



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED:15.09.2015

Date of Reserving the Judgment	Date of Pronouncing the Judgment
08.09.2015	15.09.2015

Coram

THE HON'BLE Mr.SANJAY KISHAN KAUL, CHIEF JUSTICE
and

THE HON'BLE Mr.JUSTICE T.S.SIVAGNANAM

O.S.A.Nos.80 & 81 of 2015

M/s.Micro Labs Limited,
Rep., by its Company Secretary,
Yogesh K.Shenoy
No.27, Race Course Road,
Bengaluru - 560 001

... Appellant/Respondent/
Plaintiff in both Appeals

Vs.

M/s.Eris Life Sciences Pvt., Ltd.,
AF-10, Kanchan Pharma House,
NH 8, Aslali,
Ahmedabad - 382 427.

... Respondent/Applicant/
Defendant both Appeals

Prayer in O.S.A.No.80 of 2015 :-Original Side Appeal filed under Order XXXVI Rule 9 of Original Side Rules r/w clause 15 of Letter Patent, against the fair and decreetal order made in A.No.637 of 2014 in C.S.No.426 of 2013, dated 07.11.2014, on the file of the Original Side and Consequently, dismiss A.No.637 of 2014 in C.S.No.426 of 2013.

Prayer in O.S.A.No.81 of 2015 :-Original Side Appeal filed under Order XXXVI Rule 9 of Original Side Rules r/w clause 15 of Letter Patent, against the judgment and decree dated 07.11.2014 C.S.No.426 of 2013, on the file of the Original Side of this Court.

For Appellant : Mr.Bharathkumar for
M/s.Sai Bharath and Ilan



For Respondent : Dr.Venkat Reddy Donthi Reddy for
M/s.R.V.S.R.Asso.,

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COMMON JUDGMENT

T.S.SIVAGNANAM, J.

These appeals are directed against the common order dated 07.11.2014, whereby the learned Single Judge allowed the application filed the respondent/defendant and rejected the plaint for want of territorial jurisdiction and consequently, held the Suit was not maintainable before this Court.

2. The plaintiff/appellant in these appeals, is a company engaged in the manufacture of medicinal and pharmaceutical products. The Suit was filed for a decree of permanent injunction to restrain the respondent/defendant from in any manner infringing the appellant's trade mark "OLAMIN" by manufacturing, marketing, distributing, offering or advertising for sale the defendant's products under the name and style of "OLMIN" or any other deceptively similar name and for a permanent injunction from in any manner manufacturing, marketing, distributing, offering or advertising for sale their product "OLMIN" or similar sounding names in the course of their business and pass off their products using the trademark "OLAMIN" or with additions as and for the goods of the plaintiff and for a mandatory injunction to direct the defendant to surrender all the infringing products, packing materials, labels, etc., in the market to the plaintiff for destruction.

3. The case of the plaintiff is that the defendant company is carrying on business in the same field and have copied and infringing their registered mark "OLAMIN" and that during May 2011, the marketing agents of the plaintiff found that the defendant is also releasing their goods being the same pharmaceutical preparations under the same trade mark "OLMIN" thereby causing confusion in the market and the sale effected by the defendant amounts to infringement of the plaintiff's mark.

4. The defendant on receipt of notice in the Suit filed an Application in A.No.637 of 2014, under Order 7, Rule 11 CPC to reject the plaint, as there is no cause of action for filing the Suit and this Court has no jurisdiction to adjudge the Suit. Though several contentions appear to have been raised in the said Application, the defendant confined their arguments only with regard to the maintainability of the Suit on the ground of territorial jurisdiction of this Court to try the suit in terms of Section 134 of the Trade Marks Act, 1999. The defendant contended that the plaintiff is not having its office at Chennai and therefore, the Suit is not



maintainable within the jurisdiction of this Court. One more contention raised by the defendant was that there was only one bill produced by the plaintiff to substantiate their contention and the said medical shop from which the product was purchased, has not been made as a defendant in the Suit and therefore, the plaint is liable to be rejected. It was further contended that the sale of a product within the jurisdiction of this Court is not sufficient to file the Suit for infringement of trademark and therefore, the plaint is liable to be rejected.

5. The plaintiff resisted the said Application by contending that it is sufficient if the trademark has been registered within the jurisdiction of this Court and the plaintiff's mark having been registered in the office of the Registrar of Trademark at Chennai, the Suit is maintainable before this Court. Further, it was contended that infringing products are being sold extensively within the jurisdiction of this Court and therefore, the plaintiff has cause of action to file the Suit before this Court and the Suit is maintainable.

