

**RFA-5025-2018(O&M)
and connected case**

1

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

1. RFA-5025-2018(O&M)

**Shree Balaji Chemicals Safidon and another
.....Appellants**

Versus

**Baldev Raj Girdhar and others
.....Respondents**

2. RFA-452-2019(O&M)

**Baldev Raj Girdhar and another
.....Appellants**

Versus

**Shree Balaji Chemicals Safidon and others
.....Respondents**

Date of decision: 19.02.2020

CORAM: HON'BLE MR. JUSTICE ANIL KSHETARPAL

**Present:- Mr.S.K.Garg Narwana, Sr. Advocate with
Mr. Vishal Garg and
Mr. Nitin Sachdeva, Advocates, for the appellants
in RFA-5025-2018 and
for respondents in RFA-452-2019**

**Mr. S.K.Bansal and
Mr. Gautam Sehgal, Advocates for the respondents
in RFA-5025-2018 and
for appellants in RFA-452-2019**

ANIL KSHETARPAL, J.

**By this judgment Regular First Appeals i.e RFA no. 5025 of
2018 and 452 of 2019, which are cross appeals, arising from a common**

judgment passed in a suit shall stand disposed of. The issue which this Court is called upon to answer is as to whether plaintiffs are entitled to injunct the defendants from using deceptively similar registered trade mark as that of the plaintiffs or not?

At the outset, it would be appropriate to notice that the plaintiffs claim to be in the manufacture of bleaching preparations, other substances for laundry and cleaning use including washing and bathing soaps, washing powder and cakes. Plaintiff no.1 is registered owner of trade mark "Girdhar Khadi". A certificate of registration of trade mark dated 4.3.2005 in Class 3 has been issued under section 23 (2) of Trade Marks Act, 1999 (hereinafter referred to as the 'Act of 1999'), relevant part thereof is extracted as under:-

"In Class 3 Under No.1342394 as of the Date 04-Mar-2005 in respect of BLEACHING PREPARATIONS AND OTHER SUBSTANCES FOR LAUNDRY USE, CLEANING INCLUDING WASHING SOAP, WASHING POWDER, CAKE, BATH SOAP, INCLUDED IN CLASS 3."

Plaintiff No.2 is the wife of plaintiff no.1. She has been given a licence by plaintiff no.1 for use of trade mark 'Girdhar khadi'.

The plaintiffs pray for passing a decree for permanent injunction, restraining the defendants from infringing plaintiffs' trade mark 'Girdhar Khadi' and pass off their goods and business as that of plaintiffs. Further restrain the defendants from using any trade mark which is deceptively similar to the trade mark of the plaintiffs i.e 'Girdhar khadi' with recovery of un-liquidated damages from the defendants for passing off their goods. The plaintiffs claim that the defendants are also in the business of manufacturing similar products namely washing soaps, washing powder, bleaching preparations and other substances for laundry

and cleaning use, bath soap included in class 3 of the 4th Schedule of The Trade Mark Rules 2002.

The defendants took a stand that the word 'Khadi' is a generic word owned by Khadi and Village Industries Commission. It was claimed that word '*khadi*' reflects goods made in small scale industries without use of heavy machines. It is an ancient word of India associated with Khadi Movement started by the Father of the Nation Late Sh. Mahatma Gandhi. Thus, it is claimed that the plaintiffs have no exclusive right to use the word '*Khadi*'. It was further stated that defendants are not using trade mark '*Khadi*'. They have sought registration of trade mark '*Gargs Khadi*'.

After framing issues, the parties were permitted to lead evidence. Learned Trial Court on appreciation of evidence has found substance in the case of the plaintiffs consequently granted decree for injunction against the defendants from using and adopting deceptively similar trade mark and trade dress. RFA 452 of 2019 has been filed by the plaintiffs against observations made by the Trial Court in para 16 of the judgment.

This Court has heard learned counsel for the parties at length and with their able assistance gone through the judgment passed by the Court below alongwith requisitioned record.

Learned Senior counsel appearing for the appellants has submitted that '*Khadi*' is a generic word and therefore, the plaintiffs cannot claim exclusive right to use the same. While elaborating he submitted that '*Khadi*' is used by various manufacturers. The word trade

mark is defined under Section 2(m) of the Act of 1999 and the plaintiffs have only registered the word and not the label. A separate case filed by the plaintiffs alleging “violation of copyright” is pending and therefore, the trial Court has erred. The trial Court has also travelled beyond its jurisdiction while decreeing the suit.

On the other hand, learned counsel for the respondents have submitted that the plaintiffs are un-disputedly prior users of the trade mark. The certificate of registration of the trade mark issued to the plaintiff No.1 is not subject to any disclaimer. The defendants also applied for trade mark which is under consideration. The definition of word “Mark” in Section 2(m) starts with word “includes” and therefore, it cannot be read in the manner being suggested by learned counsel for the appellants. He further drew attention of the Court to the labels of packets and wrappers used by the plaintiffs as well as defendants to contend that the defendants are using deceptively similar packaging to pass off their goods as that of the plaintiffs. He submitted that the labels used by the defendants are deceptively similar and in fact imitation of artistic style to pass off having similar features in content and design. The get up of the labels/wrappers which in common parlance known as trade dress are deceptively similar to that of the plaintiffs and therefore, should not be permitted.

