiff also adopted the said mark "HP" as a trade mark and is selling its products under the said mark. It is the case of the Plaintiff that the said mark is used on the Plaintiff's logo and appears on its letterheads and other documents. According to the Plaintiff, it accounts for about 20% of the Nation's refining capacity and has a large network of about 4900 retail outlets (petrol pumps), 1700 kerosene distributors and 1900 LPG dealerships all over the country. It is stated that the Plaintiff alone has over 17.7 million domestic LPG consumers and for its brand of LPG gas, the Plaintiff conceived of and adopted the trade mark "HP Gas". Insofar as the details regarding registration of various trade marks belonging to the Plaintiff are concerned, the same has been set out in para 10 of the plaint. It is stated that since incorporation, the Plaintiff has achieved tremendous growth owing to the excellent quality of its products. In para 12 of the plaint, it is stated that the Plaintiff's products are also advertised extensively in various media for which the Plaintiff spends large amount for promoting its products. The details regarding the expenses incurred for different years are mentioned in para 12 of the plaint. It is the case of the Plaintiff that the Defendant is a company incorporated under the Companies Act, 1956, having its office at Kanpur and dealing in marketing or trading of LPG lubricants, etc. The case of the Plaintiff is that the Defendant is dealing in similar products and has deliberately used same or similar or deceptively similar mark, which has not only infringed the trade mark of the Plaintiff, but also results in passing off, as if the Defendant and its products are linked to the Plaintiff's organisation. The case made out by the Plaintiff is that the Plaintiff became aware about the infringement sometime in April/May, 2003, when the Plaintiff's attention was drawn to the fact that the Defendant was misusing the Plaintiff's trade mark by using the mark "HP" for marketing its products. In the circumstances, the Plaintiff gave legal notice to the Defendant to cease and desist from marketing, advertising, distributing, supplying, selling or otherwise dealing in any product under the trade mark "HP" or "H.P." or "HP Gas" or "H.P. Gas" or any other trade mark deceptively similar

thereto and to discontinue its trading style of H.P. Oil Corporation Ltd. and to change their name to any other name that does not contain the letters "HP". In spite of this legal notice, the Defendant continued to use the trade mark/logo of the Plaintiff and, in fact, caused to advertise its products in different newspapers and one such advertisement appeared in the leading newspapers published in Mumbai. In the circumstances, the present suit has been filed and Notice of Motion has been taken out for interim relief, as prayed for in the Notice of Motion.

4. The Defendants have filed reply for resisting grant of any relief as prayed for in the Notice of Motion. As mentioned earlier, a preliminary objection with regard to jurisdiction of this Court has been raised. It is further stated in the reply affidavit that the Defendant Company was originally incorporated in January 2000 in the name and style of "Hindu Petro Corporation Limited" under the Companies Act and was subsequently renamed as "H.P. Oil Corporation Limited" in April, 2001. It is stated that the Defendant Company is carrying on the business in cooking gas and its market is confined only in State of Bihar. However, with a view to expand its business in the State of Jammu & Kashmir, the Defendant has advertised for appointment of dealers of cooking gas for its company. It is stated that the Defendant is not a manufacturer of cooking gas. It is stated that the adoption of word "H.P." by the Defendants is bona fide and genuine and that trade mark has been adopted in normal course of business. The Defendants have denied that words "HP" have become synonymous with the Plaintiff's as alleged. According to the Defendants, a bare perusal of the commercial dictionary shows that the letters "H.P." are commonly used and, therefore, there can be no question of Plaintiff's claiming right over the words "H.P.". It is also stated that the cylinders of the cooking gas used by the Defendants are quite different in size, weight, circumference, shape and there is no similarity between the cylinders of the Defendants. It is further stated that the Plaintiff's do not put their mark on their cylinders, whereas the Defendants' cylinders have the marking of their logo and there is no intrinsic or apparent infringement of the provisions of the Trade and Merchandise Act, 1999. It is also stated on behalf of the Defendants that there is inordinate delay on the part of the Plaintiff to approach this Court and, in any case, the Plaintiff's have acquiesced of all the acts of the Defendants. It is stated that though the Defendants are carrying on business of cooking gas since June 2000 and that even though the Plaintiff's became aware of that activity in April/May, 2003, caused to give legal notice on 29th May 2003, but filed the present suit only on 2nd December 2003 and moved the application for interim relief on 7th January 2004. It is further stated that, in the meantime, the Defendants have expanded their business. According to the Defendants, this distance of time itself should be a ground for refusing any relief, much less the ad interim relief to the Plaintiff's at this stage. It is then contended that, in any case, the relief ought to be confined only to other parts of India, except the State of Bihar, where the Defendant Company is carrying on its business and has confined its business to

that State.

