

Somashekar P Patil vs D V G Patil on 8 May, 2018

Equivalent citations: AIR 2018 KARNATAKA 135, AIRONLINE 2018 KAR 911

Author: L.Narayana Swamy

Bench: L. Narayana Swamy

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 8TH DAY OF MAY 2018

BEFORE

THE HON'BLE MR. JUSTICE L. NARAYANA SWAMY

MISCELLANEOUS FIRST APPEAL NO.2707 OF 2018 (IPR)

Between:

Somashekar P. Patil
an Indian, Hindu
aged 43 years
S/o Late Sri P.M. Patil
Proprietor trading as
M/s. Patil Parimala Works
No.140/82, 1st Main Road
A.V, Road, Chamarajapet
Bengaluru - 560 018

...Appellant

(by Shri Shri Udaya Holla, Senior Counsel
for Shri Veeresh Sangolli, Advocate)

And:

D.V.G. Patil
An Indian, Hindu
Major by age
S/o Veerappangouda
Trading as Patil Fragrances
No.140/145, Cottonpet Main Road
Bengaluru 560 003

and also at

No.236, 7 'A' Cross
Shastri Nagar
Thayagaraja Nagar Post

Bengaluru - 560 028

...Respondent

(by Shri Raghu Hulikal, Advocate
for C/Respondent)

This Miscellaneous First Appeal is filed under order 43 Rule 1(r) of the Code of Civil Procedure against the order dated 31st March 2018 passed on IA Nos.1, 2, and 7 in OS No.6665 of 2017 on the file of the Additional City Civil Judge at Bengaluru (CCH 10) dismissing IA.No.1 and 2 filed under Order 39 Rule 1 and 2 of CPC and allowing IA.No.7 filed under Order 30 Rule 4 read with Section 151 of the Indian Penal Code.

In this Appeal, arguments being heard, judgment reserved on 26th April 2018, coming on pronouncement of orders, this day, the Court delivered the following:

JUDGMENT

Appellant filed Suit in O.S. No.6665 of 2017 against the respondent for committing infringement and passing off of the trademark and trading name "PATIL and PATIL PARIMALA WORKS" by using identical and deceptively similar trading name i.e. "PATIL FRAGRANCES". The appellant also filed applications IAs.I and II under Order XXXIX Rules 1 and 2 for interim injunction to restrain respondent from using the name "Patil Fragrances" or any other identical or deceptively similar trading name or trademark during the pendency of the Suit. Initially, the applications were allowed and temporary injunction was granted by its order dated 09th October 2017 and upon respondent filing IA.7 under Order XXXVI Rule 4 of the Code of Civil Procedure seeking vacating the ex parte interim order granted on 09th October 2017, the learned Judge, by its order dated 31st March 2018 vacated the interim order. Hence, the appellant-plaintiff has filed this appeal with a prayer to set aside the order dated 31st March 2018 passed by the XVIII Additional City Civil Judge, Bengaluru (CCH 10) and it is sought to allow IAs.I and II filed by the Plaintiff- appellant and to dismiss IA.7 filed by the defendant- respondent.

2. Shri Udaya Holla, the learned Senior Counsel appearing for the learned counsel for the appellant submits that the Court below by appreciating the case of the appellant granted an ex parte injunction on 09th October 2017. It was the case of the appellant that the respondent is using the similar name viz. "PATIL FRAGRANCES" which is identical to that of the appellant's registered trade name "PATIL and PATIL PARIMALA WORKS." The word-mark "PATIL" was got registered by the appellant since 1978 and certificate to this effect has been issued as per Annexure-Q dated 10th March 2016; and another certificate issued which is evenly dated wherein the word mark "PATIL PARIMALA WORKS" is used since 01st January 1978. It is submitted that the respondent-

