

MANU/DE/0761/2003

Equivalent Citation: 2003(27)PTC190(Del)**IN THE HIGH COURT OF DELHI**

IA No. 4735/03 in S. No. 922/03

Decided On: 29.05.2003

Appellants: **Geepee Ceval Proteins and Investment Pvt. Ltd.**
Vs.Respondent: **Saroj Oil Industry****Hon'ble Judges/Coram:**

Mahmood Ali Khan, J.

Counsels:

For Appellant/Petitioner/plaintiff: Pratibha M. Singh, Adv

For Respondents/Defendant: A. Mishra, Adv.

Subject: Intellectual Property Rights**Acts/Rules/Orders:**

Trade and Merchandise Marks Act, 1958 - Section, Trade and Merchandise Marks Act, 1958 - 9(1), Trade and Merchandise Marks Act, 1958 - 27; Code of Civil Procedure, 1908 (CPC) - Order 39 Rules 1, Code of Civil Procedure, 1908 (CPC) - Order 39 Rules 2

Cases Referred:

Bharat Tiles & Marble Pvt. Ltd. v. Bharat Tiles Manufacturing Company, 1978 Gujarat Law Reporter 518; Hindustan Radiators Co. v. Hindustan Radiators Ltd., 1987 PTC 73; Khetu Ram Bishambar Das v. Bhim Sain Yash Pal, 1983 PTC 313; Shri Jawaharlal and Anr. v. Bharat Tobacco Manufacturing Co., 1984 PTC 110; Bajaj Electricals Ltd. v. Metals & Allied Products, AIR 1988 Bombay 167; Grasim Industries Ltd. v. Shri Radh Texind Pvt. Ltd. and Anr., IA. 3310/89 in Suit No. 1170/89; Grasim Industries Ltd. v. Deven Textile Industries Pvt. Ltd., is 622/87 in Suit No. 271/87; South India Textiles and Ors. v. Govt. of A.P. and Ors., AIR 1989 AP 55; Sunder Nagar Association Regd. and Anr. v. Welfare Cultural Club (Regd.) and Anr., 1995 PTC 270; Banwari Lal Sham Lal v. R.T.M. and Anr., AIR 1955 NUC 737 (Punjab); Mahendra & Mahendra Paper Mills Ltd. v. Mahendra & Mahendra Ltd., (2002) 24 PTC 121; The Imperial Tobacco of India Ltd. v. The Registrar of Trade Marks and Ors., AIR 1997 Calcutta 413; R.S.K.V. Raghavan Trading as R.S. Krishna & Co. v. G.R. Gopal & Co. and Ors., AIR 1981 Madras 262; Surya Agro Oils Ltd. v. Surya Coconut Oil Industries Ltd., AIR 1995 Delhi 72, 1995 (15) PTC 129 (Del); Hindustan Pencils Pvt. Ltd. and Ors. v. Universal Trading Co., 2000 PTC 561; P.M. Diesels Ltd. v. Patel Field Marshal Industries, AIR 1998 Delhi 255, 1998 PTC (18) 260(Del); Mohan Kumar v. Narendra Products, (1995) 2 Arb. L.R. 246, 1995 (15) PTC 248 (Del); Jawahar Engineering Co. and Ors. v. Jawahar Engineers Pvt. Ltd., 1983 PTC 207; Ruchi Pvt. Ltd. v. Indian Lame Enterprises, 2001 PTC 876; Dharam Pal Satya Pal v. Janta Sales Corporation, PTC (Suppl.) (2) 31; Ruston & Hornsby Ltd. v. Zamindara Engineering Co., PTC (Suppl.) (1) 175 (SC); Metropol India (P) Ltd. v. Praveen Industries India (Regd.), 1997 PTC (17); B.K. Engineering Company v. Ubhi Enterprises and Anr., 1986 PTC 291; Godrej Agrovet Ltd. v. Rohit Agrovet Pvt. Ltd. and Anr., 2002 (25) PTC 573 (Bom); Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd., (2001) 5 SCC 573, 2001 PTC (21) 300(SC); Dychem case, 2000 (5) SCC 573; National Sewing Thread Co. Ltd. Case, AIR 1953 SC 357, PTC (Suppl.) (1) 475; Corn Products Refining Co. case, AIR 1960 SC 142, PTC (Suppl.) (1) 13; Amritdhara Pharmacy case, AIR 1963 SC 449, PTC (Suppl.) (2) 1(SC); Durgar Dutt Sharma case, AIR 1965 SC 980, PTC (Suppl.) (2) 680(SC); Hoffman-La Roche & Co. Ltd. Case, (1969) 2 SCC 716, PTC (Suppl.) (1) 88; Wander Ltd. and Anr. v. Antox India P. Ltd., 1990 (Supp) SCC 727, 1991 (11) PTC 1 (SC)

