A.F.R.

IN THE HIGH COURT OF ORISSA AT CUTTACK

FAO No.33 of 2025

(An appeal under Order 43, Rule 1 (r) of the Code of Civil Procedure.)

M/s. Devi Krupa Soft Drinks, Ganjam .... ***Appellant (s)***

-versus-

M/s. Jogeswar Beverages .... ***Respondent (s)***

Advocates appeared in the case through Hybrid Mode**:**

For Appellant (s) : *Mr. Avijit Pal, Adv.*

For Respondent (s) : *Mr. Bharat Jalli, Adv.*

CORAM:
DR. JUSTICE SANJEEB K PANIGRAHI

DATE OF HEARING:-18.08.2025
DATE OF JUDGMENT:-10.09.2025

Dr. Sanjeeb K Panigrahi, J.

1. The Appellant, in the present appeal, is challenging the order dated 11.12.2024 passed by the learned District Judge, Ganjam, Berhampur in I.A. No. 04 of 2024 arising out of C.S. No. 01 of 2024.

I. FACTUAL MATRIX OF THE CASE:

2. The brief facts of the case are as follows:

(i) The Appellant is a proprietorship concern engaged in the business of manufacturing, merchandising, and trading in lemon juice and allied products, including beverages, lemonade, soft drinks, concentrates, fruit-based drinks, syrups, and aerated and carbonated water.

(ii) The Appellant, as plaintiff before the learned District Judge, instituted C.S. No. 01 of 2024 under Section 134 of the Trade Marks Act, 1999, seeking reliefs for infringement of its registered trademark and trade name. In the said suit, the plaintiff prayed for permanent injunction against the defendant from using the impugned mark, for delivery of all infringing goods, for rendition of accounts and profits wrongfully earned by the defendant, for damages, and for such further reliefs as the plaintiff was entitled to.

(iii) Along with the said suit, the plaintiff filed I.A. No. 04 of 2024 under Order XXXIX Rules 1 and 2 read with Section 151 of the Code of Civil Procedure, 1908, Section 135 of the Trade Marks Act, 1999, and Section 22 of the Designs Act, 2000, seeking a temporary injunction. The prayer was to restrain the defendant from using the trade name or label "GUPTAS BIT NIMMA SODA SALT," or any other name incorporating the expressions "DK BIT," "LEMON & SALT SODA," or the vertical placement of the word "BIT" in white font over black background with the tilted expression "LEMON & SALT SODA" in yellow font with black outline over a white background, whether singly or in combination with other expressions, in a manner calculated to deceive or suggest association with the plaintiff's goods. The injunction was also sought against use of the registered bottle design of the plaintiff until disposal of the suit.

(iv) The defendant entered appearance before the trial court and filed a written statement in the suit. While no counter-affidavit was filed to the application under Order XXXIX Rules 1 and 2 CPC, the defendant

placed reliance upon its registration of the label "BIT" under Trademark Certificate No. 3319131, registered as Trade Mark No. 5708035 dated 03.12.2022 in Class 35 of the NICE Classification.

(v) Upon hearing, the learned District Judge, Ganjam, Berhampur, by order dated 11.12.2024, rejected I.A. No. 04 of 2024.

(vi) Being aggrieved by the said order, the Appellant has preferred the present appeal challenging the legality and propriety of the rejection of its application for temporary injunction.

II. SUBMISSIONS ON BEHALF OF THE APPELLANT:

3. Learned counsel for the Appellant earnestly made the following submissions in support of his contentions:

(i) The Appellant submitted that the impugned order dated 11.12.2024 is contrary to law and the materials on record. It was contended that I.A. No. 04 of 2024 seeking temporary injunction ought to have been allowed, as the Appellant had established a clear prima facie case of infringement. The Appellant asserted that unless restrained, the Respondent would continue to use the mark "GUPTAS BIT NIMMA SODA SALT" and deceptively similar expressions such as "DK BIT" and "LEMON & SALT SODA," along with the distinctive trade dress and bottle design of the Appellant, thereby causing confusion and irreparable injury to the business of the present Petitioner.

(ii) The Appellant contended that the rival marks are phonetically, visually, conceptually, and structurally similar, and that the Respondent has copied the Appellant's trade dress and bottle design to ride on its goodwill. The Appellant submitted that Section 29 of the Trade Marks

Act, 1999 deems such use as infringement and, under sub-section (3), presumes likelihood of confusion. It was urged that the learned District Judge failed to apply this statutory mandate.

(iii) The Appellant relied upon ***Heinz Italia v. Dabur India Ltd***[1] wherein the Supreme Court has held that where reputation is established and the defendant's mark is deceptively similar, injunction must follow. The Appellant asserted that dishonest adoption, even in passing off, warrants immediate restraint.