defendant, who has got his name registered as "PATIL FRAGRANCE" in the year 2017 and passing off of the goods that are similar to that of the appellant, infringes his right. Accordingly the same is to be injuncted. The learned Senior Counsel further submitted that rival trademarks are phonetically, visually, conceptually and aurally are identical and deceptively similar. It is contended that the appellant has a prima facie case to show that it is a clear adaptation of registered trademark and trading name "PATIL and PATIL PARIMALA WORKS". It is further submitted that as the respondent-defendant had not made out his case and since he has used duplicate trademark, though rightly, the court initially granted ex parte injunction, but however, committed an error in vacating the same on IA.VII filed by the respondent. Hence the learned counsel seeks to vacate the interim order. In support of his submissions, the learned Senior Counsel relied upon the judgments of this Court in the case of M/S. COTHAS COFFEE CO. v. M/S. COTHA ASSOCIATES AND OTHERS reported in ILR 2017 KAR 4927; in the case of ADIGA SWEETS v. VASUDEV ADIGA'S FAST FOOD reported in MANU/KAR/2583/2017 (Kar.HC); in the case of ADIGA'S ABHIRUCHI AND OTHERS V. ADIGA'S FAST FOOT reported in 2007(35) PTC 548 (KAR); in the case of DR.

REDDY'S LABORATORIES LIMITED v. REDDY PHARMACEUTICALS LTD; and in the case of K.G. KHOSLA COMPRESSORS LTD. V. KHOSLA EXTRAKTING LTD. AND OTHERS reported in 1986(6) PTC 211 (DEL).

3. On the other hand, it is the case of the respondent that the appellant-plaintiff had suppressed the facts that the defendant and plaintiff the respondent and appellant herein belong to the same family and share common surname. The defendant is the ex-employee and brother of the plaintiff. With an intention to obtain ex parte temporary injunction, he has not disclosed the relationship. It is submitted that whoever approaches the court should disclose the material facts and non-disclosing is nothing but suppression of facts. It is further submitted that the respondent-defendant's name is Doddanna Veeranagouda Patil, and is known by 'DVG Patil.' All concerned and relevant identity, statutory licences and permissions stand in the name of DVG Patil. Prior to 2015 defendant was working as General Manager with "Patil Parimala Works" i.e. appellant's concern. Due to some reasons, defendant-respondent discontinued association with plaintiff-appellant as an employee. Both the appellant and respondent are brothers and one late Malleshgouda Police Patil is their great grandfather. The family members of both plaintiff and defendant use surname 'PATIL' predominantly. The manufacture of the respondent's production is named as "PATIL FRAGRANCE" of which 'Patil' is defendant's surname. Hence, conducting any business or trade using the surname is permitted and not restrained under the Act. Most of the people of the family of plaintiff and respondent, in any field whoever are doing the business, invariably have their trade name as "Patil" and like that the defendant also has the similar surname for his products and accordingly his interest is covered under Section 35 of the Trademarks Act, 1999.

4. In support of the claim, the appellant-plaintiff had produced documents viz. the Certificate of Importer and Exporter code dated 1st April 1994 issued by Ministry of Commerce in the name of "PATIL PARIMALA WORKS". The appellant had also produced Deed of Assignment executed by one P.M. Patil who is the Proprietor of Patil Parimala Works as an assignor and the said assignment is entered into between Shanthaveeramma P. Patil W/o P.M. Patil. The tax registration certificate dated 31st July 2009 produced and marked as document No.3 stand in the name of

Shanthaveeramma V. Patil. Deed of Assignment was on 27th July 2009; document No.5 is Tax Registration Certificate issued in the name of P Patil Somashekar, who is the plaintiff- appellant and he is shown as Proprietor of Patil Parimala Works.

5. On his behalf, the defendant has produced copy of Voter's ID to make out that since many years he is known as DVG Patil. In Voter's ID, Aadhar Card and in PAN Card also it is shown as DVG Patil. He has also produced copy of GST Registration Certificate which stands in the name of the Doddaveeranagouda Patil thereby trade name is shown as "Patil Fragrances" and his business is shown as Proprietary business. He had also applied for Trademark registration of product "Hitushree5" (label) which is also advertised in the Trademark Journal dated 03rd July 2007.

6. The court below having taken these rival contentions between the parties, framed the following points for its consideration:

1. whether there exists prima facie case in favour of the plaintiff?
2. whether the plaintiff proves the balance of convenience in his favour?
3. whether the petitioner/plaintiff proves that he would be put to great hardship, loss and inconvenience if an order of temporary injunction is not granted?
4. whether the defendant proves that he would be put to great hardship, loss and inconvenience if an order to exparte temporary injunction is continued.

