

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

APPEAL FROM ORDER NO.462 OF 2015
WITH
CIVIL APPLICATION NO.596 OF 2015

Variety Food Products
(A Partnership concern
Through its partners)

... Appellants

vs.

Harnik General Foods Private Limited
and Another

... Respondents

Mr. Niranjan Mogre i/b. Mr. R.G. Shinde, for the Appellant.
Mr. Aditya Soni i/b. Mr. Vishal Kale, for the Respondent Nos. 1
and 2.

CORAM: MRS.MRIDULA BHATKAR, J.

JUDGMENT RESERVED ON : 29th SEPTEMBER, 2015

JUDGMENT PRONOUNCED ON : 6th OCTOBER, 2015

JUDGMENT:

. Admit. By consent the Appeal from Order disposed of
finally at the stage of admission.

2. This Appeal from Order is directed against the order dated
8th October, 2014 passed by the District Judge-9, Pune in applications

filed below Exhibit “5” and “25” in Civil Suit No. 8 of 2014. The application (Exhibit “5”) for temporary injunction filed by the Plaintiff was allowed and the application(Exhibit “25”) filed by the Defendants challenging the jurisdiction of the Court, was rejected.

3. The Respondent No. 1 is a registered company manufacturing and selling the food product called “Caramel mix”. The Respondent No. 2 is HUF proprietary concern and was earlier a partnership firm which was dissolved in the year 2003. The Appellant is a partnership firm and also in the business of manufacturing and selling the Caramel Pudding Mix. Thus, both the Appellant and Respondents are in the business of manufacturing and selling a similar product i.e. “Caramel Pudding Mix” (*hereinafter referred as “the product”*).

4. The Plaintiff No. 2 has started manufacturing and selling of the product in the year 1976 in carton/packaging/displaying artistic work with distinctive features. The Plaintiff No. 2 had obtained a copy right in the year 1978 for the same. On 5th May, 1990 the Respondent No. 2/Plaintiff No. 2 assigned all its rights in respect

of the product including copyright in the artistic work and goodwill to the Plaintiff No. 1/Respondent No. 1. Thereafter, the Plaintiff No. 1 started manufacturing and selling the said product with some minor changes in the carton for the said Caramel Pudding Mix. Then Plaintiff No. 1/Respondent No. 1 in April, 2007 found that the Appellants have introduced the same product in the market in the packaging deceptively similar to the packaging of the Plaintiffs without having any approval or authority given by the Plaintiffs/Respondent No. 1 for the use of the said packaging. As the Appellants have adopted almost a similar packaging, they had committed infringement of copyright in the artistic work owned by the Plaintiff No. 1. Also the Appellant have committed tort of passing off selling its product using similar packaging. Therefore the Plaintiffs/Respondents have filed a Civil Suit No. 12 of 2007. However, the District Court did not grant injunction. Therefore, the Appeal from Order No. 707 of 2008 was filed in this Court and this Court has granted interim relief in favour of the Plaintiffs. The Appeal was dismissed for non prosecution. The suit was also dismissed for default by the District Court on 10th August, 2011.

5. The Respondent No. 1 in the year 2014 came to know that the Appellant has again started using the similar carton/packaging and selling the product Caramel Pudding Mix by using and having the same artistic work and therefore, he filed the second Suit No. 8 of 2014 against the Appellant in which the interim relief was granted by the trial Court and hence, this Appeal.

6. The learned counsel for the Appellant has submitted that the suit itself is not maintainable as earlier a similar suit No. 12 of 2007 was filed by the Plaintiffs for injunction for the same product and for the same act of infringement and copy right. However, the Civil Court has refused the said application mainly on the ground that the Plaintiffs have not produced any proof to show that they have registered trade mark. The trial Court relying on Section 27 of the Trade and Merchandise Marks Act, 1958 (hereinafter referred as "*the said Act*") held that "no person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark".

7. The learned counsel for the Appellants has submitted that

earlier the interim relief was rejected as the suit was not maintainable and the Plaintiffs can not seek the similar relief again. He submitted that the carton/packaging/get-up/label/artistic work which was used for the purpose of sale of product is covered under the said Act. Under Section 27 of the said Act, no action for the infringement of an unregistered trade mark is allowed and therefore, this Appeal is to be allowed. He further submitted that the Appellants the carton is used is different than the Respondents and the Appellant has registered the said trade mark under the said Act. There is no infringement of any right of the Respondent and no passing off is committed by the Appellant. He submitted that the Suit is also not maintainable under Section 10 of the Code of Civil Procedure Code. He submitted that the Appellant has registered the work under the Copyright Act and the Respondents have challenged the licence before the competent authority i.e. Copy Right Board, Delhi and the said matter is pending before the said Forum. Thus, the Respondents have remedy available to file an Appeal under Section 27 of the said Act and the suit is not maintainable.