Citing Reference:

Affirmed		1
Discussed		9
Mentioned		22

Case Note:**Intellectual Property Rights – passing off - Sections 9 (1) and 27 of Trade and Merchandise Marks**

Act, 1958 and Order 39 Rules 1 and 2 of Civil Procedure, 1908 – application for restraining defendants from manufacturing, selling or advertising or dealing in edible oil under trade mark 'CHAMBAL' – word 'CHAMBAL' used by plaintiff and word 'CHAMBAL DEEP' used by defendant phonetically and deceptively similar - likely to cause confusion and deception in mind of consumers - plaintiff using trademark since 1997 whereas defendant started using it recently in 2001 – plaintiff may suffer irreparable loss and injury if defendant allowed to sell its products in trade name of 'CHAMBAL DEEP' – respondent restrained from using impugned trade mark.

JUDGMENT

Mahmood Ali Khan, J.

1. In a passing off action suit, the plaintiff has filed this application for grant of ad-interim injunction restraining the defendants from manufacturing selling, offering for sale or advertising directly or indirectly in dealing in edible oil under the trade mark "CHAMBAL" or any other trade mark or packing material amounting to passing off the trademark of the plaintiffs or amounting to association with the plaintiffs.

2. Briefly the facts are that the plaintiff has filed a suit alleging that it is a company incorporated under Indian Companies Act and has engaged in the business of manufacture of edible oil. It was selling its various oil products under the trade mark CHAMBAL and its turn-over in the year 1997-98 was about Rs. 113 crores and at present it is Rs. 240 crores. The trade mark CHAMBAL has acquired distinctiveness over the years because of extensive advertisement in print and electronic media over which the plaintiff had spent a huge amount. In February, 2003 the plaintiff came to know that the defendant is also selling oil manufactured by it under the trade mark CHAMBAL using identical packaging and label. The defendant did not desist from doing so despite service of notice. In the reply contrarily it claimed to be prior user of this trade mark since 1980.

3. The defendant contested the application raising objections (1) the word CHAMBAL being geographical name was not entitled to protection; (2) this Court had no territorial jurisdiction to try the present suit; (3) the trade mark used by the defendant was CHAMBAL DEEP, which is sufficient to distinguish it with the trade mark of the plaintiff and lastly (4) that the defendant was prior user of the trade mark since 1980.