7. The court below answered points 1 to 3 in the negative; and to the point as to, whether the defendant proves that he would be put to great hardship, loss and inconvenience if an order to exparte temporary injunction is continued, the same has been answered in the affirmative.

8. The submissions of the learned Senior Counsel for the appellant and the learned counsel for the defendant have been considered. I have gone through the order passed by the court below and also the judgments referred to by the learned Senior Counsel for the appellant.

9. It is the fundamental right of any citizen to carry out trade, business, etc. under Article 19(1)(g) of the Constitution of India. But this fundamental right is subject to reasonable restrictions and also various statutes of State and Central. It guarantees to practice any profession or to carry any occupation, trade or business. Sub-clause (6) of Article 19 of the Constitution further makes it clear that "nothing in sub- clause (g) of the said clause shall affect the portion of any existing law insofar as it imposes, or prevent the State from making any law imposing in the interest of the general public reasonable restrictions on the exercise of right conferred by the said sub-clause." When this is the guarantee made by the Constitution to any person in order to have his own trade, commerce, etc. then while dealing with the said subject, the Courts have to take care before preventing or injuncting any person in this regard.

10. Section 35 of the Trademark Act reads as follows:

"35. Saving for use of name, address or description of goods or Services--Nothing in this Act shall entitle the proprietor or a registered user of a registered trade mark to interfere with any bona fide use by a person of his own name or that of his place of business, or of the name, or of the name of the place of business, of any of his predecessors in business, or the use by any person of any bona fide description of the character or quality of his goods or services."

11. In view of the same, even a registered user or a registered trademark proprietor cannot interfere with the bona fide use of a person of his own name or that of his place of business. In this regard, the case of the of the appellant- plaintiff i.e. 'Patil and Patil Parimala Works' is registered prior to the registration of the respondent and, of late, respondent also has registered his trade mark as "Patil Fragrances"; and hence using of the word "Patil" is infringing the rights of the appellant-plaintiff and passing off the goods in that name affects the interest of the plaintiff-appellant. The case of the appellant has been examined on the basis of the materials which were placed before the Court below, viz. the bona fide use of his name as DVG Patil and it has been substantiated by relying on the Voters card, Aadhar card and PAN Card. It is the further case of the respondent that the he happens to be member of the plaintiff family, and the family members of the plaintiff and defendant invariably use the word "Patil" as surname. The defendant's name is also DVG Patil which could be seen from documents produced to that effect. Under these circumstances, the defendant has used the surname "Patil" as bona fide user on the basis of his family name, which is commonly used in the area where the family came from. Under the circumstance, as it is alleged by the appellant it cannot be held that the defendant has used the trade mark phonetically, visually, conceptually and aurally the identical and deceptively similar trade name to that of the appellant. Just because the surname of the appellant is 'Patil', that itself is not a ground to injunct the defendant from using the word 'Patil' in his trademark. It is a right of a person who carries the surname from ages together whose family namely is alike may be for many reasons, and that is their fundamental right.

12. Under these circumstances, while interfering in the matter on the basis of the cases of the appellant, it directly infringes Article 19(1)(g) of the Constitution and also the same needs to to be held that Section 35 of the Trademarks Act enables the defendant-respondent to use it.

13. The Judgment in the case of M/S. COTHAS COFFEE CO. (supra) relied upon by the learned Senior Counsel, is the case where the former partner of the appellant, applied for registration of Trademark 'Cotha'. In that case it was held by this Court that it is prima facie deceptive phonetically and similar one to the trade mark "Cothas" registered by the appellant therein and the use of trademark "Cotha" used by the respondent. The said judgment has been examined and in my opinion the said judgment is not applicable to the fact and circumstances of this case. The respondent in the said case has not established as to how he is entitled for the use of trademark as "Cotha" and it was undisputed that he was the partner in the said firm. In that facts and circumstances of the case, this Court held that the respondent's attempt to use the Registration "Cotha" is deceptively similar to that of the appellant.