6. The learned Single Judge after taking note of the facts and Section 134 of the Trade Marks Act, 1999, and the decision of the High Court of Delhi in the case of Matrumal Dhannalal Oil Mill vs. Abhishek Enterprises, reported in 2010 (43) PTC 26 (Del), held that to entertain a Suit, the plaintiff should carry on business within the local limits or territorial jurisdiction of this Court, otherwise the provisions of Section 134 of the Trade Marks Act will not come to the rescue of the plaintiff. On the said ground, the Application filed by the defendant to reject the plaint was allowed and the plaint was rejected by common order dated 07.11.2014. The correctness of this order is assailed in these appeals.

7. The learned counsel appearing for the plaintiff contended that Section 134(2) of the Trade Marks Act provides only an inclusive definition for "District Court" and only provides for an additional place of suing for the plaintiff in the cases of infringement in addition to the usual jurisdiction available under the Code of Civil Procedure and not in derogation thereof. It was further contended that the specific case of the plaintiff is that the infringement took place within the territorial jurisdiction of this Court and the plaintiff had produced a purchase bill to establish the same and it is not necessary to produce bunch of bills and in any event, this is a matter which should be decided at the time of trial. Further, it is submitted that the finding rendered by the Court that the plaintiff should carry on business within the territorial jurisdiction of this Court to file the Suit is completely against law and is an incorrect interpretation of law. Further, it is submitted that the decision relied on by the learned Single Judge have no relevance to the facts of the case. In support of his contention,



the learned counsel placed reliance on the decision of the Division Bench of this Court in the case of Smithkline & French Laboratories Ltd., vs. Indoco Remedies reported in 2001 (2) CTC 539, Wipro Limited vs. Oushadha Chandrika Ayurvedic India (P) Ltd., reported in 2008 (3) CTC 724.

8. The learned counsel appearing for the defendant while seeking to sustain the impugned order submitted that in view of the Section 134 of the Trade Marks Act in the absence of substantial cause of action either whole or in part and when the plaintiff nor the defendant are carrying on business within the jurisdiction of this Court, the Suit is not maintainable before this Court and the shop from which the drug is said to have been purchased has not been impleaded as a defendant and for all these reasons, the plaint is liable to be rejected. Further, the learned counsel submitted that the provisions of the Trade Marks Act would prevail over the Code of Civil Procedure and hence, the contention raised by the plaintiff do not hold good and the appeal is devoid of merits. In support of his contention the learned counsel referred to the decision of the Hon'ble Supreme Court in the case of Indian Performing Rights Society Ltd., vs. Sanjay Dalia & Anr., reported in CDJ 2015 SC 522.

9. Heard the learned counsels appearing for the parties and perused the materials placed on record including the written submissions of the learned counsel appearing for the defendant.

10. The legal issue which falls for consideration in the appeal is, as to whether the Suit for infringement and passing off filed by the plaintiff is maintainable before this Court in the light of Section 134 of the Trade Marks Act?

11. The learned counsel appearing for the defendant placed reliance on the recent decision of the Hon'ble Supreme Court in the case of Indian Performing Rights Society Ltd., (supra), and contended that the Hon'ble Supreme Court has laid down the legal principle and the said decision answers the legal question and the learned Single Judge was right in holding that the Suit was not maintainable before this Court in the light of Section 134 of the Trade Marks Act. The question which arose for consideration in the said decision is with regard to the interpretation of Section 62 of the Copyright Act, 1957 and Section 134 (2) of the Trade Marks Act, 1999, with regard to the place where a Suit can be instituted by the plaintiff. The Hon'ble Supreme Court pointed out that considering the very language of Section 62 of the Copyright Act and Section 134 of the Trade Marks Act, an additional forum has been provided by including a District Court within whose limits the plaintiff actually and voluntarily resides or carries on business or personally works for gain that the object of the provisions was to enable the plaintiff to institute a



Suit at a place where he or they resided or carried on business, not to enable them to drag defendant further away from such a place. Further, with regard to the expression "notwithstanding anything contained in the Code of Civil Procedure" contained in Section 62(2) of the Copyright Act and Section 134(2) of the Trade Marks Act, it was pointed out that the same does not oust the applicability of the provisions of Section 20 of the Code of Civil Procedure and it is clear that additional remedy has been provided to the plaintiff so as to file a suit where he is residing or carrying on business etc; as the case may be, that Section 20 of the Code of Civil Procedure enables a plaintiff to file a suit where the defendant resides or where cause of action arose. It was further pointed out that Section 20(a) and Section 20(b) usually provides the venue where the defendant or any of them resides, carries on business or personally works for gain. Section 20(c) of the Code of Civil Procedure enables a plaintiff to institute a suit where the cause of action wholly or in part, arises. Further, the Explanation to Section 20 C.P.C., has been added to the effect that Corporation shall be deemed to carry on business at its sole or principal office in India or in respect of any cause of action arising at any place where it has subordinate office at such place. Thus, 'corporation' can be sued at a place having its sole or principal office and where cause of action wholly or in part, arises at a place where it has also a subordinate office at such place. After referring to the various decisions cited at the bar, it was held that the provisions of Section 62 of the Copyright Act and Section 134 of the Trade Marks Act have to be interpreted in a purposive manner and that a Suit can be filed by the plaintiff at a place where he is residing or carrying on business or personally works for gain and he need not travel to file a suit to a place where defendant is residing or cause of action wholly or in part arises, however, if the plaintiff is residing or carrying on business at a place where cause of action, wholly or in part, has arisen, he has to file a suit at that place.