5. Counsel appearing for the respective parties have, besides reiterating the stand taken in the pleadings, placed reliance on several decisions, to which I shall make reference a little later. The question that requires to be considered at this stage is whether the Plaintiff's are entitled for ad interim relief, as prayed? The Defendants have opposed grant of any ad interim relief mainly on the ground of delay caused by the Plaintiff's in approaching this Court as is seen from the relevant dates referred to in the previous paragraph. The learned Counsel for the Defendants has placed reliance on the decision of the Calcutta High Court in the case of Gopal Hossier Vs. The Dy. Registrar of Trade Marks and Others, . However, the dictum of this decision will be of no avail to the Defendants. In that case, the delay was almost of 13 years. However, in the present case, the Plaintiff's not only gave immediate legal notice, but have also entered into correspondence with the Defendants before instituting the suit. Counsel for the Plaintiff's, on the other hand, rightly placed reliance on the Division Bench judgment of this Court in the case of Schering Corporation and Ors. v. Kilitch Co. (Pharma) Pvt. Ltd., 1994 IPLR 1 , the Division Bench has adverted to the decision of the learned Single Judge, and extracted para 39 of that decision. The Division Bench has approved the view taken by the learned Single Judge, wherein similar contention has been considered. In that case, it was argued that the plaintiff waited for three years to file the suit. That defence was rejected on the ground that the defendant was given legal notice and any expansion made by the Defendant after notice was at his risk and peril. After advertent to that decision, the Division Bench has observed thus:-

"The principles enunciated by the single Judge of the Delhi High Court, in our opinion, are a complete answer to the Defendants" plea on the ground of delay. Once it is established that there is visual and phonetic similarity, and once it is established that the Defendants" adoption of the trade mark is not honest or genuine, then the consideration of any plea as to delay must be on the basis of a consideration whether there has been such delay in the matter as has led the Defendants to assume that the Plaintiff's have given up their contention and/or whereby the Defendants have altered their position so that it would be inequitable to grant interim relief to stop them from using the trade mark until the suit is decided?..."

6. There is yet another decision of the Division Bench of our High Court, which has been pressed into service on behalf of the Plaintiff's, in the case of Indchemie Health Specialities Pvt. Ltd. v. Naxpar Labs Pvt. Ltd. and Anr., 2002 (3) Bom.L.R. 193. In para 11 of this decision, the Court has observed that it is well settled position of law that mere delay, without anything more, cannot itself be regarded as a good defence. Even in that case, the grievance was that the infringement of trade mark complained of was in October 2000, whereas the suit was filed in July 2001. In-spite of this, the Division Bench has rejected the defence of delay. I would prefer to adopt the same view to reject the argument

of delay canvassed on behalf of the Defendants in the fact situation of the present case.

7. Besides, my attention has been drawn to the decision of the Apex Court in the case of M/s. Bengal Waterproof Limited Vs. M/s. Bombay Waterproof Manufacturing Company and Another, . The Apex Court at page 109410 of the said decision has observed thus:-

"The aforesaid averments in the plaint clearly show that the present suit is not based on the same cause of action on which the earlier suit was based. The cause of action for filing this present second suit is the continuous and recurring infringement of Plaintiff's trademark by the defendants continuously till the filing of the present second suit. We asked the learned counsel for the defendants as to whether pending the suit and at present also the defendants are trading in the offending goods, namely, bearing the mark "DACK BACK" and he informed us that defendants even at present are carrying on this business. Therefore, pending the second suit all throughout and during the pendency of these proceedings the defendants have carried on the business of trading in the commodity waterproof raincoats "DACK BACK". It is obvious that thus the alleged infringement of Plaintiff's trade mark "DUCK BACK" and the alleged passing off action on the part of the defendants in selling their goods by passing off their goods as if they were Plaintiff's goods has continued all throughout uninterrupted and in a recurring manner. It is obvious that such infringement of a registered trade mark carried on from time to time would give a recurring cause of action to the holder of the trade mark to make a grievance about the same and similarly such impugned passing off actions also would give a recurring course of action to the plaintiff to make a grievance about the same and to seek appropriate relief from the court. It is now well settled that an action for passing off is a common law remedy being an action in substance of deceit under the Law of Torts. Wherever and whenever fresh deceitful act is committed the person deceived would naturally have a fresh cause of action in his favour. Thus, every time when a person passes off his goods as those of another he commits the act of such deceit. Similarly whenever and wherever a person commits breach of a registered trade mark of another he commits a recurring act of breach or infringement of such trade mark giving a recurring and fresh cause of action at each time of such infringement of the party aggrieved ..."

8. To put it differently, if every act of breach or infringement of trade mark gives recurring and fresh cause of action, I fail to understand as to how the argument of delay can be pressed into service on behalf of the Defendants, especially in the fact situation of the present case.

