

(2009) 12 DEL CK 0049

In the Delhi High Court

Case No : C.S. (OS) No. 1093 of 2009 and I.A. No's. 8131 of 2009, 7742 and 9118 of 2009

Siel Edible Oils Limited (SEOL)

APPELLANT

Vs

Khemka Sales (P) Ltd.

RESPONDENT

Date of Decision : 07-12-2009

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 39 Rule 1, Order 39 Rule 10, Order 39 Rule 2, Order 39 Rule 4
Trade Marks Act, 1999 — Section 124, 124(1), 124(4), 57(2)

Citation : (2010) 42 PTC 357 : (2010) 42 PTC 154

Hon'ble Judges : S.N. Dhingra, J

Bench : Single Bench

Advocate : Sandeep Sethi, Ekta Kapil, Sindhu Sinha, Gaurav Chauhan and Sudhanshu Goel, for the Appellant; Meghna Mishra, Lakshmi Ramchandran and Akhil Sachar, for the Respondent

Judgement

Shiv Narayan Dhingra, J.—This suit has been filed by the plaintiff alleging infringement of its trade mark "DCM No. 1" by the defendant. In the suit, I.A. No. 7742 of 2009 has been made under Order 39 Rules 1 and 2 read with Section 151 CPC, I.A. No. 8131 of 2009 has been made under Order 39 Rule 4 read with Section 151 and I.A. No. 9118 of 2009 has been made under Order 7 Rules 10 and 11 read with Section 151 CPC.

2. It is pleaded by the plaintiff that the plaintiff was registered owner in respect of trade mark "DCM No. 1" in class 3 of the goods. It is plaintiff's own case that the defendant was also a registered trade mark owner of "DCM No. 1". In fact, the plaintiff has placed on record at page 84 of the documents file an application for rectification of the register/removal of trade mark. This, application has been made by the plaintiff against the registered trade mark of defendant, that is, "DCM No. 1" on the ground that this trade mark entry was made without sufficient cause and/or is liable to be rectified within the meaning and scope of Section 57(2) of the Trade Marks Act, 1999 (hereinafter referred to as "the Act")

and that the plaintiff was original and lawful proprietor of the trade mark "DCM No. 1".

3. u/s 124 of the Act, in a suit for infringement of trade mark, if the court trying the suit finds that any proceeding for rectification of the register in relation of plaintiff's or defendant's trade mark is pending before the Registrar or Appellate Board, the court has to stay the suit pending disposal of such proceedings. In view of this, I consider that the present suit has to be stayed and interim injunction granted by the court has to be vacated. I am supported in my this view by a decision of this Court in Arun Colour Chemical v. Mithumal Essance Mart and Anr. in C.S. (OS) No. 375 of 2005 decided on 14th September, 2009 wherein this Court observed as under:

14. As far as the question of infringement of the plaintiff's trade mark and defence of the Defendant that it has a valid registration of an identical mark in its favour, issues No. 2, 3 and 4 have been framed by this Court vide order dated 20th January, 2006. This Court would therefore have to await the outcome of the rectification proceedings referred to hereinabove u/s 124(4) before deciding those issues. The final order in the rectification proceedings would bind the parties and this Court is required to dispose of the suit in conformity with the said order of rectification proceedings.

15. It was sought to be urged by Mr. Sushant Singh that normally an order staying the suit seeking permanent injunction for infringement of registered trade mark u/s 124 of the TM Act, 1999 is passed at an interlocutory stage and not when the suit is at the stage of final hearing.

16. This Court is unable to agree with the above submission. The wording of Section 124(1) does not indicate that an order staying the proceedings cannot be passed at any time before the disposal of the suit or that it can be passed only at an interlocutory stage. Moreover, when the applications for rectification have been filed by the plaintiff only in October and December 2007, there is no occasion for this Court to have considered earlier whether the provisions of Section 124 of the TM Act stood attracted. It appears to this Court that there is no option but to stay the further proceedings in terms of Section 124 of the TM Act.

17. It is then submitted by Mr. Sushant Singh that since there is no parallel provision in the CR Act no stay of the proceedings qua the reliefs of permanent injunction for infringement of copyright can be granted. No doubt issue Nos. 4, 5 and 7 deal with the issue of infringement of copyright and there is no provision parallel to Section 124 of the TM Act in the CR Act. Nevertheless this Court is bound to take note of the subsequent development in the form of the pendency of the rectification petition filed by the plaintiff u/s 50 of the CR Act, challenging the grant of copyright in favour of the Defendant. Here, this Court notices that the defence of the Defendant is that it holds a valid trademark and copyright registration in an identical label. The outcome of the rectification proceedings

would, therefore, have a direct bearing on the remaining three issues.

18. The prudent course to adopt would be to await the outcome of the rectification proceedings even as regards the question of its infringement of copyright.

19. This Court accordingly stays further proceedings in the present suit and directs the parties to mention the case for listing after the final order is made in the abovementioned rectification petitions.

4. I, therefore, consider that this Court cannot proceed either with the suit or interim application for injunction and all have to be stayed. I, therefore, adjourn the suit sine die with liberty to the plaintiff to get the suit revived as and when the rectification application is decided by the competent authority.