

52 G. 431 (=2 Cr. L. J. 326.)

## [431] APPELLATE CRIMINAL.

1905  
JAN. 27.APPELLATE  
CRIMINAL.Before Sir Francis W. Maclean, K.C.I.E., Chief Justice, and Mr. Justice  
Holmwood.32 G. 431=2  
Cr. L. J.  
326.

DOWLAT RAM v. KING-EMPEROR.\*

[27th January, 1905.]

*Trade-mark—User, bona fide dispute as to right of—Criminal proceedings, propriety of—Penal Code (Act XLV of 1860), s. 486.*

In a prosecution for counterfeiting a trade-mark, if the Magistrate is of opinion that there is a *bona fide* dispute between the parties as to the right of user of such mark, he should not deal with the matter criminally, but leave it to the complainant to establish the right claimed in a Civil Court.

*Emperor v. Bakaula Mallik* (1) referred to.

[Appr. 11 C. W. N. 887 : Ref. 13 Cr. L. J. 175=13 I. C. 927=1912 M. W. N. 85.]

CRIMINAL APPEAL by Dowlat Ram and another.

On the 18th June 1904, one Trikumdash Rowji of the firm of Lachmidass Premji, dealers in *ghee* in Calcutta, lodged a complaint before the Chief Presidency Magistrate, under ss. 482, 483, 485 and 486 of the Penal Code, against Sreenarain, the son of a proprietor of the firm of Baktaur Mull, *aratlars* of one Haji Tar Mahomed, and against Dowlat Ram, a servant employed by the firm in the sale of their goods.

It appeared that the complainant's firm used to import *ghee* in canisters of two sizes from Guntoor in the Madras Presidency. These canisters were branded in Calcutta before despatch to Guntoor with their trade-mark comprising the figure of the sun, in the circle of which there was some particular feature of the human face, such as an eye or a lip, and below the sun the word "Khatiram" impressed in the Nagri character. This trade-mark had been registered by the complainant's firm in January 1904.

The appellants were also sellers of Guntoor *ghee*, and received a consignment thereof in February, 1904, in tins bearing the [432] impression of the sun. On the 12th of that month the complainant's firm wrote to the accused, through their pleader, complaining of the counterfeiting of their trade-mark, and received a reply, a few days after, from the attorneys of the accused in which, according to the finding of the Magistrate, the complainant's trade-mark was admitted, and an assurance given that the accused had stopped the sale of the *ghee* in canisters having the mark complained of.

In June 1904 the accused received an indent of similar *ghee* in tins stamped with a trade-mark which had been registered in the preceding month in the name of one Hazari Lall, and this prosecution was then instituted. From the impressions taken in the Magistrate's Court from the die used in branding the tins of the accused, it appeared that the alleged counterfeit mark was a representation of the sun with the word "Khaliram" below in Nagri. There was some difference, however, in the figures within the circle of the sun. In the mark on the tins of the accused there were two dots only, representing the human eyes; whilst in that of the complainant there were two dots or eyes with eye-brows, and a lip below.

\* Criminal Appeal No. 1050 of 1904, against the order of Bazlul Karim, Third Presidency Magistrate of Calcutta, dated Sept. 28, 1903.

(1) (1904) I. L. R. 31 Cal. 411.

The nature of the contentions urged before the Magistrate, and his findings appear from the following portions of his judgment :—

The defence claim that their brand is "Khealiram," but the impression which they use on tins has the word "Khaliram" and not "Khealiram," and so to all intents and purposes "Khaliram" cannot but be a colorable imitation of "Khatiram."

Another contention for the defence is that the defendants are not the proprietors of the ghee or of the die, and that they are mere commission agents or aratdars of one Haji Tar Mahomed. But neither the proprietor nor the partner of the firm has been produced to prove how and by whom the die was introduced. Only a clerk of the firm, named Ahmed, has been examined, and his account of the brand is as vague as possible. He wanted to throw the responsibility on one Hazari Lall, a most irresponsible person without any means, with whom, he says, an arrangement was entered into by one Shaik Ahmed, a servant of the firm, who is not now available. Hazari Lall, who is a man without any capital or means, has no concern with the firm, and he gives a very romantic story as to how he got possession of the trade-mark from others about 20 years ago. Thus the liability of using the trade mark is shifted by the defence from one head to another till it shirks upon some unknown person. Why the trade-mark was registered in May last in the name of this Hazari Lall is a mystery which cannot be explained by the defence. If the die were obtained from him by the proprietor's man on a promise of allowing him a commission for the same, why the registration was not effected in the name of the [433] proprietor? It seems to me, that this registration in the name of the third party was effected three months after the accused were served with a pleader's letter for infringing the complainant's trade-mark, and after the accused had given an undertaking through their attorney to stop the sale of the ghee packed in canisters bearing the trade-mark complained of.