9. The next question that needs to be considered is, whether it is possible to suggest that there has been infringement of registered trade mark in the fact situation of the present case. From the pleadings as filed, it is seen that the Plaintiff's have already registered trade marks. In para 10 of the plaint, details of various trade marks in respect of the products of the Plaintiff's are given. The

Defendants, on the other hand, are using the trade mark "H.P." for its product of cooking gas. It is not in dispute that LPG gas can also be used as cooking gas. In that sense, there is similarity of the goods of the Plaintiff's as well as the Defendants. As mentioned earlier, the trade mark of the Plaintiff's is registered as "H.P. logo". The argument canvassed on behalf of the Defendants that the words "H.P." are commonly used in commercial parlance or that it is integral part of the Defendants' name, for which reason there is no infringement of the trade mark, does not commend to me. As mentioned earlier, the Plaintiff's have registered their trade mark as "HP" and, therefore, use of that word by the Defendants results in infringement of the trade mark. Section 29(2) of the Trade Marks Act, 1999, reads thus:-

"(2) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of-

(a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or

(b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or

(c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark, is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.

10. In view of the expansive provision contained in Section 29, I have no hesitation in taking the view that the Defendants have indulged in infringement of registered trade mark of the Plaintiff's.

11. Counsel for the Defendants, however, submits that the suit as filed also deals with the relief pertaining to passing off arising out of the use by the Defendants of the Plaintiff's trade mark and, in that event, the suit cannot proceed before this Court. This argument clearly overlooks the purport of Section 134 of the Trade Marks Act. Section 134 reads thus:-

(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 anything contained in the Code of Civil Procedure, 1908, or any other law for the time being in force, include a District Court within the 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 carried on business or personally works for gain. Explanation : For the purposes of Sub-section (2), "person" includes the registered proprietor and the registered user."

On plain language of Sub-section (2), in respect of action which falls within Clauses (a) and (b), there can be no dispute that this Court will have jurisdiction, as the Plaintiff's are having registered office within the ordinary original jurisdiction of this Court. If that is so, by virtue of Clause 14 of the Letters Patent, this Court is competent to grant leave so as to examine the claim relating to passing off. Reliance has been rightly placed on the decisions of our High Court in the case of M/s. Arte Indiana Vs. M/s. P. Mittulaul Lalah and Sons, and in the case of Marico Industries Ltd. and Another Vs. Sarfaraj Trading Company, Hyderabad and Others, . The purpose of granting leave under Clause 14 of the Letters Patent has been considered in these decisions. Applying the principles stated in these decisions, I find no impediment in examining the issues raised in this suit, including that of passing off, because this Court can always grant leave under Clause 14, so as to permit the Plaintiff to club the different causes in one suit.

12. Insofar as the claim of the Defendants that the use of copyright word "HP" is bona fide and genuine, there is no substance even in this plea. On the other hand, if the Court was to examine the matter as" a bystander and person of ordinary intelligence, there is no doubt that the use of the trademark word and logo of the Plaintiff's has been chosen to select the name of the Defendant Company as close as possible to the Plaintiff's so as to deceive and confuse the general public into believing that the goods sold by them are that of the Plaintiff's or that they are in some way connected with the Plaintiff's. In my view, the name and trade mark word and logo chosen by the Defendants has similarity to the registered trade mark and identity or similarity of the goods covered by such registered trade mark; and also has identity with the registered trade mark and the similarity of the goods by such trade mark. The Plaintiff's are justified in objecting to the Defendants using the mark and the corporate name/trading style, which is identical or similar.

13. That takes me to the last argument canvassed on behalf of the Defendants. According to the Defendants, the ad interim relief, if at all, should be confined to States other than State of Bihar. I find no substance in this submission, because, as mentioned earlier, the Plaintiff's have network of about 4900 retails outlets (petrol pumps), 1700 kerosene distributors and 1900 LPG dealership all over the country, which includes the State of Bihar. If that is so, merely because the Defendants has presently confined business to the State of Bihar cannot be the

basis of refusing ad interim relief, especially when it is more than clear that the Defendants have indulged in infringement of registered trade mark of the Plaintiff's. In such a situation, taking over all view of the matter, in the interest of justice, the appropriate course, to my mind, is to grant ad interim relief in terms of prayer Clauses (a), (b), (c) and (d), so as to ensure that the Defendants do not indulge in infringement of the registered trade mark. Ordered accordingly.

14. At this stage, Counsel for the Defendants prays that at least the operation of the relief in terms of prayer Clause (d) be suspended for a period of four weeks from today, to enable the Defendants to take up the matter in appeal, if so advised. This prayer is opposed by the Counsel for the Plaintiff's. However, in my opinion, it will be reasonable to accept the request made on behalf of the Defendants. Accordingly, relief in terms of prayer Clause (d) shall not be given effect to for a period of four weeks from today.

15. All concerned to act on the copy of this order duly authenticated by the Court Stenographer of this Court.