14. In the case of ADIGA SWEETS (supra) it is held that "even if the name of 'Adiga' were suffixed or prefixed with other name, still it would be a case of infringement or passing off.

15. It is pertinent to observe here that the Hon'ble Supreme Court in the case of RUSTON & HORNSBY LIMITED v. ZAMINDARA ENGINEERING COMPANY reported in (1970)2 SCR 222 has observed that the action for infringement is a statutory right and it is dependent upon the validity of the registration and subject to other restrictions laid down in Sections 30, 34 and 35 of the Trade Marks Act. In the light of the said judgment, the case of appellant has been examined. While considering the case of the defendant, test is to be done by reading Sections 30, 34 and 35 of the Trade Marks Act. After having applied the said test it is found that the defendant was entitled to get the trade mark registered by suffixing the word 'Patil', which is used as bona fide.

16. The Hon'ble Supreme Court in the case of N. RANGA RAO AND SONS v. ANIL GARG AND OTHERS reported in 2005 STPL 18201 DELHI while dealing with similar case, at paragraph 17 of the judgment has observed thus:

"17. The plaintiff has also referred to the fact that the name DIA is not co-incidental since the defendants are trading under the name and style 'Divya Incense (India) Pvt. Ltd.', thus, the word 'DIVYA' as such could have been chosen and the word 'DIA' is stated to have been chosen solely due to its visual and phonetic similarity to the plaintiffs LIA mark. The plaintiff claims that the test of unsuspecting consumer with average intelligence and imperfect recollection must be applied and if the said test is applied, the consumer is bound to be deceived. The get-up of the two products is stated to be identical and the product is being sold at the unusual rate of Rs. 15/- for 35 sticks in the same fashion as the plaintiff's product."

17. This has been examined by the Court below. The appellant had produced several invoices of "Patil Parimala Works" sold through those invoices incense sticks and "Patil Parimala Works" is selling these incense sticks in the name and style "Ullas". Defendant also produced empty incense stick cover of his product which is named as "Patil Fragrance"

whereunder incense sticks are named as "Hitushree5".

Except for the common name 'Patil' both of the plaintiff and the defendant, both of their brand name is distinct, viz. the appellant's brand is 'Ullas' and the defendant's brand is "Hitushree5" and phonetically also not similar so as to deceive the customers. The products of the respective parties are in different names. Only the surname 'Patil' has been used by both the appellant as well as the defendant. Under these circumstances, it would not make much common for the buyer as the brands are referred to in two different names 'Ullas' and 'Hitushree5'. So also, the submission made by the learned Senior Counsel, the respondent is passing off or marketing the goods deceptively as that of the appellant cannot be accepted. I have examined the case in the light of Section 35 of the Trade Marks Act and the said Section makes it clear that even the registered user or a registered trade mark proprietor cannot be interfered with a bona fide use of a person or his own name or that of his place of business. In respect of bona fide use, the defendant has produced the materials to the satisfaction of the Court below. It was his case that he hails from Patil family and plaintiff happens to be the relative and also in the family circle the family members, who are in occupation of various business in their walks of life, invariably use their surname 'Patil' in their respective businesses. The Tax Registration Certificate, Voter ID card, Aadhar Card, PAN Card all show the

name of the respondent as DVG Patil. In view of the same, it is to be held that the respondent has used the said trademark as bona fide and the same cannot be interfered with. While saying so, I have also taken note of the fundamental right guaranteed by the Constitution of India to carry on the business with reasonable restrictions. Along with it Section 35 of the Trade Marks Act enables the respondent-defendant to make use of the word 'Patil' which is bona fide use. The products of both the appellant and defendants are different and only the name of the company is similar i.e. 'Patil and Patil Parimala Works' of the appellant and 'Patil Fragrances' of the defendant. As mentioned earlier, while the appellant's brand of incense stick is named 'Ullas', the defendant's is 'Hitushree5' which are entirely distinct. By considering these two aspects, I hold that the court below has examined the respective case of the parties while passing the impugned order vacating the temporary injunction granted and the reasons assigned therein are sound and proper. Hence, I also concur with the order passed by the Trial Court.

Appeal accordingly stands dismissed.

Sd/-

JUDGE Inn