4. As regards the first objection of the defendant it has been argued on behalf of the plaintiff that the plaintiff is selling its oil products under the trade name CHAMBAL since 1997. Referring to the sale turnover and the money spent on the advertisement it was contended that the trade mark and the label have become distinctive of the plaintiff. Counsel also submitted that a search in the office of the Registrar of the Trademarks revealed that there was only four applications for registration of the trade mark CHAMBAL and out of them three were of the plaintiff and one was filed by the defendant. No other party has applied for registration of the word CHAMBAL as trade mark. Under Section 9(1)(d) of the Trademark and Merchandise Act, 1958 (hereinafter the Act) a geographical name cannot be registered in Part-A of the Register but under Sub-section (2) of the said provision the geographical name could be registered as trademark upon evidence of distinctiveness. Counsel also argued that the present suit was a passing off action and was covered by Section 27(2) of the Act. This section provided that the provision of the Act would be affect the right of an action for passing off goods as the goods of another person and the remedy in respect thereof. Referring to *Bharat Tiles & Marble Pvt. Ltd. v. Bharat Tiles Manufacturing Company* 1978 G L R 518; *Hindustan Radiators Co. v. Hindustan Radiators Ltd.* 1987 PTC 73; *Khetu Ram Bishambar Das v. Bhim Sain Yash Pal* 1983 PTC 313; *Shri Jawaharlal and Anr. v. Bharat Tobacco Manufacturing Co.* 1984 PTC 110; *Bajaj Electricals Ltd. v. Metals & Allied Products*, MANU/MH/0333/1988 : AIR1988Bom167 ; order of this Court in *Grasim Industries Ltd. v. Shri Radha Texind Pvt. Ltd. and Anr.* dated 01.05.1989 in IA. 3310/89 in Suit No. 1170/89; order dated 03.2.1987 passed in is 622/87 in Suit No. 271/87 in *Grasim Industries Ltd. v. Deven Textile Industries Pvt. Ltd.* and a number of other orders in different suits which involved trademark "Gwalior" and trademark "Oxford", *South India Textiles and Ors. v. Govt. of A.P. and Ors.*, MANU/AP/0134/1989 : AIR1989AP55 ; *Sunder Nagar Association Regd. and Anr. v. Welfare Cultural Club (Regd.) and Anr.* 1995 PTC 270; *Banwari Lal Sham Lal v. R.T.M. and Anr.* AIR 1955 NUC 737 (Vol. 42) (Punjab); *Mahendra & Mahendra Paper Mills Ltd. v. Mahendra & Mahendra Ltd.* (2002) 24 PTC 121; in support of his contention that the geographical words can be registered as trade marks and passing off action based on this was maintainable.

5. Counsel for plaintiff has distinguished the case law cited by the defendant that the geographical names are not entitled to be registered as trade mark. It was contended that *The Imperial Tobacco of India Ltd. v. The Registrar of Trade Marks and Ors.* AIR 1997 Cal 413; *R.S.K.V. Raghavan Trading as R.S. Krishna & Co. v. G.R. Gopal & Co. and Ors.*, MANU/TN/0267/1981 : AIR1981Mad262 ; *Surya Agro Oils Ltd. v. Surya Coconut Oil Industries Ltd.*, MANU/DE/0018/1995 : AIR1995Delhi72 ; *Hindustan Pencils Pvt. Ltd. and Ors. v. Universal Trading Co.* 2000 PTC 561 related to the registration of trademark whereas the present suit is filed for passing off; as such those cases are distinguishable. It was also contended that even the word "SURYA" and "SUN" have been protected by this Court in various judgments. Accordingly, it is submitted that the first objection of the defendant has no merit.

6. On behalf of the defendant it is vehemently canvassed that the industry of the defendant is situated on the

manupatra
bank of river Chambal whereas the plaintiffs industry is far off from this place, Therefore, the defendant has superior right to use the word 'Chambar for selling its products in comparison to the plaintiffs. It is also argued that Section 9(1)(a) of the Act prohibits the registration of the geographical name as trademark and 'Chambal' is the name of river which flows through the 'Chambar ravines and as such it is a geographical name to which the plaintiff cannot claim exclusive right. Certain judgments as referred to in the argument of the counsel for plaintiff have been referred in support of this contention.

7. The suit is for passing off the goods manufactured by the defendant in the name of 'Chambal Deep' as that of the goods manufactured and sold by the plaintiff under the trademark 'Chambal'. It is not a case of the infringement of a registered trademark. The applications of the plaintiff and the defendant for registration of their respective trademark 'Chambal' and 'Chambal Deep' are pending. According to plaintiffs allegation it is using trademark 'Chambal' for selling its edible oil products since 1997. It has also referred to the figures of sale turn over since 1997 which showed that its sale turn-over had tremendously increased over the years from Rs. 113 crores in 1997-98 to Rs. 240 crores in the years 2001-02. The plaintiff also mentioned the amount incurred on the advertisement of its product under the trade name 'Chambal' in print and electronic media, which is substantial.

8. The word 'Chambal' is a geographical name and a geographical name can be registered as a trade mark if its distinctiveness is proved. Therefore, Section 9 of the Act does not put a blanket ban on the registration of a geographical name as a trademark. Moreover, the present case is based on passing off the goods of the defendant as that of the plaintiff's goods, Therefore, Section 27 of the Act would save the action of the plaintiff.

