

**(2009) 09 BOM CK 0090**  
**In the Bombay High Court**  
**Case No : Appeal From Order No. 1 of 2009**

Waman Hebare

APPELLANT

Vs

Ramesh Hebare

RESPONDENT

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**Date of Decision :** 04-09-2009

**Acts Referred:**

Trade Marks Act, 1999 — Section 2, 2(1), 28, 34, 45

**Citation :** (2009) 111 BOMLR 4368 : (2010) 42 PTC 359 : (2010) 42 PTC 35

**Hon'ble Judges :** P.R. Borkar, J

**Bench :** Single Bench

**Advocate :** A.S. Barlota, for the Appellant; S.B. Deshpande and N.S. Deshpande, for the Respondent

**Final Decision :** Dismissed

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## Judgement

P.R. Borkar, J.—This appeal challenges the order passed on 25.9.2008 by the learned District Judge-II, Jalna below application Exhibit 6 in Regular Civil Suit No. 2 of 1980. By the impugned order, the defendants were restrained from using trade mark "Hebare" of the Respondent.

2. Briefly stated, the respondent is the original plaintiff who filed application Exhibit 6 before the trial court for injunction regarding infringement and passing off. The respondent is the proprietor of "M/s Hebare and Sons" and his firm is in the business of production of sewing machines under the trade name and trade mark "Hebare". He has been doing business for the last 20 years and has earned goodwill and reputation in the market. The sewing machines are being sold in Districts such as Jalna, Beed, Latur and other part of the Marathwada region. Respondent plaintiff is the real brother of the appellant defendant. It is the case of the respondent plaintiff that appellant was not associated with the business run by "M/s Hebare and Sons" in general and sewing machine in particular. However, in spite of this, present appellant started selling sewing machines prominently displaying the word "Hebare" in large font on the sewing machines and other words "Amit" and "Ajinkya" are used in small letters by giving them

insignificant place on the machines those are being sold by defendant. It is further contended that the defendant is carrying out such activities with an intention to gain profit by unlawfully using the trade mark of the plaintiff.

3. According to plaintiff, he has applied for registration of trade mark "Hebare" in the year 2002 and during pendency of his application for registration of the said trade mark, he came to know that Dayaldas and Company, Delhi had also applied for registration of the said trade mark "Hebare" vide application No. 996146 dated 13.3.2001. That trade mark was advertised in journal Mega 4 and subsequently registered on 8.6.2005. After coming to know about this development present respondent approached the proprietor of Dayaldas and Company and informed the said proprietor that he (plaintiff) had been using the said trade mark "Hebare" for last 20 years. After negotiations, the plaintiff has purchased the said trade mark bearing registration No. 384045 from Dayaldas and Company and accordingly, deed of assignment came to be executed between the plaintiff and partners of said Dayaldas and Sons under which the trade mark No. 996946 bearing registration certificate No. 384045 is purchased by the plaintiff for Rs. 5000/= and he thus became owner thereof from the date of deed of assignment. In the circumstances, plaintiff sought temporary injunction restraining present appellant defendant from using the trade mark "Hebare".

4. Appellant defendant appeared and filed written statement. According to him, he was selling his products under registered name and style "Amit and Ajinkya". The surname of the defendant is also Hebare and he is using the same. There is no resemblance or deceptive similarity between the products of the plaintiff and defendant. It is also pleaded that the assignment deed is not registered with the Registrar of Trade Marks and there is no passing off. Other details of the plaint and application at Exh. 6 are denied.

5. Learned District Judge, after considering rival pleadings documents on record and submissions made, came to the conclusion that it was a fit case to issue temporary injunction as the plaintiff proved prima facie case and the balance of convenience was in his favour and there would be irreparable loss to plaintiff, if injunction is not granted. It is this order which challenged in this appeal.

