

(2011) 12 DEL CK 0115

In the Delhi High Court

Case No : IA No. 14405 of 2011 and IA No. 17059 of 2011 in CS (OS) No. 2210 of 2011

M/s Abhipra Capital Ltd.

APPELLANT

Vs

Abhipray Securities Private Litimited and Others

RESPONDENT

Date of Decision : 23-12-2011

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 39 Rule 1, Order 39 Rule 2, Order 39 Rule 4, Order 7 Rule 11, 151
Companies Act, 1956 — Section 20
Trade Marks Act, 1999 — Section 134, 134(2), 15, 17, 28

Citation : (2012) 49 PTC 321

Hon'ble Judges : Manmohan Singh, J

Bench : Single Bench

Advocate : Rishi Sood, for the Appellant; Sidhant Goel, for the Respondent

Judgement

Manmohan Singh, J.—By this order, I propose to decide two applications, being I.A. No. 14405/2011 under order XXXIX Rules 1 and 2 of the CPC filed by plaintiff and I.A. No. 17059/2011 under order XXXIX Rule 4 of the CPC filed by defendants for vacation of ex-parte ad-interim order granted on 12.09.2011 whereby the defendants were restrained from using the trade mark ?ABHIPRA? or any other deceptively similar trade mark including ABHIPRAY.

2. The brief facts are that the plaintiff, who is a company incorporated under the Companies Act, 1956, has filed the present suit for permanent injunction restraining the infringement, passing off, dilution, unfair trade competition and dilution of accounts. It is stated by the plaintiff that it is the registered owner of the Trade Mark ?ABHIPRA? under No. 695449 as of 23.01.1996 and has been using that said trademark in his business since 1986. The plaintiff claims to be the prior user of the trade mark ?ABHIPRA?.

3. According to the plaintiff, that the defendants are also conducting business in the same field as that of the plaintiff and subsequently got a company

incorporated in the similar name having same phonetic pronunciation. Thus, causing infringement of the trademark 'ABHIPRA' of the plaintiff causing irreparable loss to the plaintiff.

4. On 12.09.2011, the suit along with the abovementioned application of the plaintiff were listed before the court for the first time and the court issued summons in the suit and notice in the application, being I.A. No. 14450/2011.

5. Upon service, defendants filed an application under Order XXXIX Rule 4 read with Section 151 CPC seeking vacation of the abovementioned ex-parte ad interim order dated 12.09.2011, passed in favour of the plaintiff and against the defendants. Counsel appearing on behalf of defendants insisted that these pending applications be disposed of on urgent basis as the defendants are suffering irreparable loss and injury on account of issuance of an interim order.

6. The defendants' counsel during the course of hearing of application raised the following points:

(a) That this Court does not have territorial jurisdiction;

(b) That two trade marks are not similar and no case of infringement of trade mark is made out.

(c) That there is delay on the part of the plaintiff to bring the action.

7. In support of his submission, that this Court has no territorial jurisdiction to entertain the present suit, it is stated by the learned counsel for the defendants that as it is a composite suit for infringement and passing off, the same is not maintainable in Delhi. The plaintiff can only invoke the jurisdiction by taking the benefit of provisions of Section 134 (2) of the Trade Marks Act, 1999 with regard to infringement and not for passing off. The learned counsel for the defendants has referred to few decisions and he submits that the suit is liable to be rejected under Order VII Rule 11 CPC for lack of territorial jurisdiction and for non-disclosure of valid cause of action.

8. The plaintiff, on the other hand, has invoked the territorial jurisdiction of this Court and has also mentioned cause of action as per the details given in paragraphs 45 and 46 of the plaint, which are reproduced as under:

45. The cause of action for the present suit first arose on the 25th of January 2011 when the Plaintiff first time saw the published advertisement in the national daily 'Navbharat Times'. The cause of action further arose when despite the service of legal notice dated 17.02.2011, defendants failed to adhere to the specific directions of the Plaintiff. The cause of action also continues since the Defendants still continues to provide services of stock broking under the mark 'ABHIPRA'. The cause of action still subsist as the defendants are causing wrongful loss to the Plaintiff each and every day by continuously using the Plaintiffs registered Trade Mark violating the Plaintiffs exclusive right of using the registered Trade Mark.

