

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 17TH DAY OF APRIL, 2023

BEFORE

THE HON'BLE MR JUSTICE S.R.KRISHNA KUMAR

MISCELLANEOUS FIRST APPEAL NO. 5756 OF 2022 (IPR-)

BETWEEN:

BLINK COMMERCE PRIVATE LIMITED
A COMPANY WITHIN THE MEANING OF COMAPNIES ACT 2013
(PREVIOUSLY KNOWN AS GROFERS INDIA PRIVATE LIMITED)
HAVING ITS REGISTERED OFFICE AT PLOT NO 64H,
SECTOR 18, GURUGRAM, HARYANA 122001
REP BY AUTHORISED SIGNATORY
DEPUTY MANGAER , REAL ESTATE
MR. VIVEK MINAREY.

...APPELLANT

(BY SRI. UDAYA HOLLA, SENIOR COUNSEL AND
SRI. DHYAN CHINNAPPA, SENIOR COUNSEL APPEARING FOR
SRI. RISHI ANEJA, ADVOCATE)

AND:

1. BLINKHIT PRIVATE LIMITED
A COMPANY INCORPORATED UNDER COMAPAINES ACT 2013
HAVING ITS REGISTERED OFFICE AT NO 91/2
14TH BLOCK, 3RD MAIN, 4TH CROSS
NGEF LAYOUT, NAGARBHAVI
BENGALURU – 560 072
REP BY MANAING DIRECTOR.

2. HARISH SRINEEVASA SHETTY
S/O S R SRINEEVASA SHETTY

...RESPONDENTS

(BY SRI.C.K.NANDA KUMAR, SENIOR ADVOCATE FOR
SRI. GOVIND RAJ K. JOISA, ADVOCATE)

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by VANDANA S
Location: High
Court of
Karnataka

THIS MFA IS FILED U/O 43 RULE 1(r) R/W SECTION 104 OF CPC, AGAINST THE ORDER DATED 10.08.2022 PASSED ON I.A.NO.1 IN OS.NO.3994/2022 ON THE FILE OF THE XVIII ADDITIONAL CITY CIVIL JUDGE, BENGALURU, CCH-10, ALLOWING THE I.A.NO.1 FILED UNDER ORDER 39 RULE 1 AND 2 OF CPC.

THIS APPEAL, COMING ON FOR DICTATING ORDERS, THIS DAY, THE COURT DELIVERED THE FOLLOWING:

JUDGMENT

This appeal is directed against the impugned order dated 10.08.2022 passed on I.A.No.1 in O.S.No.3994/2022 by the XVIII Addl.City Civil Judge, Bangalore, whereby the said application filed under Order 39 Rules 1 and 2 by the respondent – plaintiff for temporary injunction restraining the appellant – defendant or anybody claiming under them from infringing the plaintiff's registered trade mark "BLINKHIT" by using the offending mark "BLINKIT" or any other deceptively and confusingly similar trade mark was allowed by the trial court.

2. The material on record discloses that the respondent – plaintiff instituted the aforesaid suit against the appellant – defendant for permanent injunction and other reliefs. It was specifically contended that by the respondent – plaintiff that the respondent – plaintiff had obtained the registered trademark



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'BLINKHIT' and 'iBLINKHIT' in various classes as detailed in paragraph-5 of the plaint and was carrying on business using the same since 2016. It was contended that the respondent had established its vast reputation and goodwill in the market with trademark / trading style with unique B device. It was contended that in the year 2021, the appellant – defendant who was originally known by name “Grofers India Private Limited” sought to change its name to “Blink Commerce Private Limited”, pursuant to which, they started carrying on business by using the mark “BLINKHIT”, thereby infringing the registered trademark of the respondent – plaintiff, who filed the instant suit.

3. Along with the suit, the respondent – plaintiff has also filed the instant application I.A.1 for temporary injunction. The appellant – defendant not only contested the suit by filing the written statement but also filed the objections to I.A.1. After hearing the parties, the trial court proceeded to pass the impugned order allowing I.A.1, thereby passing the temporary injunction in favour of the respondent – plaintiff and against the appellant – defendant, who is before this Court by way of the present appeal.



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4. Heard learned Senior counsel for the appellant and learned Senior counsel for the respondents and perused the material on record.