(iv) The Appellant further relied on ***Renaissance Hotel Holdings Inc. v. B. Vijaya Sai***[2], wherein the Supreme Court clarified that in cases of identical marks used for identical goods, likelihood of confusion is presumed under Section 29(2)(c) read with Section 29(3), and injunction must follow without proof of actual confusion.

(v) The Appellant contended that the Respondent's reliance on its registration of the label "BIT" under Class 35 is misconceived. The Appellant submitted that its marks are registered in Class 32 covering beverages, whereas Class 35 relates only to business and advertising services. The Appellant asserted that use of the expression "BIT" for beverages by the Respondent amounts to infringement of its registered mark under Class 32.

(vi) The Appellant further submitted that the Respondent's mark "GUPTAS BIT NIMMA SODA SALT" is itself unregistered, and its use constitutes infringement of the Appellant's registered trademark under Section 29(2) of the Trade Marks Act, 1999.

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[1] (2007) 6 SCC 1.

[2] (2022) 5 SCC 1.

(vii) The Appellant lastly contended that the learned District Judge overlooked the plea of piracy under Section 22(2)(b) of the Designs Act, 2000, despite specific pleadings to that effect.

III. SUBMISSIONS ON BEHALF OF THE RESPONDENT:

4. The Learned Counsel for the Respondent earnestly made the following submissions in support of his contentions:

(i) The allegations made by the Appellant are false and without basis, and no infringement of the Appellant's trademark has ever been committed. The Respondent is the registered proprietor of the mark "BIT" and is lawfully entitled to use it. The Appellant has failed to establish the essential requirements for grant of temporary injunction, and the application under Order XXXIX Rules 1 and 2 CPC was rightly dismissed by the District Judge, Ganjam, Berhampur in I.A. No. 04 of 2024 arising out of C.S. No. 01 of 2024.

IV. FINDINGS OF THE DISTRICT JUDGE, GANJAM, BERHAMPUR:

5. The learned District Judge, Ganjam, Berhampur, upon hearing the parties and perusing the pleadings and materials on record, considered I.A. No. 04 of 2024 filed under Order XXXIX Rules 1 and 2 read with Section 151 of the Code of Civil Procedure, 1908 and Section 135 of the Trade Marks Act, 1999 in C.S. No. 01 of 2024.

6. The Court recorded that the plaintiff had sought temporary injunction restraining the defendant from using the mark "GUPTAS BIT NIMMA SODA SALT" and other expressions alleged to be deceptively similar to the plaintiff's registered mark "DK BIT LEMON & SALT SODA."

7. On consideration of the materials, the learned District Judge found that the defendant was also a registered proprietor of the mark "BIT" under

Trademark No. 5708035 dated 3 December 2022 in Class 35 of the NICE Classification. It was further noticed that rectification proceedings had been initiated against the plaintiff's registration.

8. The learned District Judge held that in the circumstances the plaintiff ought to have approached the competent authority for cancellation of the defendant's registration and that the issue could not be adjudicated in an application for temporary injunction. The Court also found that there was no sufficient material to establish that the relevant class of consumers would be confused by the rival marks or packaging. On that basis the Court concluded that the plaintiff had failed to make out a prima facie case and had not established balance of convenience or irreparable injury in its favour. The authorities relied upon by the plaintiff were distinguished as being based on different factual situations. Consequently, by order dated 11 December 2024, the application for temporary injunction was dismissed, though it was clarified that the observations made would not affect the merits of the suit and both parties were directed to cooperate for early disposal of the suit.

V. COURT'S REASONING AND ANALYSIS:

9. Heard learned counsel for the parties and perused the material on record.

10. The appeal arises from an order declining interim protection in a suit for trade mark infringement and piracy under the Designs Act, 2000.

11. The Appellant relies on registrations in Class 32 for the marks "DK BIT" and "DK BIT LEMON & SALT SODA," together with a registered bottle design, and asserts that the Respondent is marketing beverages under

the mark "GUPTAS BIT NIMMA SODA SALT" with a presentation and trade dress allegedly similar to that of the Appellant.

12. The principles governing the grant of temporary injunction are well established. The Court must examine whether the plaintiff has shown a prima facie case, whether the balance of convenience lies in its favour, and whether denial of relief would cause irreparable injury.

13. Section 29 of the Trade Marks Act, 1999, deems the use of identical or deceptively similar marks in relation to similar goods to constitute infringement, and under Section 29(2)(c) read with Section 29(3), a presumption of likelihood of confusion arises where the rival marks and goods are identical or similar.