46. It is respectfully submitted that this Hon"ble Court has the territorial jurisdiction to try and entertain the suit as the Plaintiff carries on its business for profit and gain in Delhi. This Hon"ble Court has jurisdiction u/s 134 of the Trade Mark Act, 1999. The Plaintiff is the owner of the registered trade mark, and the appropriate office of the Registrar of Trade Marks is also in Delhi. The Defendant No. 1 is located in Pune and Defendant No. 2 and 3 also resides in Pune. That the cause of action has also accrued in Delhi as advertisement dated 25/01/2011 was published in national daily "Navbharat Times" which is also circulated in Delhi. In view of the above, it is submitted that this Hon"ble Court has the territorial jurisdiction to entertain, try and adjudicate the present suit.

9. The plaintiff is carrying on its business from Delhi, i.e. GS-58-59, World Trade Centre, Barakhamba Lane, Connaught Place, New Delhi, therefore, this Court has also the jurisdiction u/s 134 of the Trade Marks Act, 1999 (hereinafter called the "Act"). Section 134(2) of the Act provides an additional form of jurisdiction. If at the time of institution of the suit or other proceedings, the plaintiff is actually or voluntarily resides or carrying on business or personally works for gain, the suit for infringement of trade mark etc. can be instituted in any Court inferior to a District Court having jurisdiction to try the suit. In the present case, the specific statement has been made by the plaintiff that the plaintiff has its office in New Delhi and the jurisdiction is invoked u/s 134 of the Act. It is also specifically pleaded that the cause of action for the present suit first arose on 25.01.2011 when the plaintiff first time saw the published advertisement in national daily "Navbharat Times". The said publication is also circulated in Delhi. Despite of legal notice, the defendants continued to use the infringing mark. There is no counter argument addressed by the defendants to reply the submission of the plaintiff, therefore, prima-facie at this stage, the plaintiffs statement in this regard has to be taken as correct.

10. In view of the above, the contention of the defendants cannot be accepted as prima facie it appears that this Court has got the jurisdiction on both counts, i.e. infringement of trade mark and passing off as the defendants have tried to get the benefit of goodwill and reputation acquired by the plaintiff by means of advertisement in the known newspaper which has circulation in Delhi. Thus, the submission of the defendants is without substance. The facts in the present case are materially different from the facts involved of the decisions referred to by the learned counsel for the defendants.

11. The second submission made by the learned counsel for the defendants is that two marks "ABHIPRA" and "ABHIPRAY are not deceptively similar visually and phonetically. The mark ABHIPRAY has been coined by the defendants from the names of "Abhijit" and "Pranay", who are the Directors of the defendant No. 1. Since there is a difference between two trade marks which is essential, therefore, the question of similarity of two trade marks does not arise.

12. I have heard the submissions of the parties in this regard. It is the admitted position that the plaintiff is the registered proprietor of the trade mark ABHIPRA

bearing No. 695449 as of 23.01.1996. The plaintiff has also obtained the registration of domain name www.abhipra.com. The plaintiff is carrying on its business since 1986 under the name and style of "Abhipra Consultants Private Limited" which was incorporated on 23.09.1986. Subsequently, on 29.06.1993, another group company under the name "Abhipra Management Services Private Limited" was incorporated on 28.09.1994. Since then the plaintiff with over 100 branches throughout the country has been providing broking services to the investors in the country under the trade mark/domain name ABHIPRA. In 1995, another group company under the name of "Abhipra Securities Private Limited" was incorporated on 25.10.1995. The plaintiff has also obtained the membership as stock broker in the name of ABHIPRA of the National Stock Exchange in the year 1995. In the year 1996, the plaintiff became the Full-fledged Money Changer. The plaintiff has given the comprehensive detail about the user, name and goodwill in paragraphs 4 to 25 of the plaint.

13. The defendant No. 1 is a company incorporated under the Companies Act, 1956, who is a sub broker, and started using the trade mark ABHIPRAY and carrying on its business under the name and style of Abhipray Securities Private Limited in Pune and the said company is being managed by defendants 2 and 3. It was on 25.01.2011, when an advertisement of the defendants appeared in the Navbharat Times, the plaintiff came to know about the activities of the defendants and file the present suit.

14. The question before this Court is as to whether two trade names Abhipra Capital Limited and Abhipray Securities Private Limited are deceptively similar or not.