5. In addition to reiterating the various contentions urged in the petition and referring to the material on record, learned Senior counsel for the appellant submits that the impugned order passed by the trial court is erroneous, arbitrary and contrary to the material on record as well as well settled principles of law governing passing of an order of injunction in relation to trademarks and the same deserves to be set aside. In support of his contentions, he made the following submissions:-

- (i) The respondent was guilty of suppression of material facts in as much as the registration of the respondent's trademark BLINKHIT / iBLINKHIT which was registered in Australia had been revoked;
- (ii) Mere registration without use was of no consequence and respondent was not entitled to squat on the aforesaid trademark without actually using or utilising the same for the purpose of carrying on business which had not been carried



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on by the respondent ever since the date of the alleged registration of the marks;

- (iii) The nature of business being carried on by the appellant – defendant and its field of activity were completely different from the businesses said to have been covered under the alleged trademarks of the respondent or the nature of business alleged to have been carried on by the respondent and consequently, there was no cause of action for the respondent to institute the aforesaid suit, much less seek an order of temporary injunction against the appellant;
- (iv) My attention was invited to Section 17 of the Trademarks Act, 1999 in order to point out that registration of the composite mark / device mark BLINKHIT / iBLINKHIT would not confer rights in favour of the respondent – plaintiff over the individual mark forming part thereof including the words BLINKHIT / iBLINKHIT and in the absence of anything to show that the same were distinctive, the respondent would not be entitled to an order of temporary injunction;
- (v) The trial court failed to appreciate that the appellant's mark was visually, structurally, conceptually and phonetically



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different and distinct from the respondent's alleged marks leaving no room for any deception or confusion and consequently, respondent had not made out a prima facie case for grant of an order of temporary injunction; at any rate, mere similarities in the marks was not sufficient to infer either infringement or passing off by the appellant and failure to appreciate this by the trial court has resulted in erroneous conclusion;

- (vi) Apart from several other infirmities and illegalities in the impugned order, the trial court erred in holding that the registered trademark of the respondent was a document of title and would entitle the respondent to an order of temporary injunction; it was submitted that the said findings were contrary not only to the material on record but also the provisions of the Trade Marks Act and judgments of the Apex Court, this Court and other High Courts.

6. Per contra, learned Senior counsel for the respondents would support the impugned order and submit that the same does not warrant interference by this Court in the present appeal, which is liable to be dismissed.



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7. I have given my anxious consideration to the rival submissions and perused the material on record.

8. A perusal of the impugned order passed by the trial court will indicate that the main ground on which the trial court has passed an order of temporary injunction is that the respondent had obtained the registered trademark of BLINKHIT / iBLINKHIT much prior to the filing of the suit and even before the appellant started using the word BLINKIT for carrying on its business. In this context, as rightly contended by the learned Senior counsel of the appellant that mere obtaining of registration of a trademark (device mark) comprising of the word BLINKHIT / iBLINKHIT component cannot be construed or treated as a document of title as held by the Apex Court in the case of S.SyedMohideen vs. P.Sulochana Bai – (2016) 2 SCC 683, wherein it was held as under:-

33.Fourthly, it is also a well-settled principle of law in the field of the trade marks that the registration merely recognises the rights which are already pre-existing in common law and does not create any rights. This has been explained by the Division Bench of the Delhi High Court in Century Traders v. Roshan Lal Duggar & Co. [Century Traders v. Roshan Lal Duggar &



Co., 1977 SCC OnLine Del 50 : AIR 1978 Del 250] in the following words: (SCC OnLine Del para 10)

“10. ‘16. ... First is the question of use of the trade mark. Use plays an all-important part. A trader acquires a right of property in a distinctive mark merely by using it upon or in connection with his goods irrespective of the length of such user and the extent of his trade. The trader who adopts such a mark is entitled to protection directly the article having assumed a vendible character is launched upon the market. Registration under the statute does not confer any new right to the mark claimed or any greater rights than what already existed at common law and at equity without registration. It does, however, facilitate a remedy which may be enforced and obtained throughout ‘the State and it established the record of facts affecting the right to the mark. Registration itself does not create a trade mark. The trade mark exists independently of the registration which merely affords further protection under the statute. Common law rights are left wholly unaffected.’ [Ed.: As observed in L.D. Malhotra Industries v. Ropi Industries, 1975 SCC OnLine Del 172, para 16.]”

(emphasis supplied)

33.1. The same view is expressed by the Bombay High Court in Sunder Parmanand Lalwani v. Caltex (India) Ltd. [Sunder Parmanand Lalwani v. Caltex (India) Ltd., 1965 SCC OnLine Bom 151 : AIR 1969 Bom 24] in which it has been held vide AIR para 32 as follows: (SCC OnLine Bom paras 1 & 2)

“1. A proprietary right in a mark can be [‘Irukkadai Halwa’] obtained in a number of ways. The mark can be originated by a person, or it can be subsequently acquired by him from somebody else. Our Trade Marks law is based on the English Trade Marks law and the English Acts. The first Trade Marks Act in England was passed in 1875. Even prior thereto, it was



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firmly established in England that a trader acquired a right of property in a distinctive mark merely by using it upon or in connection with goods irrespective of the length of such user and the extent of his trade, and that he was entitled to protect such right of property by appropriate proceedings by way of injunction in a court of law. Then came the English Trade Marks Act of 1875, which was substituted later by later Acts. The English Acts enabled registration of a new mark not till then used with the like consequences which a distinctive mark had prior to the passing of the Acts. The effect of the relevant provision of the English Acts was that registration of a trade mark would be deemed to be equivalent to public user of such mark. Prior to the Acts, one could become a proprietor of a trade mark only by user, but after the passing of the Act of 1875, one could become a proprietor either by user or by registering the mark even prior to its user. He could do the latter after complying with the other requirements of the Act, including the filing of a declaration of his intention to use such mark. See observations of Llyod Jacob, J. in Vitamins Ltd.'s Application, In re [Vitamins Ltd.'s Application, In re, (1956) 1 WLR 1 : (1955) 3 All ER 827 : 1956 RPC 1] at RPC p. 12, and particularly the following: (WLR p. 10)

‘... A proprietary right in a mark sought to be registered can be obtained in a number of ways. The mark can be originated by a person or can be acquired, but in all cases it is necessary that the person putting forward the application should be in possession of some proprietary right which, if questioned, can be substantiated.’