6. It is argued before this Court that in the application Exh. 5, it is wrongly mentioned that at no point of time the respondent was associated with business of Hebare and Sons in general and business of Hebare sewing machines in particular. My attention was drawn to the Deed of Dissolution dated 4.4.1992 which is at page 57 of the paperbook. It was a document between present appellant and respondent. It is stated in the dissolution deed that on 3.4.1982 partnership was established by the parties thereto under the name and style "M/s Hebare & Sons". They were carrying out business till 31.3.1992 and then they decided to dissolve the partnership and accordingly dissolution decision came into effect from 31.3.1992. In paragraph 3, it is stated that the party of the second part (plaintiff Ramesh Manjiram Hebare) has taken over the business of the firm as a running concern with assets and liabilities of the firm as on

31.3.1992 and accounts of other party i.e. the party of the first part (Waman Manjiram Hebare) have been fully settled by full payment of their respective credits to their accounts including the share of profits for the year ended 31st March 1992. Paragraph 4 of the deed of dissolution reads:

4. The parties of the first part hereof have no objection for the continuance of the business by the party of the second part hereof as a proprietary concern under the same name and style in same premises.

7. Thus, it is clear that as per deed of dissolution, the goodwill and trade name were transferred by the present appellant to the present respondent. The deed of dissolution does show that at one point of time present appellant defendant was concerned with M/s Hebare & Sons, but at the same time it also shows that he thereby authorised the present respondent plaintiff to use the trade name "M/s Hebare & Sons".

8. Learned Advocate for the respondent plaintiff pointed out to me the deed of assignment dated 9.2.2007 executed by M/s Dayaldas & Sons in favour of present respondent, the copy of which is produced at page 29. It shows that "Hebare" was the trade name registered in the name of M/s Dayaldas & Sons and partners of the said firm executed the deed of assignment on 9.2.2007 in favour of present respondent plaintiff for consideration of Rs. 5,000/=.

9. It is also argued before me by learned Counsel for the appellant, relying upon Section 45 of the Trade Marks Act, 1999, that unless registration of assignment is done, the respondent appellant cannot claim protection under the Act. Section 45 reads:

45. Registration of assignments and transmissions.(1) Where a person becomes entitled by assignment or transmission to a registered trade mark, he shall apply in the prescribed manner to the Registrar to register his title, and the Registrar shall, on receipt of the application and on proof of title to his satisfaction, register him as the proprietor of the trade mark in respect of the goods or services in respect of which the assignment or transmission has effect, and shall cause particulars of the assignment or transmission to be entered on the register;

Provided that where the validity of an assignment or transmission is in dispute between the parties, the Registrar may refuse to register the assignment or transmission until the rights of the parties have been determined by a competent court.

(2) Except for the purpose of an application before the Registrar under subsection (1) or an appeal from an order thereon, or an application u/s 57 or an appeal from an order thereon, a document or instrument in respect of which no entry has been made in the register in accordance with subsection (1), shall not be admitted in evidence by the Registrar or the Appellate Board or any Court in proof of title to the trade mark by assignment or transmission unless the Registrar or the Appellate Board or the Court, as the case may be, otherwise

directs.

10. According to learned Counsel Shri Barlotia for the appellant, unless entry in the register of the Registrar of Trade Marks is made in accordance with subsection (1), the document or the instrument cannot be admitted in evidence.

11. On the other hand, Shri Deshpande, learned Counsel for the respondent cited judgment of Delhi High Court in I.A. No. 6872/2008 in CS (OS)1073/2008 (Sun Pharmaceuticals Industries Ltd. v. Cipla Limited), wherein, in paragraph 11, learned Single Judge considered Sections 2(1)(w), 2(b), 45 of the Trade Marks Act and has come to the conclusion that assignment comes into effect immediately and he emphasized the words from Section 45(1) to the effect, "where a person becomes entitled by assignment ... to a registered trade mark, he shall apply in the prescribed manner to the Registrar to Register his title....

12. In paragraph 12, the court has come to a conclusion that it follows that the assignee immediately on assignment i.e. by writing acquires title to the registered trade mark. Registration u/s 45(1) is "on proof of title" and thus the title exists in assignee even before registration u/s 45(1) of the Act.

13. After discussing in paragraphs 13 to 15 the issue if title in registered trade mark vests in assignee after assignment and before registration, and whether he is entitled to exercise right u/s 28 as registered proprietor, the learned Judge observed in paragraph 16 that the plaintiff notwithstanding being not registered is entitled to exercise rights as a registered proprietor of trade mark. After going through the reasons given by the learned Judge, I am in respectful agreement with the view taken by him.