15. The Hon"ble Supreme Court in the case of K.R. Chinna Krishna Chettiar Vs. Shri Ambal and Co., Madras and Another, , has dealt with the similar point of confusion and deception of the two rival marks of the parties, i.e., "Ambal" and "Andal". Para 9 of the said judgment reads as under:

9. The vital question in issue is whether, if the appellant's mark is used in a normal and fair manner in connection with the snuff and if similarly fair and normal user is assumed of the existing registered marks will there be such a likelihood of deception that the mark ought not to be allowed to be registered? (see In the matter of Broadhead's Application for registration of a trade mark, 1950 67 RPC 209). It is for the Court to decide the question on a comparison of the competing marks as a whole and their distinctive and essential features. We have no doubt in our mind that if the proposed mark is used in a normal and fair manner the mark would come to be known by its distinguishing feature ?Andal?. There is a striking similarity and affinity of sound between the words ?Andal? and ?Ambal?. Giving due weight to the judgment of the Registrar and bearing in mind the conclusions of the learned Single Judge and the Divisional Bench, we are satisfied that there is a real danger of confusion between the two marks.

16. Similar question arose earlier before the Hon"ble Supreme Court in the case

of Corn Products Refining Co. Vs. Shangrila Food Products Ltd., , wherein two rival words were ?Gluvita? and ?Glucovita?. The Hon"ble Apex Court in paras 16 and 17 dealt with the same point, which read as under:

16. We have already said that in our view the mark "Glucovita" has acquired a reputation among the general buying public. The first question that then arises is whether the marks "Glucovita" and" Gluvita" are so similar as to be likely to cause confusion to the buying public or deceive them. On this matter, we have not the advantage of the view of the learned appellate Judges of the High Court. They did not express any view on this aspect of the question at all. We are however inclined to think that their answer to the question would have been in the affirmative. However that may be, the Deputy Registrar felt that the words were not so similar as to be likely to give rise to confusion or to cause deception. He felt that the syllable "co" in the appellant's mark was an emphatic characteristic and was not likely to be slurred over. He apparently felt that this syllable would prevent any confusion arising between the two marks or any person being deceived by the use of them both. He thought that the test down in what is called the "Ovax" case, (1945) 63 R.P.C. 97, should be applied and that the emphatic characteristic of the second syllable in the mark "Glucovita" should decide that there was no likelihood of confusion arising. Desai, J. thought that the Deputy Registrar was wrong.

17. We think that the view taken by Desai, J., is right. It is well known that the question whether the two marks are likely to give rise to confusion or not is a question of first impression. It is for the court to decide that question. English cases proceeding on the English way of pronouncing an English word by Englishmen, which it may be stated is not always the same, may not be of much assistance in our country in deciding questions of phonetic similarity. It cannot be overlooked that the word is an English word which to the mass of the Indian people is a foreign word. It is well recognised that in deciding a question of similarity between two marks, the marks have to be considered as a whole. So considered, we are inclined to agree with Desai, J., that the marks with which this case is concerned are similar. Apart from the syllable "co" in the appellant's mark, the two marks are identical. That syllable is not in our opinion such as would enable the buyers in our country to distinguish the one mark from the other.

17. The Division Bench of this Court, in the case of Montari Overseas Ltd. v. Montari Industries Limited; 1996 PTC 16, has also discussed the similarity between two trade names of the petitioner and respondent in great detail in paras 22 and 25 of the judgment which read as under:

22. In considering the question whether the activities of the appellant are likely to cause confusion or pose a real and tangible risk of injuring the respondents reputation or goodwill, regard must be had to the fact that appellant is using a name similar to that of the respondent and it will amount to making a representation that the appellant is associated with the defendant. The appellant

cannot be permitted to appropriate the reputation and goodwill of the respondent to promote its business interests.

25. There is another aspect of the matter. Section 20 of the Companies Act 1956 treats a name of the company to be undesirable if it is identical with or too nearly resembles the name by which a company in existence has been previously registered. Since the legislature itself considers name of a company which is identical with the name of the other preexisting company to be undesirable, the legislative intent must be given effect to by giving injunctive relief to a plaintiff against a defendant, who has copied the corporate name of the plaintiff.

18. The law relating to infringement of a registered trademark has been envisaged u/s 29 of the Trade Marks Act, 1999 and exclusive rights granted by virtue of registration u/s 28 which reads as under:-

29. Infringement of registered trade marks-

Infringement of registered trade marks.-

(1) 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 is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

(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.

(3) In any case falling under clause (c) of sub-section (2), the court shall presume that it is likely to cause confusion on the part of the public.

