

Asim Gadighar Vs Abdul Aziz

Court: Bombay High Court (Aurangabad Bench)

Date of Decision: Nov. 27, 1986

Acts Referred: Trade and Merchandise Marks Act, 1958 " Section 105

Citation: (1987) 1 BomCR 341

Hon'ble Judges: S.C. Pratap, J

Bench: Single Bench

Advocate: R.R. Jethalia, for the Appellant; K.S. Naik, for the Respondent

Judgement

S.C. Pratap, J.

The petitioner-plaintiff herein filed Regular Civil Suit No. 2 of 1982 in the District Court, Aurangabad, inter alia for

declaration that the defendant is not entitled to use or copy the trade name and the copy right of he plaintiff firm "Azeem Gadi Ghar" in any manner

and for permanent injunction restraining the defendant not to use or carry on business in the said name. A claim by way of damages was also

made.

2. The plaintiff had earlier filed Regular Civil Suit No. 144 of 1981 in the Court of the Civil Judge, (Junior Division), Aurangabad, for virtually the

same reliefs aforesaid. The defendant, however, challenged the jurisdiction of that Court to entertain and try the said suit, which was in the nature

of a passing off action, contending that, in view of section 105(c) of the Trade and Merchandise Marks Act, 1958 (for short "the Act"), such

action would lie only in the District Court. The Court observed that the point of jurisdiction would be considered by framing an appropriate issue in

the suit. In the meanwhile and possible because of the defendant's objection of jurisdiction the plaintiff filed the present suit in the District Court.

(The earlier suit in the Court of Civil Judge, (Junior Division,) was withdrawn. The learned Assistant Judge, however, by his presently impugned

order of 27th September, 1982 held that the District Court had no jurisdiction to try this suit. Hence this revision.

3. The sole and singular question thus arising for determination is one of jurisdiction and the same turns on what constitutes passing off u/s 105(c)

of the Act.

4. Advertising then first to the relevant provisions of the Act. u/s 105(c) of the said Act no suit :---

(c) for passing off arising out the use by the defendant of any trade mark which is identical with or deceptively similar to the plaintiffs trade mark,

whether registered or unregistered;

shall be instituted in any Court inferior to a District Court having jurisdiction to try the suit

The term "deceptively similar" is defined in section 2(d) of the said Act as---

A mark shall be deemed to be deceptively similar to another mark if it so nearly resembles that other mark as to be likely to deceive or cause

confusion.

The word "mark" is defined in section 2(j) of the Act to include---

a device, brand, heading, label, ticket, name, signature, word, letter or numeral or any combination thereof;

The term "trade mark" is defined in section 2(v) of the Act as under :

(i) in relation to Chapter X (other than section 81), a registered trade mark or a mark used in relation to goods for the purpose of indicating or so

as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark; and

(ii) in relation to the other provisions of this Act, a mark used or proposed to be used in relation to goods for the purpose of indicating or so as to

indicate a connection in the course of trade between the goods and some person having the right, either as proprietor or as registered user to use

the mark whether with or without any indication of the identity of that person, and includes a certification trade mark registered as such under the

provisions of Chapter VIII;

5. There is no magic in the term "trade mark". Statutory definitions already referred to indicate that even a "mark" which includes even a name,

can, by the very nature of its use, acquire the quality or character of a trade mark. The very definition of "trade mark" includes "mark" and the very

definition of "mark" includes "name". The term "trade mark" in section 105(c) of the Act must, therefore, be considered to be a comprehensive

term including within itself "trade name" as also "mark", "business name" as also "name" under which articles, goods, etc. are sold. What is

necessary is connection or nexus between the mark used in relation to the goods and the person claiming a right to use the same. That is the clear

proportion of Clauses (i) and (ii) under the definition of "trade mark" in section 2(v) of the Act.

6. The ingredients of the action for passing off have been restated by the House of Lords in two distinct formulations, the first being as follows :

(1) a misrepresentation (2) made by a trader in the course of trade (3) to prospective customers of his or ultimate consumers of goods or services

supplied by him (4) which is calculated to injure the business or goodwill of another trader in the sense that this is a reasonably foreseeable

consequences, and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or, in a quia timet action,

will probably do so.

