

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

**C.R. No.846 of 2015 (O&M)
Date of decision:07.04.2016**

Manmohan Sharma

...Petitioner

Vs.

Manjit Singh

... Respondent

CORAM: HON'BLE MR. JUSTICE AMIT RAWAL

1. Whether reporters of local newspapers may be allowed to see judgment?
2. To be referred to reporters or not? Yes
3. Whether the judgment should be reported in the Digest?

Present:- Mr.Gaurav Chopra, Advocate
for the petitioner.

Mr. Gaurav Arora, Advocate with
Mr. Kamal Kishore Arora, Advocate and
Mr. Himanshu Arora, Advocate
for the respondent.

AMIT RAWAL J.

The petitioner-defendant is aggrieved of the dismissal of the application moved under Order VII Rule 10 and Rule 11(a) and (d) read with Section 151 of the Code of Civil Procedure seeking return and rejection of the plaint on the ground that Civil Court at Amritsar qua passing off Trademark in a suit seeking infringement, rendition of accounts, much less, copyright did not have the jurisdiction.

Mr. Gaurva Chopra, learned counsel appearing on behalf of the petitioner-defendant submits that respondent-plaintiff instituted a suit invoking the provisions of Sections 134 and 135 of the Trade Marks Act, 1999 (hereinafter referred to as "1999 Act"), Sections 55

and 62 of the Copyright Act, 1957 (hereinafter referred to as “1957 Act”), for permanent injunction restraining the petitioner-defendant from committing unlawful acts of infringement of his registered Trademark “MOHUN'S” and copyright thereof and further restrained from using identical or deceptively similar Trademark “MOHAN'S” from passing off the rendition of accounts and damages. No doubt, the Civil Court at Amritsar would have a jurisdiction to try the suit as per the provisions of Sections 134 and 135 of 1999 Act vis-a-vis infringement. He further submits that sub-section (2) of Section 134 only envisages the jurisdiction of the Court vis-a-vis sub clause (a) and (b) of sub section (1), whereas, sub clause (c) deals with passing off and in the absence of place of jurisdiction, the provisions of Sections 19 and 20 of the Code of Civil Procedure would be resorted to. For all intents and purposes, the petitioner-defendant is running his business at Delhi, and therefore, the claim qua passing off at Amritsar is not maintainable and therefore, moved an application under Order VII Rule 10 and Rule 11(a) and (d) read with Section 151 of the Code of Civil Procedure.

In support of his aforementioned submissions, he has drawn the attention of this Court to paragraphs 53 and 54 of the plaint and as well as, corresponding paragraphs of the written statement to contend that opinion formed by the trial Court vis-a-vis admission of the petitioner qua carrying of the business at Amritsar is totally misplaced. He has also drawn the attention of this Court to Annexure P-1, the alleged registration application bearing No.865401 dated 13.7.1999 referred to in paragraph 53 of the plaint, where there

is no mention showing any intention carrying his business under the Trademark "MOHAN'S" in Amritsar. In support of his contentions, he relied upon the following case laws which read thus:-

1. ***Dhodha House vs. S.K.Maingi AIR 2006 SC 730;***
2. ***Dabur India Limited vs. KR Industries AIR 2008 SC 3123;***
3. ***Paragon Rubber Industries vs. Pragathi Rubber Mills and others (2014) 133 AIC 96 (SC);***
4. ***M/s Lakhan Pal Shyam Kumar vs. M/s Ram Prasad Gupta and another 2012 AIR SCC 2375 and***
5. ***Heinz India Pvt. Ltd. vs. M/s Shreejee Remedies 2013 SCC OnLine Del 1644.***

By referring to the judgment of the Hon'ble Supreme Court in **Dhodha House's case (supra)**, he has referred to the findings rendered in paragraphs 30, 31 and 54 to contend that mere filing of the application before the Registrar for registration of the Trademark, which though, was abandoned and specifically pleaded in the written statement, the cause of action would not arise to the respondent-plaintiff to invoke the jurisdiction of the Court at Amritsar vis-a-vis passing off the Trademark. He submits that similar situation had arisen before the Hon'ble Supreme Court, wherein, it was observed that a cause of action will arise only where a registered Trademark is used and not when an application is filed for registration of the Trademark. Once the application, as referred to in paragraph 54 of the plaint, was abandoned, no other evidence, for example, bills or any other proof, has been placed on record by the

respondent-plaintiff to show the alleged passing off his being done within the territorial jurisdiction the Court at Amritsar. Since the petitioner and respondent are carrying out their business at Delhi, the cause of action for the plaintiff would not arise within the jurisdiction of the Court at Amritsar but only at Delhi.