The evidence of the defence witness No. 2, Ahmed, who represents himself to be a clerk of the firm of Haji Tar Mahomed Ayooob, shows clearly that the name "Khaliram" was used in the brand simply to command a larger sale and a higher price. He says: "Previous to June we used to get ghee from Guntoor with a sun mark only. As Hazari Lall had the mark, and as he made a bundabast with my man, Shaik Ahmed, so the name was used. As sun-marked tins generally come to the market, and as a specific name would bring a good sale, so we preferred to adopt the name. We took up the name as a distinctive mark. We thought that a particular name with the sun mark would command a good sale, and so we adopted the name. Thus the evidence of Ahmed tends to show that, having been opposed by the complainant's firm in February last from using their trade-mark, a device was played in May last by the registration of a counterfeit trade-mark in the name of Hazari Lall, and then the consignment was indented in June with the false trade-mark.

The prosecution has established that the complainant's firms have been selling the ghee with their brand of "Khatiram" and the sun mark for the last two years.

Their brand is well known in the market and it commands a large sale. The defence witnesses also support the case for the prosecution on these points more or less, though they say that the complainant's ghee with the brand is in circulation for eight or ten months only. The prosecution, however, have proved the existence of their brand for a couple of years by the evidence of witnesses Nos. 1, 2, 3, 6 and 7. It is admitted by the defence also that the so-called "Khaliram" ghee was introduced into the bazar in June last, and when large sales were effected by the accused. The police, as I have shown above, found 277 tins of the ghee in the accused's shop for sale on 14th June. I have further shown above that to the best the accused's brand can only be read as "Khaliram" and not "Khealiram," as urged by the defence, and that the impression of the die on the tin cannot but be read or mistaken for "Khatiram," the K or "L" of Exhibit III resembling so closely the U or "T" of Exhibit V, and I am apt to think that Exhibit III is a colorable imitation of Exhibit V.

The next point raised by the learned counsel for the defence is that there are a good many marks in the ghee market, commencing from "Patiram" and having the common characteristic of the sun and the last two letters "31" or "Ram," and so it has been urged that "Khatiram" is a mere piracy of "Patiram." This was certainly a bold suggestion during the course of the address, but no attempt has been made to prove the same.

Not only do these two kinds of ghee—"Patiram" and "Khatiram"—differ as to their name and market-price, but they differ markedly in sound. The "kh" of

1908  
JAN. 27.  
APPELLATE  
CRIMINAL.  
32 C. 431=2  
CF. L. J.  
336.

1905  
JAN. 27.  
—  
APPELLATE  
CRIMINAL.  
—

32 C. 431=2  
Gr. L. J.  
326.

"Khatiram" is a guttural letter and the "pa" of "Patiram," is a labial, i.e., one is pronounced from the throat and the [134] other from the lips. As to the word "Ram" being almost common to all the trade-marks in the market, it must be observed that "Ram" by itself has nothing particular in it, but when added to others it means a distinctive mark distinguishable from other marks.

I am, therefore, clearly of opinion that "Khatiram" is not a piracy of "Patiram" as alleged by the defence, and that "Khaliram," is a counterfeit of "Khatiram" I have shown above that the resemblance was intended to practise deception. The first appearance of the "Khaliram," in the market in February last, the subsequent correspondence on the subject between the complainant's and the accused's firms not to sell the *ghee* with the brand complained of any more, the subsequent registration of the trade-mark objected to in May last in the name of a most irresponsible and penniless person, and the subsequent indent of the said trade-mark *ghee* and its sale by the accused in June last in large numbers cannot but indicate the continued effort of the accused to play deception at the sacrifice of the complainant's firm. I have shown above that the resemblance between the two marks, "Khatiram" and "Khaliram" in Nagri character, as used in tins by the respective parties, is such that a person might be deceived thereby, and that "Khaliram" is a colorable imitation of "Khatiram".

The Magistrate found that the accused had not acted honestly or innocently, and accordingly convicted them under s. 486 of the Penal Code and sentenced them to a fine of Rs. 250 each, or in default to undergo three months' rigorous imprisonment. He acquitted them of the charges under ss. 482, 483 and 485 on the ground that their firm, being mere commission agents, was not liable thereunder.