14. Equally relevant is the scheme of Section 124 of the Trade Marks Act, 1999, which is reproduced hereinbelow for ready reference:

> *"124. Stay of proceedings where the validity of registration of the trade mark is questioned, etc.—*
>
> *(1) Where in any suit for infringement of a trade mark—*
>
> *(a) the defendant pleads that registration of the plaintiff's trade mark is invalid; or*
>
> *(b) the defendant raises a defence under clause (e) of sub-section (2) of Section 30 and the plaintiff pleads the invalidity of registration of the defendant's trade mark,*
>
> *the court trying the suit (hereinafter referred to as the court), shall,—*
>
> *(i) if any proceedings for rectification of the register in relation to the plaintiff's or defendant's trade mark are pending before the Registrar or the High Court, stay the suit pending the final disposal of such proceedings;*
>
> *(ii) if no such proceedings are pending and the court is satisfied that the plea regarding the invalidity of the registration of the plaintiff's or defendant's trade mark is prima facie tenable, raise an issue regarding the same and adjourn the case for a period of three months from*

the date of the framing of the issue in order to enable the party concerned to apply to the High Court for rectification of the register.

(2) If the party concerned proves to the court that he has made any such application as is referred to in clause (b)(ii) of sub-section (1) within the time specified therein or within such extended time as the court may for sufficient cause allow, the trial of the suit shall stand stayed until the final disposal of the rectification proceedings.

(3) If no such application as aforesaid has been made within the time so specified or within such extended time as the court may allow, the issue as to the validity of the registration of the trade mark concerned shall be deemed to have been abandoned and the court shall proceed with the suit in regard to the other issues in the case.

(4) The final order made in any rectification proceedings referred to in sub-section (1) or sub-section (2) shall be binding upon the parties and the court shall dispose of the suit conformably to such order in so far as it relates to the issue as to the validity of the registration of the trade mark.

(5) The stay of a suit for the infringement of a trade mark under this section 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."

15. Sub-section (1)(b)(i) of Section 124 mandates that where rectification proceedings in respect of the trade mark of either party are already pending, the civil court is bound to stay the infringement suit until such proceedings are finally decided. At the same time, sub-section (5) makes it clear that the stay of the suit does not prevent the court from passing

interlocutory orders, including orders of injunction, during the pendency of rectification.

16. While registration of a trade mark constitutes prima facie evidence of its validity under Section 31 of the Trade Marks Act, that presumption is subject to the result of rectification proceedings. At the interlocutory stage, therefore, the civil court cannot pronounce upon the validity of the registration, which lies within the exclusive jurisdiction of the specialised forum. Where rectification is pending, the court is confined to assessing whether the plaintiff has made out a sufficiently strong prima facie case for interim relief, without trenching upon the issue of validity.

17. In the present case, it is not in dispute that the Respondent holds a registration for the word "BIT" under Trade Mark No. 5708035 dated 3 December 2022 in Class 35. The Respondent has also initiated rectification proceedings against the Appellant's registration, which are pending before the Registrar of Trade Marks. The learned District Judge rightly recorded that, in the face of such proceedings, the merits of validity could not be gone into.

18. The learned District Judge also examined the record and concluded that there was no sufficient material to establish that the relevant class of consumers was likely to be confused at this stage. In the absence of a strong prima facie case, balance of convenience and irreparable injury could not be said to tilt in favour of the Appellant. On that reasoning, interim injunction was declined.

19. This Court is unable to find perversity in such approach. Once rectification has been filed and is pending, Section 124(1)(b)(i) provides

that the suit be stayed until the rectification is determined. The court retains power under Section 124(5) to grant interim relief, but the exercise of that power is discretionary. The District Judge was entitled to assess whether the Appellant had established a sufficiently strong prima facie case to warrant interlocutory restraint. The conclusion that no such case was made out which cannot be said to be irrational or contrary to settled law.

20. The decisions relied upon by the Appellant do affirm the statutory presumption of confusion under Section 29, but those cases were decided where validity of registration was not in issue. Here, validity is sub judice before the rectification forum.

21. Therefore, this Court finds no infirmity in the refusal of interim relief. The Appellant continues to hold registrations which will be adjudicated in rectification, and its claims in the suit remain unaffected by the present order. The Appellant is free to press for expeditious disposal of the rectification proceedings and for early trial thereafter.

VI. CONCLUSION:

22. For the foregoing reasons, the appeal is **dismissed**.

23. The order dated 11 December 2024 passed by the learned District Judge, Ganjam, Berhampur in I.A. No. 04 of 2024 in C.S. No. 01 of 2024 calls for no interference.

24. It is clarified that the observations herein are confined to the question of interim relief and shall not prejudice the merits of the suit or the outcome of rectification proceedings. The learned trial court is directed to proceed in accordance with law upon conclusion of rectification. No order as to costs.

25. Interim order, if any, passed earlier stands vacated.

(Dr. Sanjeeb K Panigrahi)
Judge

Orissa High Court, Cuttack,
Dated the 10th Sept., 2025/-