9. In *Bharat Tiles & Marbles Pvt. Ltd.* (supra) the trademark involved was "Bharat" and it was held that mere fact that geographical descriptive name is adopted is not always a defense in passing off action and an injunction was granted. In *M/s. Hindustan Radiators Co.* (supra) the trademark involved was "Hindustan", which is a geographical name, and an injunction was granted. In *M/s Khetu Ram Bishambar Das* (supra) the disputed trademarks were "Himalaya" and "Himachal", both geographical names and were registered as trademark and the injunction was granted. In *Shri Jawaharlal & Anr.* (supra) the trademark 'Bharat', which was a geographical name and an injunction was granted. In *Bajaj Electricals Ltd.* (supra), the trademark was 'Bajaj' which was a surname and was registered as a trademark. In a number of other suits which have been referred on behalf of the plaintiff the trademark was 'Gwalior' and 'Oxford' which are geographical names and the injunction was granted. In *South India Textiles & Ors.* (supra) the trademark was 'South India' and it was held that it does not affect the Emblem Act. In *Sunder Nagar Association Regd. & Anr.* (supra) it was held that 'Sunder Nagar', a geographical name, can be a trademark. Same view was taken in *Banwari Lal Sham Lal* (supra) where 'Landra' a geographical word was upheld as trademark. In *Mahendra & Mahendra Paper Mills Ltd.* (supra) the word "Mahendra" was accepted as a registered trademark and an injunction was granted. All these judgments would show that geographical name, if it had acquired distinctiveness, can be used as a trademark and may even be registered under Sub-section (2) of Section 9 of the Act.

10. In *Imperial Tobacco of India Ltd.* (supra) the registration of the trademark 'Shimla' was involved and case arose out of the proceedings before the Registrar of Trade Marks. It was not a case of passing off so does not apply to the facts of the case in hand. In *R.S.K.V. Raghavan Trading as R.S. Krishna & Co.* (supra) the case related to Thennamarakkudi oil. Thennamarakkudi is a village in Tamil Nadu, which was famous for manufacturing a particular type of oil. The case arose out of the registration of the trademark which was being used by a number of traders for selling Nilgiri Oil and it was held that the word 'Thennamarakkudi' could not be appropriated by any one trader since it was not distinctive of the plaintiff so registration of the said trademark was declined. In *M/s Surya Agro Oils Ltd.* (supra) it was held that the word 'Surya' cannot be registered as a trademark. The decision turns on its own facts because in a number of other cases the word 'Surya' and 'Sun' have been protected as registered trademark where they have become distinctive of the plaintiff. In *Hindustan Pencils Pvt. Ltd. & Ors.* (supra) the word 'Nataraj' was not protected but the judgment showed that it was decided on its own peculiar facts which are inapplicable to the present case since it is not a case of the registration of trademark. In fact, the counsel for plaintiff has mentioned a number of well known trademarks like Gwalior Suitings, Ganga Mineral Water, Taj Mahal Tea, Lal Quila Rice, Charminar Cigarette, Hindustan Petroleum, etc. etc., which are geographical names and "action based on them has been upheld. Having regard to the case law cited and the fact of the present case, prima facie, it may be held at this stage that Chambal, although it is a geographical name, is capable of becoming a trademark and action for passing off based on it could be maintained.

11. As regards territorial jurisdiction of the court the argument of the defendant is that the defendant is not manufacturing the goods or carrying on its business within the territorial jurisdiction of this Court. It is also contended that no relief under Section 62 of the Copyright Act on the infringement of the Copyright has been claimed in the suit. In the plaint it is alleged that the plaintiff became aware of the sale under the identical trademark Chambal in Gwalior market which is beyond the territorial jurisdiction of this Court, as such, no cause of action had arisen in Delhi for maintaining the suit in a Delhi Court. This Court would not have jurisdiction on the basis of the allegation that the defendant sells, distributes or market its oil with the trademark Chambal Deep all over India based on the reply to the notice dated 20.2.2003. It is, Therefore, argued that the court does not have any territorial jurisdiction to try the suit.