(4) 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-

(a) is identical with or similar to the registered trade mark; and

(b) is used in relation to goods or services which are not similar to those for

which the trade mark is registered; and

(c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

28. Rights conferred by registration ?

(1) Subject to the other provisions of this Act, the registration of a 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 to obtain 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 person 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.

By reading these provisions, it becomes clear that a registered trademark is said to be infringed by a person who without being a registered proprietor, uses in the course of trade a mark which is identical or deceptively similar to the registered trademark in relation to the goods or services which are identical or similar to those in respect of which the trademark is registered without the permission of the trademark owner.

19. In the present case, two trade marks and names of the parties are ABHIPRA and ABHIPRAY which are almost deceptively similar in view of the test laid down by the Supreme Court in the case of K.R. Chinna Krishna Chettiar v. Sri Ambal & Co. and another (Supra) and Corn Products Refining Co. v. Shangrila Food Products Ltd. (Supra). Thus, the arguments of the defendants are rejected that the marks are dissimilar.

20. The next point raised by the defendants is that the suit for infringement is not maintainable as the plaintiff has got the registration which is a label mark and not word per se. It is submitted by the defendants that the claim of the plaintiff is contrary to Section 17 of the Trade Marks Act, 1999, which provides that a label mark registration would confer right over the mark as a whole and not as a part of the mark and in case the plaintiff wishes to take the action for part of the mark, the mark has to be registered separately by filing an

application. The contention of the learned counsel for the defendants is that the suit of the plaintiff for infringement of trade mark is not maintainable under Sections 15 and 17 of the Act. There is no violation of infringement. The counsel has also referred to the following decisions in support of his submission:

1. Aravind Laboratories Vs. Modicare .
2. Three-N-Products Private Limited Vs. Emami Limited, .
3. P.P. Jewellers Pvt. Ltd. Vs. P.P. Buildwell Pvt. Ltd., .
4. Bhole Baba Milk Food Industries Ltd. v. Parul Food Specialities Pvt. Ltd.; 2011 (48) PTC (Del.).
5. The Registrar of Trade Marks Vs. Ashok Chandra Rakhit Ltd., .

21. Admittedly, the plaintiff has filed the suit for infringement on the basis of registration No. 695449 as of 23.01.1996. The said registration has been obtained for the following mark:

22. In case the registration of the plaintiff is examined, as mentioned above, it is clear that the main and essential feature of the mark is ABHIPRA. The logo of Abhipra appears to be insignificant. In fact it is not a main part of trade mark ABHIPRA. Therefore, none of the decisions referred to are applicable to the facts of the present case.

23. Therefore, Sections 15 and 17 of the Act as referred do not help the case of the defendants in the facts of the present case.

24. Prima facie, it appears to this Court that the plaintiff has also established a case of passing off. The justification given by the defendants about the coining of mark ABHIPRAY is also immaterial and cannot be accepted as the mark adopted by the defendants is deceptively similar with the mark of the plaintiff.

25. In the case of Laxmikant V. Patel Vs. Chetanbhat Shah and Another, , the Apex Court held as under:

The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that his goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury.

In this case, the Apex Court further observed that:

Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently.

26. Under these circumstances and for the reasons stated above, I am of the considered view that the plaintiff has been able to make a strong prima facie case for infringement of trade mark and passing off. The balance of convenience also lies in favour of the plaintiff and against the defendants. In case, the defendants are allowed to use the mark ABHIPRAY in relation to their business, the plaintiff will suffer irreparable loss and business. Therefore, prayer made by the defendants in their application filed under Order XXXIX Rule 4 CPC cannot be accepted. The defendants' application, being IA No. 17059/2011, is rejected. The plaintiffs application IA No. 14405/2011 is allowed. The ex-parte order granted on 12.09.2011 is confirmed.

IA No. 17058/2011 (O 7 R 11 CPC) by Defendants

27. Reply be filed by the plaintiff within three weeks. Rejoinder thereto within two weeks thereafter. This application would be considered at the time of framing of issues.

CS(OS) No. 2210/2011

28. Written statement is not on record. The defendants are granted two weeks time to file the same if already not filed. Replication be filed within two weeks thereafter. List the matter before the Joint Registrar for admission/denial of documents on 09.01.2012. Thereafter, the matter would be listed before Court for framing of issues on 16.01.2012.