On analyzing the arguments of the learned counsel for the parties, **this Court is of the considered view that there is no substance in the appeals filed by the defendants as well as plaintiffs.** Let us first examine Section 2(m) of the Act of 1999 defining the word “mark”

which is extracted as under:-

“Section 2(m) “mark” includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof”

The phraseology used while defining 'mark' shows that the definition of mark uses the word 'includes'. It is well settled rule of interpretation that whenever definition uses a word '*include*' then the definition is not exhaustive but descriptive with scope to include other similar words which may not have been used. The Act of 1999 not only provides for remedy alleging infringement of registered trade mark but also includes suits/actions complaining passing off the goods under the belief that they are the goods of opposite party or some other party. Trade Mark is defined in Section 2(z)(b) which is extracted as under:-

“Section(z)(b) “trade mark” means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours; and—

- (i) in relation to Chapter XII (other than Section 107), a registered trade mark or a mark used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right as proprietor to use the mark; and

(ii) in relation to other provisions of this Act, a mark used or proposed to be used in relation to goods or services for the purpose of indicating or so to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right, either as proprietor or by way of permitted user, to use the mark whether with or without any indication of the identity of that person, and includes a certification trade mark or collective mark”

Section 134 of the Act of 1999 provides that a suit complaining infringement etc. can be instituted before the District Court. Such suit can be filed, not only complaining against the infringement of a registered trade mark but against passing off arising from the use of deceptively similar trade mark or business name or trade dress by the defendants.

On careful perusal of the record, it is apparent that plaintiffs are licensed user of the trade mark '*Girdhar Khadi*' which is registered in class 3 of the 4th Schedule to the Trade Mark Rules 2002. An application filed by the defendants for registration of the trade mark in class 3 as '*Gargs Khadi*' is stated to be pending. It is also established on the record that the plaintiffs are prior users of the trade mark as well as labels. Further the packets as well as wrappers used by the plaintiffs and the defendants on casual examination appears to be deceptively similar. The packets of detergent powder produced by the plaintiffs highlight the word '*Khadi*' with blue background. The word '*Girdhar*' is printed with much smaller font. The packet used by defendants also highlight the word '*khadi*' with similar font size whereas the word '*Gargs*' is written with smaller font. The colour scheme of the packets used by the defendants is

also blue although a bit different shade.

On first look, the detergent powder manufactured by the defendants is deceptively similar to the detergent powder produced by the plaintiffs. The defendants have adopted similar design and the art work on the packaging to that of the plaintiffs. In other words trade dresses of both the packets is deceptively similar and the products manufactured by the defendants can easily pass off as product of the plaintiffs. The defendants have in fact almost imitated the artistic style adopted by the plaintiffs. Style of writing on the labels/wrappers is also similar.

On examination of both the packets it gives an impression that both the products belong to the plaintiffs. There is likelihood of deception or confusion for a man in the street who is the ultimate consumer. Similarly, the wrapper used for marketing detergent cakes has broadly similar design, art work as well as colour scheme. Both the wrappers are similar on a casual glance. One can distinguish only on micro analysis. Learned Trial Court on appreciation of evidence has also found that the packets/wrappers are deceptively similar.

Now let us examine the argument of the learned counsel for the parties. The first argument of the learned counsel for the appellants has some substance. No doubt even in the absence of disclaimer, the plaintiffs cannot claim exclusive right to use the word '*khadi*' which in fact denotes that the product has been manufactured by a small scale industry without the use of heavy machinery. The plaintiffs cannot claim any right to exclusively use the word '*khadi*'. However, the word '*khadi*'

has a pre-fix i.e '*Girdhar*'. The plaintiffs are licensed users of '*Girdhar khadi*'. No doubt as per Section 17(2) (b) of the Act of 1999 a part of the trade mark using generic term can be used by the competitors, however, as noticed above present suit is not only for grant of injunction on the basis of trade mark but includes the relief of injunction from pass off. Learned Trial Court as well as this Court, on careful examination of the packets/wrappers alongwith their colour schemes, style of writing and art work, is of the considered view that defendants are trying to deceitfully pass off their goods produced/manufactured as products of the plaintiffs. Both the packets/wrappers used by the plaintiff and the defendants have identical design, printing, colour scheme apart from having similar artistic work. The size of word '*khadi*' which is the prominent word used on the label is same. Whereas font of the word '*Girdhar*' in one case and '*Gargs*' in other case is comparatively very small. Therefore, the learned Trial Court has not erred while giving findings on this aspect.

Now let us examine the next argument of the learned counsel for the appellants that a suit for injunction filed by the plaintiffs complaining infringement of copyright in packing wrapper is pending. Copyright is geared towards literary and artistic works such as books and videos whereas the trade mark is dealing with the items that help to define a brand name of the company such as its logo. Hence, the suit filed by the plaintiff complaining of infringement of registered trade mark and effort to pass off, is more appropriate.

Argument of the learned counsel for the appellants that Trial Court has travelled beyond the relief claimed in the suit is just to be

noted and rejected because the plaintiffs as noted above have not only filed the suit complaining of infringement of trade mark but have also prayed for grant of injunction restraining the defendants from pass off their products by packing them in a deceptively similar packets/wrappers as that of the plaintiffs.

Keeping in view the well settled position of law, this Court has come to the conclusion that the defendants are trying to pass off their manufactured products which are similar to the products of the plaintiffs in a deceitful manner. Hence, learned Trial Court has correctly decreed the suit filed by the plaintiffs. Consequently, there is no ground to interfere. Both the appeals are dismissed.

19.02.2020

rekha

Whether speaking/reasoned

Whether Reportable

(ANIL KSHETARPAL)

JUDGE

Yes / No

Yes / No