12. On the other hand counsel for plaintiffs has vehemently argued that the plaintiff claims jurisdiction on the

manupatra
ground (1) that the defendant in its own letter, which was replied on its by the legal notice served on its by the plaintiff, it claimed that its goods were sold all over India including Delhi i.e. within the jurisdiction of this Court; (2) the defendant had submitted its application for registration of the trademark Chambal for all over India; (3) defendant's products were available for sale in Delhi, and (4) within the meaning of provision of Section 62(2) of the Copyright Act the defendant is carrying on the business in Delhi.

13. In P.M. Diesels Ltd. v. Patel Field Marshal Industries AIR 1998 Delhi 255 : 1998 (18) PTC 260(Del) a Division Bench of this Court held that for deciding about the territorial jurisdiction of the Court at the preliminary stage only the averment made in the plaint should be looked into and further that since the plaintiff was carrying on the business and were advertising its trademark in the trademark journal so the Court would have otherwise jurisdiction under Section 62(2) of Copyright Act. In Mohan Kumar v. Narendra Products (1995) 2 Arb. L.R. 246 : 1995 (15) PTC 248 (Del) it was held that publication of the trade mark application by the defendant in the trade mark journal issued from Delhi was an infringement of plaintiff's trademark and would give jurisdiction to a Delhi Court. In Jawahar Engineering Co. and Ors. v. Jawahar Engineers Pvt. Ltd. 1983 PTC 207 a Division Bench of this Court held that the court had jurisdiction on account of advertisement appearing in trade mark journal in Delhi. In Ruchi Pvt. Ltd. v. Indian Lame Enterprises 2001 PTC 876 it was held that for the purpose of grant of ad interim injunction the court was required to look into the allegation made in the plaint and not upon the defense set up by the defendant. In Dharam Pal Satya Pal v. Janta Sales Corporation (2) PTC (Supp.) 31, it was held that the objection to the territorial jurisdiction could not deter the court from considering the application for interlocutory injunction and at this stage the averment made in the plaint that the infringed goods was being sold in Delhi was enough for the court to assume jurisdiction.

14. The case law referred above on behalf of the plaintiff would show that at the time of deciding an ad interim injunction the court would only look into the allegations made by the plaintiff in the plaint. In para 17 of the plaint it was alleged that the defendant was selling, distributing and marketing oil in the trade name Chambal all over India which means in Delhi also, as per the allegations made in reply to the legal notice by it dated 20.2.2003. It is further alleged that the court also has jurisdiction under Section 62(2) of the Copyright Act as the plaintiff is carrying on its business within the jurisdiction of this Court. Counsel for defendant does not dispute that the defendant is selling its products in the name of Chambal Deep within the territorial jurisdiction of this Court. It has also not been disputed that the plaintiff has submitted the application for registration of the trademark Chambal Deep for selling its product all over India and this has been published in the trade mark journal within the jurisdiction of this Court. Since it is not a case based on infringement of copyright, Therefore, the court would not assume jurisdiction to try the suit by virtue of Section 62(2) of the Copyright Act. But at this stage prima facie there are allegations in the plaint and the facts which are not disputed which would show that the defendant is selling its oil products in the name of Chambal Deep within the territorial jurisdiction of this Court. So far the purposes of deciding an application for interlocutory injunction order this Court may assume jurisdiction.