8. The learned counsel for the Respondents/original

Plaintiffs has submitted that this Appeal is to be dismissed as it has no merits. He submitted that it is not a case under the trade mark Act as the Respondents have registered copy right in respect of the artistic work on the carton. Therefore, it is not covered under Section 27 of the said Act. He submitted that though earlier in the year 2007, a suit was filed and it was dismissed for the same cause of passing-off/infringement, the same act is again committed and therefore it is a continuous cause. He argued that the Respondents have registered the copy right prior to the registration of the copy right by the Appellant. He submitted that if the trial Court has granted an interlocutory order under Order 39 Rule 1, then the Appellate Court not empowered to interfere with the said order unless discretion has been exercised arbitrarily. In support of his submission the learned counsel for the Respondents/Plaintiffs has relied on the judgment of the Supreme Court in the case of “*Wander Ltd. And Anr. vs. Antox India P. Ltd.*”¹. On the point of continuous cause, he relied on the judgment in “*M/s. Bengal Waterproof Limited vs. M/s. Bombay Waterproof Manufacturing Company and Another*”². He further submitted that this Court has taken a view in the case of “*Asian Paints (I) Ltd. vs.*

1. MANU/SC/0595/1990.

2. MANU/SC/0327/1997.

Jaikishan Paints & Allied Products³ that “the registration under Copyright Act is optional and not compulsory and the registration is not necessary to claim a copyright”. He submitted that the Respondents/Plaintiffs have very good case because the Respondents/Plaintiffs are the owners of the copy right of the artistic work of the cartons and packaging of the product since 1976 and subsequently the Plaintiff No. 1 has taken over the business and he is assigned all the copy right of the said work. Thus the Plaintiffs/Respondents have established *prima facie* case before the trial Court. He further submitted that in the year 2007, the suit was dismissed for default and thereafter till the year 2014 the Plaintiffs were selling the product and they have done a good business and earned profit every year. The Plaintiffs have earned goodwill in the market which is associated with this packaging and carton. He supported the order of the trial Court.

9. Perused the plaint, the order passed in the Civil Suit No. 8 of 2014, the written statement and the compilation of the documents filed by the parties. Perused the photocopies of the packaging and cartons of both the parties which are used for their respective

3. MANU/MH/0544/2002.

products. The submission of the learned counsel for the Appellant that it is not covered under the copy right Act but it is a case of trade mark as it is a packaging; can not be appreciated. It is an artistic work on the carton/label and the “artistic work” under Section 2(c) of the Copyright Act is covered as “a drawing” which is on the label and the said work was earlier registered under the Copyright Act by the Plaintiffs/Respondents. Hence, Section 27 of the said Act can not be attracted.

10. The learned trial Judge has observed that both the cartons have deceptively similar basic features and both the cartons *prima facie* appear similar. On perusal of the cartons, I subscribe the said view. In the earlier suit, though the trial Court has rejected the interim order, this Court has granted the interim stay. Moreover, the suit was dismissed for default. So as on today, no suit is pending in respect of the said cause. Though the cause occurred in both the suits is similar however, Order 2 Rule 2 of Code of Civil Procedure can not be attracted as the infringement of copy right is an actionable wrong under tort which is a continuous cause.

11. In the case of **M/s. Bengal Waterproof Limited**, the High Court has dismissed the suit for infringement of trade mark by invoking Order 2 Rule 2 of the Code of Civil Procedure and held that the suit is barred by limitation. However, the Hon'ble Supreme Court set aside the order and held that it is an actionable breach of infringement of Plaintiffs trade mark. In the case of continuous cause of action or recurring cause of action bar of Order 2 Rule 2 Sub-rule (3) of the Code of Civil Procedure can not be invoked and it was held that the act of passing off is an act of deceit and tort. Every time when similar tortuous act and deceit is committed by the Defendants, there is a rise of fresh cause of action. Thus, the submissions of the learned counsel for the Appellant on the point of maintainability are not acceptable.

12. The Respondents have produced certificate of registration of its artistic work of the product created by one Mr. Pathan issued on 31st July, 1978. The said copy right was assigned by the Plaintiff/Respondent No. 2 to the Plaintiff/Respondent No. 1 in the year 1990 along with goodwill. *Prima facie* it is in continuation. While the Appellants have also obtained the certificate of registration of the

copy right for one Iyyaz Khan for the product liable for artistic work as the owner on 10th January, 2013 for the Appellant's carton. Thus, *prima facie* the trial Court has rightly held that the Plaintiffs have established its case that they have been using the said artistic prior to the use of the Defendants. Thus, it *prima facie* shows that the artistic work of the Plaintiffs/Respondents is the original work.

13. Considering all these aspects, I am of the view that the order passed by the learned Judge of the trial Court is legal and correct and no interference is required herewith. There is no merit in the case of the Appellant.

14. Hence, the Appeal from Order stands dismissed.

15. In view of the above, Civil Application No. 596 of 2015 also disposed of.

(MRS.MRIDULA BHATKAR, J.)

CERTIFICATE

Certified to be true and correct copy of the original signed
Judgment/Order.