2. Law in India under our present Act is similar.”

(emphasis supplied)

33.2. We uphold the said view which has been followed and relied upon by the courts in India over a long time. The said views emanating from the courts in India clearly speak in one voice, which is, that the rights in common law can be acquired by way of use and the registration

rights were introduced later which made the rights granted under the law equivalent to the public user of such mark. Thus, we hold that registration is merely a recognition of the rights pre-existing in common law and in case of conflict between the two registered proprietors, the evaluation of the better rights in common law is essential as the common law rights would enable the court to determine whose rights between the two registered proprietors are better and superior in common law which have been recognised in the form of the registration by the Act.”

Under these circumstances, the said finding recorded by the trial court is clearly erroneous and deserves to be set aside.

9. A perusal of the material on record will clearly indicate that the nature of service/business/activity alleged to have carried on by the respondent – plaintiff is completely different from the nature of business/service/activity undisputedly being carried on by the appellant-defendant and consequently, mere obtaining registration of trademarks by the respondent-plaintiff to carry on business/service/activity which was completely different from the appellant-plaintiff cannot be made the basis to come to the conclusion that the respondent had made out a prima facie case for



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grant of temporary injunction. Viewed from this angle also, the impugned order passed by the trial court deserves to be set aside.

10. It is specifically contended on behalf of the appellant that despite having obtained registration as long back as in the year 2016, the respondent has not used / utilised the said registered trademark BLINKHIT / iBLINKHIT from 2016 till the date of filing of the suit. Consequently, the claim of the respondent – plaintiff was liable to be rejected. In this regard, my attention was invited to the Balance sheet / profit and loss account statement of the respondent – plaintiff to indicate that there was no income or no expenses and consequently, no business was carried on by the respondent by using the aforesaid trademark which had been abandoned and in any event used/utilised by the respondent from the inception thereby disentitling it to an order of temporary injunction against the appellant.

11. Per contra, it was contended by the respondent that though the Balance sheet and the profit and loss account statement did not indicate any income from the business, the said business was actually being carried on by the respondent.



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12. In this context, it is relevant to state that while the profit and loss account statement and balance sheet of the respondents would clearly indicate that no business was being carried on and no income was generated by the respondent by using the trademarks, neither legal nor acceptable material was placed by the respondents to prima facie establish that they were carrying on business using/utilising the said trademarks and consequently, even this contention of the respondents cannot be accepted.

13. The material on record also indicates that the non-use of the registered trademarks by the respondent-plaintiff from 2016 onwards coupled with the undisputed fact that the nature of service/business/activity alleged to have carried on by the respondent – plaintiff is completely different from the nature of business/service/activity undisputedly being carried on by the appellant-defendant was sufficient to come to the conclusion that the balance of convenience was in favour of the appellant, who would be put to irreparable injury and hardship if an order of temporary injunction was passed against the appellant and in favour of the respondents who would not be caused any prejudice, injury, loss or hardship if injunction was refused.



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14. Upon re-appreciation, re-valuation and re-consideration of the entire material on record, I am of the considered opinion that the trial court clearly fell in error in allowing I.A.No.1 filed by the respondents and consequently, the impugned order passed by the trial court being wholly erroneous, arbitrary and contrary to the material on record as well as well settled principles of law governing grant of injunction in relation to trademarks, the same deserves to be set aside.

15. In the result, I pass the following:-

ORDER

(i) Appeal is hereby allowed.

(ii) The impugned order dated 10.08.2022 passed on I.A.No.1 in O.S.No.3994/2022 by the trial court is hereby set aside and consequently, I.A.No.1 filed by the respondents-plaintiffs hereby stands dismissed.

(iii) The trial court is directed to dispose of the suit as expeditiously as possible and preferably within a period of one year from the date of receipt of a copy of this order, without being influenced by the findings and observations made in the impugned order or this order.

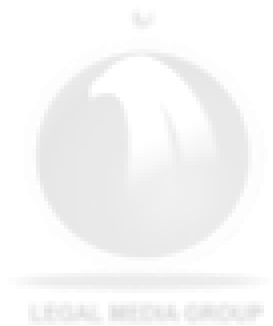


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(iv) All rival contentions between the parties are kept open and no opinion is expressed on the same.

Sd/-
JUDGE

Srl.



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