15. Now the crucial question of passing off the goods by the defendant as that of the goods manufactured by the plaintiff arises for consideration. Concisely the allegation of the plaintiff is that it set up the oil manufacturing industry in 1997 and in the industry has developed and the sale turn-over has increased from Rs. 113 crores for the year 1997-98 to the present Rs. 240 crores and that it had incurred substantial expenditure on the advertisement on print and electronic media to built up a good reputation for its product in the market and that its trademark 'Chambal' had acquired distinctiveness. It is alleged that the defendant recently started selling its edible oil in the name of Chambal Deep, which is deceptively similar to the trademark of the plaintiffs 'Chambal' and may confuse a buyer and the trader, not so vigilant, to assume that defendant's goods is the goods of the plaintiff. The defendant in reply to the interlocutory injunction application had contended that its industry is running since 1980 and it is the prior user of the word 'Chambal Deep' for its oil products from prior to 1997, Therefore, the plaintiff has no case of passing off against it. plaintiff has filed documentary evidence which is corroborative of its allegations that the, business of manufacturing and sale of the edible oils etc. under the trade name 'Chambal' is running since 1997 whereas apart from the bald allegation that the defendant is prior user of the trademark 'Chambal Deep' for its edible oil product no documentary evidence worth the name has been filed. Rather a copy of the application for registration of the trademark which was filed by it in 2001 before the Registrar, Trade Mark would show that the defendant claimed user of the word 'Chambal Deep' for its goods since 2001. It falsified the claim of the defendant that it was using the trade mark word 'Chambal Deep' since 1980 or at least from prior or 1997. Therefore, prima facie it appears that the plaintiff is the prior user of the trade mark 'Chambal' since 1997 and, the defendant started using the trademark 'Chambal Deep' since 2001.

16. The plaintiff has filed the photographs of the oil tin with labels of the plaintiff and the defendant. They are at pages 123 to 125 of the document file. Both the tins are identical and the colour of the label is also same-yellow. The word 'Chambal' is written in bold letters. The word 'Chambal' is written in Hindi also in the label of the plaintiff whereas under the word 'Chambal' in small print word 'Deep' is written in the defendant's label. Though in the label of the plaintiff there the words 'Perfect Health' in green strips are written above the word 'Chambal' which in the label of the defendant a flame of green colour has been printed at that place. The two labels at the first sight may look deceptively identical. I need not dwell further into the similarities of the two labels which, in fact, are not to be compared by keeping them side by side while deciding whether the product of one party can be passed off as that of the other but it is sufficient to mention here that the counsel for defendant has fairly stated that the label of the defendant shown in these photographs is not used by the

manupatra defendant. He has, in fact, produced another label which had a different colour scheme, design and artistic work which has no resemblance with the colour scheme, design and artistic work in the label of the plaintiff shown at pages 123 to 124.

17. In view of the above submission made on behalf of the defendant, controversy between the parties now is confined over the use of word 'Chambal'. There is no force in the contention of the counsel for defendant that as the industrial unit of the defendant is situated on the bank of river Chambal or in the area near Chambal ravines from which the word 'Chambal' has been taken by the plaintiff, so the defendant had a superior right to use the word 'Chambal' as trade mark of its product in comparison to the plaintiffs, whose industrial unit is located far away from this area in Bundi in Rajasthan State. It has already been observed that the word 'Chambal' when it has acquired distinctiveness of the plaintiff could be used as a trademark by the plaintiff for its product and a passing off action could be maintained against the defendant.

18. One of the contentions of the counsel for defendant is that the trademark of the plaintiff is 'Chambal' while the trademark used by the defendant for its products is 'Chambal Deep' and, therefore, both of them are so distinguishable as no trader or consumer would confuse them. On the other hand, the contention of counsel for plaintiff is that trademark 'Chambal' is distinctive of the plaintiff and addition of the word 'Deep' would not come to the rescue of the defendant since the word 'Chambal' is the main and predominant word and it is sufficient to create confusion in the mind of an unwary customer, who has not a very sharp memory, to be confused and assume the goods sold under the trademark 'Chambal Deep' to be that of the plaintiff. Counsel for plaintiff has referred to *Ruston & Hornsby Ltd. v. Zamindara Engineering Co.* (1) PTC (Supp) 175 (SC) where the plaintiff's trade mark was 'Ruston' and the defendant started selling its product in the trade name of 'Rustam India' and the Supreme Court held that the words 'Ruston' and 'Rustam' were phonetically and deceptively similar and that mere addition of the word 'India' to the respondent's trademark is inconsequential. Counsel for plaintiff has also referred to *Metropol India (P) Ltd. v. Praveen Industries India (Regd.)* 1997 (17) PTC (DB) where the trademark of the plaintiff was 'Claenzo' and the defendant started selling its product under the trademark 'Praveen Cleanjo' and it was held that the word 'Cleanjo' was deceptively similar to the word 'Cleanzo' and pre-fix of 'Praveen' is of no consequence and that the trademark used by the defendant may have an effect of creating confusion in the mind of the consumers so as to pass off the goods of the defendant as that of the plaintiff's goods. In *B.K. Engineering Company v. Ubhi Enterprises and Anr.* 1986 PTC 291 the court rejected defendant's argument that the addition of figure '81' as suffix to letters 'BK' was sufficient to distinguish it from the plaintiff's trademark. In *Godrej Agrovet Ltd. v. Rohit Agrovet Pvt. Ltd. and Anr.* MANU/MH/0639/2002 the plaintiff's trademark was 'Milk More' and the court held that the defendant's trademark 'Milk Much More' was phonetically deceptively similar to that of the plaintiff's trademark.