Babu *Dasharathi Sanyal* prayed for leave to appear on behalf of the complainant on the ground that there was a question of infringement of his trade mark. The Crown not being interested in the appeal, he submitted that the Court had discretion to grant such leave.

Mr. *Sinha* (Babu *Atulya Charan Bose* with him), for the appellant, contended that under s. 423 of the Criminal Procedure Code a private prosecutor had no right to appear.

[The Court allowed the prosecutor to be represented.]

Mr. *Sinha*. The complainant and the accused are dealers in *ghee* in Calcutta; they import it from Guntoor in the Madras Presidency in canisters branded with their respective trade-marks. One Patiram was the original importer, and his mark consisted of the representation of the sun with some human feature inside and the name in Nagri below. Other persons in the trade then commenced to adopt the sun mark with variations of the name. [435] Thus the complainant calls himself "Khatiram," and he registered his mark in January 1904 in that name. The accused has the name. "Khaliram" on his tins with some differences in respect of the feature inside the sun. The registration by the complainant does not deprive the appellant of the right of using the marks with slightly differing arrangements which he had heretofore used *Orr Ewing v. Registrar of Trade-Marks* (1). The defence is that the accused has as much right to use his mark as the complainant has to use his. The accused has no more counterfeited the complainant's mark than the latter has counterfeited the accused's mark. This is not a proper matter for determination in a Criminal Court: see *Emperor v. Bakoullah Malik* (2).

Babu *Dasharathi Sanyal*. Although there is no law as to registration of trade-marks in India, a trade mark may be acquired here by user. The Magistrate has found that the complainant has acquired a right to the trade-mark in question.

---

(1) (1879) L. R. 4 App. Cas. 479, 486. (2) (1904) I. L. R. 31 Cal. 411.

[MACLEAN, C. J. Does not the appellant also claim a right to the trade-mark?]

It does not appear that he did. The Magistrate's judgment shows that this was not his defence. The Magistrate has found that the claim of the accused was not *bona fide*, and that he did not act honestly or innocently.

MACLEAN, C. J. This is an appeal from the order of the Third Presidency Magistrate of Calcutta who has convicted the appellants under section 486, Indian Penal Code, and has sentenced them each to pay a fine of Rs. 250, or, in default to undergo three months' rigorous imprisonment. The appellants say that they have committed no criminal offence, and that the matter in dispute was one that ought to have been dealt with in a Civil, and not in a Criminal Court. I agree in that view. The complainant says to the accused: "You have counterfeited my trade-mark," to which the accused reply: "We have done nothing of the sort. We have no more counterfeited your trade-mark than you have counterfeited ours. We are perfectly innocent of any criminal intent. Test your right in a Civil Court, and we are quite [436] willing to meet you." I entirely agree with the concluding observation of a Divisional Bench of this Court in the case of *Emperor v. Bakarullah Mallik* (1). One has only to read that case and, having regard to the cases there cited, which are all civil cases, to see that the matter in dispute here is eminently one that ought to be dealt with by a Civil Court and not by a Criminal Court. I regret that recourse has been had in this case to a Criminal Court to settle the matter at issue between the parties.

It seems to me that when a case of this class is brought into a Criminal Court, if the Magistrate is of opinion that there is a *bona fide* dispute as to whether the complainant has any trade-mark at all or whether the accused is or is not entitled to use the mark he is using, I say, if the Magistrate is satisfied that there is this *bona fide* dispute, he should not deal with the matter as a criminal matter, but leave it to the complainant to maintain, if he can, in a Civil Court the right which he claims. If after the decision of the Civil Court it be found that he has a trade-mark, and that the accused is fraudulently counterfeiting that trade-mark, the case could then be properly brought into a Criminal Court under the section to which I have referred. In the present case, it is only necessary to read the judgment of the Presidency Magistrate to see that there was a *bona fide* dispute between the parties upon this question of trade-mark. That being so, I do not think that the Criminal Court was the proper tribunal to settle the dispute. The appeal is accordingly allowed and the conviction and sentence quashed. The fine, if paid, will be refunded.

HOLMWOOD, J. I agree.

*Appeal allowed.*

1908  
JAN. 27.

APPELLATE  
CRIMINAL.

32 C. 431=2  
C. L. J.  
326.

(1) (1904) I. L. R. 31 Cal. 411.