14. In the case of Abdul Sattar v. Rails Engineering Works 2007 (6) LJSOFT (URC) 171, the Division Bench of this Court was considering the order passed by learned Single Judge in Notice of Motion in a suit. In that case, the Plaintiff had filed suit for infringement of registered trade mark "PILOT" and passing off action against Defendant company. The defendant company contended that it was the user of the mark "PILOT" prior in point of time. In paragraph 7 of the case cited, the Division Bench observed that Section 34 of the Trade Marks Act, 1999 seems to have been completely overlooked and ignored by the learned Motion Judge. It is also observed in paragraph 11 that the notice of motion has been disposed of by the learned Motion Judge in a cursory manner and that was not proper and justified. Section 34 of the Trade Marks Act deals with savings of vested rights. The defendant appellant has not made out case u/s 34 of the Act.

15. On the other hand, in the case of Bajaj Electricals Limited Vs. Metals and Allied Products and Another, , the Division Bench of this Court was considering user of the trade name as family name. The Division Bench considered whether the user of family name can be a defence for action of passing off. Family name was identical to the trade name of the plaintiff. Since the defendant was using family name not as a trading style, but as trade mark or trade sign, such user is held to be not permissible. Distinction between trade style and trade mark or

trade sign is described. It is observed that the trade name of the plaintiff was widely advertised and it gained wide reputation for a number of years, the partners of the defendant firm were carrying on their business with the mark consisting of their family name and it was identical and deceptively similar to the trade name of the plaintiff. There was identity of goods, identity of marks and identity of consumer in respect of the goods manufactured by the plaintiff and that of the defendants. The articles of the plaintiff and the defendants were available in the same shop. The defendants were attempting to pass off their goods with the said mark with the intention to secure advantage of the reputation earned by the plaintiff.

16. In the present case, no doubt the plaintiff and defendant are brothers. Both have surname "Hebare". By deed of dissolution the appellant defendant specifically transferred the proprietary name of the partnership concern to his brother respondent and thereby goodwill was sold. Learned Advocate for the appellant pointed out photo copies of sewing machines sold by appellant which are at pages 62 and 63 along with appeal memo. It appears that the names "Amit" and "Ajinkya" were distinctly mentioned therein and it is argued that there is no passing off or breach of trade mark. However, learned Advocate for the respondent pointed out to me the documents produced at pages 42 and 43 of the appeal memo, wherein the word "Hebare" was given prominence. Word "Hebare" is typed in bold where as words "Amit" and "Ajinkya" are shown with less prominence and in small font.

17. Perusal of the judgment of the learned District Judge indicates that he has considered all aspects of the matter. It is stated that the name used by the appellant is deceptively similar. We find discussion to that effect in paragraphs 19 to 23 of the judgment. The learned Judge also considered the legal position. I have also noted that the present appellant has registered the trade mark "Amit Sewing Machine & Co." and "Ajinkya Sewing Machine & Co." and there is no prohibition to use said names as per the order passed by the District Court. Objection is to using the name "Hebare" which is a trade mark purchased by respondent plaintiff from M/s Dayaldas & Sons, under the deed of assignment.

18. In order to show that the application for registration is already made and fees are also deposited, today the learned Counsel for the respondent filed a copy of receipt which is taken on record and marked X for the purpose of identification.

19. In the case of M/s. Modi Threads Limited Vs. M/s. Som Soot Gola Factory and another, , learned Single Judge of Delhi High Court has taken view that even though the application of the plaintiff for transfer of the registered trade mark in its name was still pending for consideration by the Registrar of the Trade Marks, it would not debar him to protect the violation of its trade mark at the hands of unscrupulous persons by filing an action in Court of law for injunction. During interregnum period the defendants could not be allowed to make use of said trade mark in order to get themselves illegally enriched, earning upon the

reputation built up qua that trade mark by the predecessor in interest of the plaintiff.

20. In the reported case, the judgment of the Division Bench of our High Court reported in James Chadwick and Bros. Ltd. Vs. The National Sewing Thread Co. Ltd., was referred in the context of proposition as to when the two names can be said to be deceptively similar.

21. It is argued that that there is third party which is not before this Court, who is resident of Latur, and also using the name "Hebare". But, the said user by third person is no defence for the present appellant defendant. For this purpose, learned Counsel for the Respondent relied upon para 8 of F.M. Diesels Ltd. v. S.M. Diessels 1993 PTC 7.

22. After giving anxious thought to the arguments advanced before me, I am of the considered view that this is a case wherein no interference is required. Hence, appeal from order is dismissed.