19. In an action for passing off in order to establish a prima facie case for grant of interim injunction order it is incumbent of the plaintiff to show (1) that the plaintiff was using the trademark in question for quite a long period and the defendant started using a deceptively similar trademark recently; (2) the plaintiff has brought the action without undue delay; (3) the plaintiff's trademark has acquired distinctiveness of the plaintiff; (4) the products sold under the trademark is similar and the activity of the market and the consensus of the goods of the parties are similar; (5) the trademark of the defendant may pass off or likely to pass off or it may enable all others to pass off its business or product as that of the plaintiff and lastly; (7) the consumers of the products of the plaintiff are capable of being deceived or confused or misled in buying the goods of the defendant as that of the plaintiff. The Supreme Court in *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.* (2001) 5 SCC 573 : 2001 (21) PTC 300(SC) summed up the proposition of law regarding tests to determine a passing off action with the following observation:--

"We are unable to agree with the aforesaid observations by *Dychem* case, MANU/SC/0407/2000 : 2000 ECR1(SC) . As far as this Court is concerned, the decisions in the last four decades have clearly laid down that what has to be seen in the case of a passing-off action is the similarity between the competing marks and to determine whether there is likelihood of deception or causing confusion. This is evident from the decisions of this Court in the cases of *National Sewing Thread Co. Ltd. Case*, MANU/SC/0063/1953 : [1953]4SCR1028 , *Corn Products Refining Co. case*, MANU/SC/0115/1959 : [1960]1SCR968 , *Amritdhara Pharmacy case*, MANU/SC/0256/1962 : [1963]2SCR484 : PTC (Suppl)(2) 1(SC), *Durgar Dutt Sharma case*, MANU/SC/0197/1964 : [1965]1SCR737 , and *Hoffman-La Roche & Co. Ltd. Case*, MANU/SC/0302/1969 : [1970]2SCR213 . Having come to the conclusion, in our opinion incorrectly, that the difference in essential features is relevant, this Court in *Dychem* case sought to examine the difference in the two marks "PIKNIK" and "PICNIC". It applied three tests, they being: (1) is there any special aspect of the common feature which has been copied? (2) mode in which the parts are put together, differently i.e. whether dissimilarity of the part or parts is enough to make the whole thing dissimilar, and (3) whether, when there are common elements, should one not pay more regard to the parts which are not common, while at the same time not disregarding the common parts? In examining the marks, keeping the aforesaid three tests in mind, it came to the conclusion, seeing the manner in which the two words were written and the peculiarity of the script and concluded (at SCC p. 597, para 39) that "the above three dissimilarities have to be given more importance than the phonetic similarity or the similarity in the use of the word PICNIC for PIKNIK.

"Broadly stated, in an action for passing-off on the basis of unregistered trade mark generally for deciding the question of deceptive similarity the following factors are to be considered:

- (a) The nature of the marks i.e. whether the marks are word marks or label marks or composite marks i.e. both words and label works.
- (b) The degree of resemblances between the marks, phonetically similar and hence similar in idea.
- (c) The nature of the goods in respect of which they are used as trade marks.
- (d) The similarity in the nature, character and performance of the goods of the rival traders.
- (e) The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods.
- (f) The mode of purchasing the goods or placing orders for the goods.
- (g) Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks. Weightage to be given to each of the aforesaid factors depending upon facts of each case and the same weightage cannot be given to each factor in every case."