(48 Halsbury's Laws of England, Fourth Edition, (Para 144).

And further onwards---

Passing off may occur, not by reason of any similarity of trade mark or names, but because of the similarity of the general appearance or get-up of

goods.....

The similarity of get-up may be such that passing off is likely to occur even though the trade marks or names are wholly different, especially where

the goods are likely to be brought by illiterate or uneducated persons, but similarity or dissimilarity of get-up is only one of the factors to be taken

into account in deciding whether in all the circumstances there is a likelihood of deception....

(48 Halsbury's Laws of England, Fourth Edition) (Para 168).

7. In Consolidated Foods Corporation Vs. Brandon and Company Private Ltd., to which my attention was invited (albeit in a different context as

stated hereafter) by Mr. Naik, learned Counsel for the respondent-defendant herein, it has been observed inter alia :

A trader acquires a right to property in a distinctive mark merely by using it upon or in connection with his goods irrespective of the length of such

user and the extent of his trade. The trader who adopted such a mark is entitled to protection....

Still further,

For the purpose of claiming such proprietorship of a mark, it is not necessary that the mark should have been used for considerable length of time.

As a matter of fact, a single actual use with intent to continue such use co instanti confers a right to such mark as a trade-mark. It is sufficient if the

article with the mark upon it has actually become a vendible article in the market with intention on the part of the proprietor to continue its

production and sales.

8. The above ruling was relied upon by the learned Counsel Mr. Naik for the defendant, to support his contention that the plaintiff's present

passing off claim was in the nature of a common law action and, therefore, outside the jurisdiction of the District Court and exclusively within the

jurisdiction of the Civil Judge (Junior Division). It is, however, difficult to spell out any such test or principle from the above, ruling. Indeed, in

paragraph 27 of the judgment, the learned Judge specifically states :

...It must be remembered that in this case I am not dealing with a passing-off action or an action for infringement of a trade mark which is alleged

to be common property

The said ruling is thus of no avail to the defendant in the instant case, which specifically relates to passing off action. Considering then in the entire

context aforesaid, the plaint averments and the essential nature and character in the suit, it is obvious that the suit is clearly one in the nature of

passing off action governed by section 105(c) of the Act. It would, therefore, lie only in the District Court.

9. However, in support of his contention that the District Court has no jurisdiction, Mr. Naik, learned Counsel for the defendant, relied upon a

ruling of a learned Single Judge of the Punjab and Haryana High Court in *Ranjit Singh Vs. Jaswant Singh*, This ruling does apparently support the

learned Counsel. However, with humility and respect, I am unable to agree therewith. A distinction is erroneously drawn therein between passing

off actions based on trade marks and other passing off actions. There is, while determining the question of jurisdiction, no warrant for drawing such

a distinction. The Act itself does not draw any such distinction. It covers all passing of actions, whether based on trade marks or marks or trade

names or business names. Attempt to draw a distinction between a common law action and a statutory action qua passing off claim is not justified.

Indeed, it is difficult to discover any real distinction between a passing off claim as a common law action and a passing off claim as a statutory

action. Both are passing off claims and both would stand covered by section 105(c) of the Act. Besides, in *Ranjeet's* case (supra) it has been

observed---

In the instant case, there is no allegation in the plaint about the infringement of any trade mark or passing off action arising out of the use of the

trade mark of the plaintiff by the defendant. As a matter of fact, neither the plaintiff nor the defendant has any trade mark of his own. During the

arguments, it was conceded by the Counsel for the parties that both the plaintiff and the defendant purchase similar types of goods from the bazar

and sell at their respective shops

Altogether different, indeed, are the facts and circumstances of the present case. And the ratio of a ruling cannot be divorced from the essential

facts thereof. The present, as alleged and averred in the plaint, is a definite case of use or, it one may say so, misuse of the plaintiff's mark or trade

name or business name or name or...call it what you will...any of these terms deceptively similar to that of the plaintiff. The mark on which the

plaintiff relies is "M/s Azeem Gadi Ghar" and the alleged mark deceptively similar thereto, used by the defendant is "Azeem Gadi ghar" and earlier

thereto, "A-1 Azeem Gadi Ghar". Ex facie, therefore, the suit is essentially a passing off action governed by section 105(c) of the Act.