12. We fail to understand as to how the decision of the Hon'ble Supreme Court supports the case of the defendant, when the law laid down by the Hon'ble Supreme Court, if applied to the facts of the present case, the irresistible conclusion is that the Suit is maintainable before this Court. We have to therefore necessarily hold that the interpretation given by the learned Single Judge in the impugned judgment holding that under Section 134 of the Trade Marks Act, no suit for infringement of registered trade mark could be filed if the plaintiff does not carry on business within the jurisdiction of that Court, is incorrect. We may hasten to add that this legal issue was subject matter of reference before the Full Bench of this Court in the case of Duro Flex Pvt., Limited vs. Duroflex Seatings System reported in 2014 (6) CTC 577, in which one of us (Hon'ble Mr. Justice SANJAY KISHAN KAUL, The Chief Justice) was a party. The two questions, which were framed and referred to the Larger Bench in



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the light of the conflict of views, were:-

(i) whether the situs of the Trade Mark Registry in Chennai and the name being on its register would itself give rise to cause of action to institute a Suit in the Madras High Court?

(ii) Whether the Principles of Forum Conveniens or analogous principles apply to consideration of an Application for leave to sue under Clause 12 of the Letters Patent in case part of cause of action arises at Chennai?

13. While answering the second question, the Full Bench took note of the following decisions:-

(i) Horlicks Ltd., and Anr., vs. Heinz India (P) Limited, reported in 2010 (42) 156 PTC (Delhi) (DB);

(ii) Abdul Gafur and Anr., vs. State of Uttarakhand and Ors., reported in (2008) 10 SCC 97;

(iii) India TV Independent News vs. India Broadcast Live & Ors., reported in 2007 (35) PTC 177(Del);

(iv) Brooke Bond (India) Limited vs. Balaji Tea (India) Pvt., Ltd., reported in 1993 (2) MLJ 132;

(v) Marico Industries Limited and Anr., vs. Sarfaraj Trading Company and Ors., reported in 2002 (25) PTC 93 (Bom) (DB);

(vi) Smithkline Beecham Plc and Anr., vs. Sunil Singhi and Anr., reported in 2001 PTC (Del.) 321;

(vii) Ramchander Laxminarayanan Karva vs. Jagnath Khubchand Karva & Anr., reported in 1994 (14) PTC 218 (Mad); and after noting Section 134(2) of the Trade Marks Act and Section 62 of the Copyright Act and held as follows:-

54.....In two eventualities, the question of obtaining prior leave would not arise, i.e., when the plaintiff resides within the jurisdiction of the Court, benefit conferred by Section 134(2) of the Trade and Merchandise Marks Act, 1958 and when the defendant resides within the jurisdiction of the Court. It is in the third eventuality which is material for the controversy. On the plea of the appellant that the situs of the Trademark Registry within the jurisdiction of the Court would give a part of cause of action on the issue of registration of the trademark alone being sufficient, we have already given a finding under



the first question of law aforesaid. Thus, a bundle of facts would determine whether the cause of action has arisen qua the trademark infringement within the jurisdiction of the Court.

14. In the light of the decisions referred above, the plaintiff/appellant is entitled to succeed and accordingly, the Appeals are allowed, the impugned order is set aside and the suit is restored to the file of this Court and the defendant is directed to file their written statement within a period of three weeks from the date of receipt of a copy of this order. After which the plaintiff/appellant may file their rejoinder, if any, within a period of three weeks thereafter, and then the Suit be placed before the learned Single Judge for framing of issues. No costs.

-Sd/-

Assistant Registrar

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Sub Assistant Registrar

pbn

To

1. The Subregistrar,
Original Side,
High court,
Madras.

+1 cc to M/S.SaiBharath and Ilan,Advocate(sr.50318)

+2 cc to M/S.R.V.S.R.Associate, (sr.50201)

Pre-Delivery Judgement in
O.S.A.Nos.80 & 81 of 2015

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cp 30/09/2015