20. In the background of the above proposition of law, now the facts of the present case may be recapitulated. While the plaintiff is using the word 'Chambal' and the defendant is using the word 'Chambal Deep'. Both the parties are dealing in edible oils whether it is soya bean or vegetable oil. The products are identical. They are selling their products all over India, Therefore, their sphere of activity and business is also identical. Phonetically the word 'Chambal' and 'Chambal Deep' are similar. The same class of purchasers and consumers are using the products of the plaintiff and the defendant. plaintiff is using the word 'Chambal' on its trademark since 1997 whereas defendant, as per its allegation in the application for registration of the trademark, started using the trademark 'Chambal Deep' since 2001 i.e. much after plaintiff's. The sale turn-over of the plaintiff's goods had increased from Rs. 113 crores in the first year of its production i.e. 1997-98 to a whopping Rs. 240 crores in the year 2001-02. The defendant could not produce the figures of its turn-over of the goods sold in the trade name 'Chambal Deep' during this period. plaintiff has filed photographs of the labels affixed over similar tins of oil showing the trademarks of the plaintiff and that of the defendant. They are deceptively similar and there was likelihood of deception or causing confusion in the mind of unwary consumer with not very good memory to confuse the product of the defendant to be that of the plaintiff's. Though the counsel for defendant has produced a copy of the label of the defendant's which is strikingly different from the photographs which appears on pages 123 to 125 but the word 'Chambal' is prominent on it. Since the word 'Chambal' has acquired distinctiveness of the plaintiff, Therefore, addition of the word 'Deep' with it would not be of any consequence.

21. The Supreme Court in *Wander Ltd. and Anr. v. Antox India P. Ltd.* MANU/SC/0595/1990 : MANU/SC/0595/1990 : 1991 (11) PTC 1 (SC) on the question of grant of interlocutory injunction order, held as follows:--

"Usually, the prayer for grant of an interlocutory injunction is at a stage when the existence of the legal right asserted by the plaintiff and its alleged violation are both contested and uncertain and remain uncertain till they are established at the trial on evidence. The court, at this stage, acts on certain well settled principles of administration of this form of interlocutory remedy which is both temporary and discretionary. The object of the interlocutory injunction, it is stated."..... is to protect the plaintiff against injury by violation of his rights for which he could not adequately be compensated in damages recoverable in the action if the uncertainty were resolved in his favor at the trial. The need for such protection must be weighed against the corresponding need of the defendant to be protected against injury resulting from his having been prevented from exercising his own legal rights for which he could not be adequately compensated. The court must weigh one need against another and determine where the 'balance of convenience' lies."

22. The plaintiff prima facie has raised a bona fide contention and a serious question which needed investigation and trial. The word 'Chambal' used by the plaintiff and the word 'Chambal Deep' used by the defendant are phonetically and deceptively similar and they are likely to cause confusion and deception in the mind of the consumers and others in the trade so as to pass off the goods of the defendant as that of the product of the plaintiff. plaintiff is likely to suffer greater inconvenience than that of the defendant if an interim injunction prayed for by it is declined at this stage. plaintiff is using the trademark 'Chambal' since 1997 whereas the defendant has started using it very recently in 2001, according to its own averment in the application for registration of the trademark. The balance of convenience is, Therefore, in favor of the grant of

manupatra interlocutory injunction. plaintiff may also suffer irreparable loss and injury if the defendant is allowed to continue to sell its products also in the trade name of 'Chambal Deep' during the pendency of this suit.

23. Applying the law laid down by the Supreme Court in above cited cases, it is held that the plaintiff has been able to establish its case for grant of interlocutory injunction, as prayed for in the application. Accordingly, the application is allowed and the defendants themselves, their servants, agents, dealer, shop keepers and all other persons on their behalf by way of ad interim injunction order are restrained from manufacturing, selling, offering for sale or advertising directly or indirectly in dealing in order oil under the trade mark 'CHAMBAL' or any other trade mark or packing material amounting to pass off of the trade mark 'CHAMBAL' of the plaintiff or any other trade mark or packing material amounting to association with the plaintiffs.

24. The application is disposed of.

© Manupatra Information Solutions Pvt. Ltd.