10. Mr. Jethalia, learned Counsel for the plaintiff, invited my attention to a decision of a learned Single Judge of the Andhra Pradesh High Court in

Teju Singh Vs. Shanta Devi, wherein, it has been held as under ;

Where in a suit the gravamen of the plaintiff's charge is that the defendant has been trying to pass off his electric dry cleaning services as those of

the plaintiff, the suit brought by the plaintiff is clearly a passing off action and a District Court is competent to entertain such a suit. The fact that the

plaintiff's trade name has not been registered is not material for such an action.

(vide Head Note (A).

In letters patent appeal against the aforesaid decision, the Division Bench held :

It is not necessary for us to consider whether the definition of the word "good" in the Trade Marks Act takes in the word "business". This is not

an action for infringement of a trade mark. It is common law action for passing off in relation to the plaintiff's business. We have already pointed

out that the rule is well settled in England, viz., that the same principles as are applied to actions relating to passing for goods equally apply for

passing off business names...

(vide Teju Singh Vs. Shanta Devi, .

The findings of the learned Single Judge that the suit lay in the District Court must, in the context, be taken to have been retained or maintained

albeit sub-silentio.

11. Attention was also invited by Shaik Aminul Islam and Another Vs. Bidyadhar Sahu and Others, , wherein we find the following observations :

Whatever might be position under the old Act, it is very clear from section 105(c) of the New Act that a suit 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

can be instituted only in the Court of the District Judge having jurisdiction to try the suit.

12. Reference may also be made to the observations in the ruling of a learned Single Judge of this Court in Bhikusa Yamasa Kshatriya Pvt. Ltd.

Vs. Jagannath Bhikusa Kshatriya and Others,

As far as the provisions of section 105(c) of the Trade and Merchandise Marks Act, 1958 are concerned, those deal with two types of actions,

one being the infringement action and the other being passing off action, and specifically provide that in both these actions the suit has to be

instituted only in the District Court.

In all the circumstances, therefore, conclusion follows and is irresistible that the plaintiff's suit is a passing off action squarely covered by section

105(c) of the Act. The same, therefore, lies only in the District Court. That Court alone has jurisdiction to try the same.

13. Before passing final orders, it may be stated that I have considered only the question of jurisdiction and no other question. The District Court

will, therefore, hear and decide the suit on its own merits uninfluenced by an regardless of observations, if any herein, which may seem to touch any

aspects of merits of the dispute.

Counsel on either side jointly requested that the suit may be directed to be heard and decided expeditiously. As the suit is of early 1982 and one in

the nature of passing off action, justice requires expeditious trial and disposal thereof. Indeed, passing off actions must in the very nature thereof be

heard expeditiously. The request, therefore, is reasonable and direction accordingly is being given in the final order below.

14. Hence order :

(a) In the result, this petition succeeds and the same is allowed. The impugned order dated 27th September, 1982 holding that the District Court

has no jurisdiction to hear and try the instant suit is set aside. The consequential order dated 8th October, 1982 (below application exhibit 55)

returning the plaint to the plaintiff is also set aside. Proceedings will now go back to the District Court.

(b) The District Court is directed to hear and decide the suit, being Regular Civil Suit No. 2 of 1982, as expeditiously as possible but in any event

latest by 31st March, 1987.

(c) As there has been no interim injunction operating in favour of the plaintiff and against the defendant till now and as the suit itself is now being

directed to be heard and decided expeditiously, plaintiff's application, exhibit 5, for interim injunction shall stand filed. However, in the event of the

District Court finding that the hearing and disposal of the suit is being hereafter unduly protracted by the defendant, the plaintiff will then be at

liberty to apply afresh for interim injunction in which event the Court will hear and decide the same on merits and in accordance with law.

15. Rule is made absolute in terms aforesaid but, in the circumstances, with no order as to costs.

16. Writ to go down immediately.