
(1958) 08 MP CK 0013

In the Madhya Pradesh High Court

Case No : Miscellaneous First Appeal No. 18 of 1958

Radhakisan Naraindas, a Partnership firm

APPELLANT

Vs

Trilokchand and Others

RESPONDENT

Date of Decision : 20-08-1958

Acts Referred:

Trade Marks Act, 1940 — Section 25

Citation : AIR 1959 MP 21 : (1959) 4 MPLJ 832

Hon'ble Judges : M. Hidayatullah, C.J.; T.P. Naik, J

Bench : Division Bench

Advocate : A.P. Sen, for the Appellant; R.S. Dabir and R.P. Sinha, for the Respondent

Judgement

M. Hidayatullah, C. J.

This appeal is by the plaintiff against an order refusing a temporary injunction and has been filed under Order 43, Rule 1(r) of the Code of Civil Procedure. The matter arises out of a suit for damages and permanent injunction against the respondents-defendants, who, it is alleged, are infringing a registered trade mark of the plaintiff-firm. This trade mark is affixed as a label containing the picture of a rabbit and as tissue paper (jhilli) on the bidis manufactured by the appellant. The trade mark represents the picture of a rabbit (khargosh) with the usual inscription showing who the manufacturers of the bidi are.

The impugned label and "jhilli" represent not to rabbit but a squirrel and the label is described as "Gilhari Chhap". The tissue paper is printed in the same ink and contains respectively the picture of a khargosh and a gilhari. The inscriptions, however, are different inasmuch as in the impugned jhilli they are in English and are placed in the form of a box around the picture of the gilhari. In the "jhilli" of the plaintiff-firm a picture of khargosh is enclosed in a scroll and the writing is in Hindi.

The plaintiff-firm claims that it got the trade mark "Khargosh Chhap" registered

under the Indian Trade Marks Act, 1940. It claimed that the label of the defendants was sufficiently similar to cause confusion in the mind of an unwary purchaser and as such the defendants must be prohibited from using its labels and jhillis and also ordered to pay damages for loss thus occasioned to the plaintiff-firm. The trial Court declined to grant a temporary injunction on the ground that the labels were distinct and on the ground that in view of the decision of this Court reported in *Beniprasad Agarwal Vs. Hindustan Lever Ltd.*, no temporary injunction could issue.

The learned Judge also took into account in passing the evidence furnished by the declaration made in the year 1936 by the defendants before a Justice of the Peace showing that the "Gilhari Chhap" label was their trade mark. Though the learned Judge in the Court below did not mention specifically that he was persuaded by the provisions of Section 25 of the Indian Trade Marks Act, the reasoning is manifest enough to show that he so did.

Before us the question has arisen whether Section 25 comes to protect the defendants in their user of the label "Gilhari Chhap". The provisions of that section are as follows :

"Nothing" in this Act, shall entitle the proprietor or a registered user of a registered trade mark to interfere with or restrain the use by any person of a trade mark identical with or nearly resembling it in relation to goods in relation to which that person or a predecessor in title of his has continuously used that trade mark from a date prior-

(a)

(b) to the registration of the first-mentioned trade mark in respect of those goods in the name of the proprietor or a predecessor in title of his,

whichever is the earlier, or to object (on such use being proved) to registration of that identical or nearly resembling trade mark in respect of those goods under Sub-section (2) of Section 10. The learned counsel for the appellant contends on the authority of two cases reported in *Reinhardt v. Spalding* 1880 49 LJ Ch 57 (B) and *Subbiah v. Kumarval Nadar* AIR 1946 PC 109 (C), that a mere declaration in respect of a label before a Justice of the Peace in the year 1936 was not sufficient to discharge the burden laid by Section 25 upon a defendant who wished to set up prior user of a label.

The learned counsel for the appellant contends that some more evidence was necessary to prove a continuous user of the label from the time of the declaration to the time the label of the plaintiff in the case was registered under the present Act. He pointed out that on more than one occasion the defendants had attempted to copy the label of the plaintiff or fabricate a label similar thereto and had on remonstrance by the plaintiff-firm agreed not to use it. He contends, therefore, that in view of such conduct a mere declaration made in 1936 could not be taken as evidence of user, much less of continuous user from the year

1936 till today.

There can be no doubt that if the label was in current use before the registration of the plaintiff's label under the Indian Trade Marks Act, the provisions of the section above quoted would save prima facie the defendant from the grant of a temporary injunction. For this purpose, however, there had to be evidence. Unfortunately, neither side cared to lead evidence and relied upon affidavits, which in the circumstances of the case were a poor substitute for the kind of proof needed to apply Section 25 of the Indian Trade Marks Act to such a case. Before us also reliance was placed upon those same affidavits and the declaration to which we have referred.

We do not think that in view of the dicta in the two cases cited, particularly the dicta of their Lordships of the Privy Council, we can look into this kind of evidence to decide upon the application of Section 25 of the Act. Since there is no material before us, we are unable to give a finding whether in the circumstances of the case a temporary injunction ought or ought not to issue. Equally, the trial Court was not in a position to give such a finding either, whether affirmatively or negatively. The proper course for the subordinate Court was therefore to call for prima facie evidence of user or non-user and to decide summarily the question of a grant of temporary injunction in the light of such evidence.

We may say that on a view of the two labels we are prima facie of the opinion that it needed to be considered whether an unwary purchaser would not be deceived by an overall similarity in the two labels. However, as we are setting aside the order which has proceeded without any substantial evidence, we think that the matter should be left at large to be decided once again after all the evidence that the parties seek to lead in the case is in.

Following, therefore, the dictum of their Lordships of the Privy Council in *Subbiah v. Kumara-val (C)* (cit. sup.), we think that we should remit this case after setting aside the order, with a direction that the trial Court should take the evidence such as may be proffered by the two parties and decide the case in the light of such evidence. In doing so, the trial Court shall advert to the provisions of Section 25, as explained by their Lordships of the Privy Council and also shall decide whether any case exists for the grant of a temporary injunction on a consideration of the two labels and on similarities existing therein, as explained in the case of this High Court.

We accordingly dissolve the interim injunction granted by this Court and set aside the order of the trial Court, remitting the case to it for further trial. In view of the fact that the business of one side or the other is likely to suffer in the meantime, whether a temporary injunction be granted or not, we further direct the trial Court to try this case as expeditiously as possible, at any rate in so far as the grant of temporary injunction is concerned. If the case is going to be delayed unduly, the trial Court may consider the taking of such security to

safeguard the plaintiff as it deems just in the case. Should the parties so desire, the evidence led for the purposes of the temporary injunction may further be read as evidence in the case. In the circumstances of the case, there shall be no order about costs.