

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

APPEAL FROM ORDER ST.NO.13285 OF 2016

Gopichand Raheja

.. Appellant (Plaintiff)

-Versus-

Anil Ganomal Raheja

..Respondent (defendant)

Mr. Vinod Bhagat with Dhiren Karania and Puneet Jani i/b. G.S.Hegde & V.A.Bhagat for appellants

Mr. Rashmin Khandekar with Gitika Khanchandani i/b. Gordhandas & Fozdar for respondents.

CORAM : G.S.KULKARNI, J.
DATE : 4th May 2016.

P.C.

1] Not on board. Taken on board at the instance of the prapiae as moved on behalf of the appellants.

2] Admit.

3] By consent of the parties heard finally. The issue in this appeal lies in a very narrow compass. The challenge in this appeal by the appellant plaintiff is to the order dated 28th March 2016 passed by the learned Dist. Judge Kalyan whereby on an application as filed on behalf of the defendants by invoking the provisions of section 124 of the Trademarks Act, 1999 (for short "The Act"), the learned Judge has stayed the proceedings of Civil Suit No.1 of 2013. The operative portion of the

impugned order would read thus:-

“(1) The proceeding before this Court is stayed;

(2) Both the parties to inform about the result of the Appellate Board. Chennai in respect of invalidity or validity of the plaintiff's trademark.”

4] While assailing this order, the learned Counsel for the appellant would submit that the impugned cannot be construed by the learned Judge to mean that the injunction application as filed on behalf of the plaintiffs in the said suit cannot be proceeded with. It is submitted that after the impugned order dated 28th March 2016 was passed, the plaintiffs had approached the court on 21st April 2016 with a request to take up the injunction application. However, in view of the impugned order, on the ground that the proceedings in the suit are stayed, the learned Dist. Judge refused to take up the injunction application for hearing.

5] The learned Counsel for the appellant has drawn my attention to the provisions of section 124 of the Act and more particularly the provision of sub-section 5 section 124, which provides that the *“suit for infringement of a trademark under section 124 shall not preclude the court from making any interlocutory order (including any order granting*

an injunction directing account to be kept, appointing a receiver or attaching any property), during the period of the stay of the suit.” It is submitted that in view of the said clear provision, the learned Judge ought not to have refused to consider and take up the injunction application. In support of his submission the learned Counsel for the appellant has placed reliance on the decision of the Supreme Court in the case of **S.M.Dyechem Vs. Cadbury (India) Ltd., reported in 2000(20)PTC 297 (SC)**. In the aforesaid decision, the Supreme Court while interpreting the provisions of old Act and more particularly section 111(5) which is pari materia to section 124(5), has observed that filing of rectification proceedings cannot preclude the Court from entertaining an application for interim relief. In that case, the plaintiff had moved an injunction application on the ground of infringement as also passing off. The defendant had filed a rectification application. The Supreme Court categorically observed that taking into consideration the provisions of section 111(5) of the Act the plaintiff was entitled to seek an interim relief in view of the provisions of sub-section 111(5) of the Act.

6] The respondents have opposed the present appeal. It is submitted that the approach of the learned Dist. Judge is correct. The submissions as urged on behalf of the respondent are on the merits of the matter which the respondents would urge to defend the injunction application as

filed by the appellants.

7] The learned Counsel for the respondent has drawn my attention to the averments which are made in the application filed by the respondents under section 124(1) of the Act on the basis of which they had prayed for an order of stay of the proceedings of the suit. Admittedly, all these are issues on the merits of the matter and also would be relevant as far as injunction application is concerned. However, the controversy is limited as to whether the learned District Judge under the garb of the stay order can refuse to hear injunction application. The purport of section 124(1) as regards the stay of the suit would definitely not encompass the clear statutory mandate as contained in subsection 5 which would specifically provide and confer jurisdiction on the court, to consider the application for injunction. Every case is required to be considered on its own merits when the issue under section 124(5) would arise for consideration of the Court. The learned Counsel for the respondent has relied upon a decision of learned Single Judge of this Court in Suit No.2727 of 2011 dated 19th September 2014 to submit that even an injunction application can be stayed and is not required to be proceeded by the Court. It is the submission on behalf of respondent that this would be the interpretation of section 124(5) as would be conveyed by this order of the learned single Judge. I do not agree. The learned Single Judge was dealing with

a case wherein a request was made in the facts of the case that a notice of motion which was taken out by the plaintiffs to be taken up in the facts of the case which are more particularly noted in para 2. The learned Single Judge did not accept the request as made on behalf of the plaintiffs. The observations of the learned Single Judge in para 3 in fact support the submissions as made on behalf of the appellants. The learned Judge has categorically observed that the statutory stay of the suit does trammel the court's power to grant interim relief. In para 6 of the said order, the learned Judge, has granted liberty to the plaintiffs to seek urgent reliefs after making out sufficient case under section 124(5) of the Trademarks Act. This decision as relied upon by the respondents, therefore, would not assist the respondents.

8] In my opinion, the statutory position is clear in view of the clear mandate of sub-section 5 of section 124 of the Act which empowers the court to make any interlocutory order of the nature provided in the said provision notwithstanding the stay of a suit under section 124(1) of the Act. The learned Judge in refusing to hear the injunction application has clearly not taken into account the nature of the order dated 28th March 2016 which is only confined to the provisions of section 124(1)(a) of the Trademark Act and not the issue as regards interlocutory application for injunction as the impugned order.

9] In the light of the above discussion as also from a reading of the impugned order, it is quite clear that the learned trial court is not precluded from entertaining the injunction application which is pending on the file of the learned Dist. Judge.

10] The A.O. is, therefore, required to be disposed by observing that notwithstanding the stay order dated 28th March 2016, the learned District Judge Kalyan would be within his jurisdiction to decide the interlocutory application filed on behalf of the plaintiff seeking an injunction. Needless to observe that all the contentions of the respondents in that regard on merits of the matter are expressly kept open, to be urged in the said application.

11] Appeal is accordingly disposed of. All contentions of parties are expressly kept open. C.A. disposed of as not survive.

12] Appellants are at liberty to request the learned trial judge to take up hearing of the injunction application which is to be considered on its own merits.

(G.S.KULKARNI, J)