By referring to the judgment rendered in **Dabur India Limited's case (supra)**, he has drawn the attention of this Court to paragraphs 6, 21 and 30 to contend that in a composite suit combining independent and distinct cause of action would not entitle the Court to entertain the suit over which it had no jurisdiction, much less, territorial or otherwise, as Order 2 Rule 3 of the Code of Civil Procedure specifically prescribes that the Court cannot assume a jurisdiction over a cause of action founded on a separate set of facts and also the rights and liability of the party under a different statute. Similarly by referring to the judgment rendered in **Paragon Rubber Industries's case (supra)**, he has drawn the attention of the Court to paragraphs 14 and 15 to contend that it is the averment in the suit which has to be seen. From the averment made in the instant suit, it is evident that the plaintiff has filed a composite suit which would not be maintainable unless the Court had jurisdiction to entertain the same in relation to the entire cause of action and entire relief. To similar effect judgments of the Hon'ble Delhi High Court in **M/s Lakhan Pal Shyam Kumar's case (supra)** and **Heinz India Pvt. Ltd.'s case (supra)**.

He further submits that the trial Court has erroneously taken the averments made in paragraphs 53 and 54 of the plaint in

most erroneous and frivolous manner on the premise that petitioner had applied Trademark application bearing No.865401 in respect of “Namkeens” which implies for sale in all over India. Whereas, on the contrary, mark “MOHAN'S” bearing aforementioned application filed in class 30 is not relevant for the present proceedings as the said mark was abandoned for want of action way back in the year 2006. Application is not required to specify the geographical use of mark, unless otherwise there is any restriction or limitation imposed to its use of mark by the Trademark Registrar. Even the findings rendered by the Lower Court in paragraphs 8 and 9 that petitioner is selling good through website is patently misconceived and contrary to the facts and there is no such averment made in the plaint. There is no website for the purpose of advertising or selling the products. Thus, urges this Court for setting aside the impugned order.

Mr. Gaurav Arora, learned counsel appearing on behalf of the respondent-plaintiff, in support of his contention, has relied upon Annexure P-124 annexed with the suit to contend that packet with the Trademark “MOHAN'S” selling the milk atta biscuit has the stamp of price of ₹94/- for the purpose of sale in Delhi and ₹92/- outside the Delhi, and therefore, for all intents and purposes, the petitioner-defendant is indulging into passing off in respect of similar Trademark in the entire country and therefore, Court at Amritsar has the jurisdiction vis-a-vis claim of “Passing Off”. By referring to Annexure P-1, he submits that application applied for registration of Trademark “MOHAN'S” meant for all India purposes, as there is no column for the purpose of sale of the product having registered Trademark of

“MOHAN'S” in particular district. He has also drawn the attention of this Court to the documents to show that there is website of the petitioner which deals with the sale of the product in the entire India. In order to further lend support to the aforementioned submissions, he has drawn the attention of this Court to paragraph 9 of the revision petition to contend that he had intention to sell the Namkeen of all kinds in Class 30 under the Trademark “MOHAN'S” in India, as well as, outside India.

In support of his aforementioned contentions, he has cited the following case laws which read thus:-

- 1. Pfizer Products, Inc. vs. Rajesh Chopra and others 2006(3) AD (Delhi) 411;**
- 2. Hyundai Corporation vs. Rajmal Ganna 2007 (35) PTC 652;**
- 3. LT Foods Limited vs. Heritage Foods (India) Limited 2014(21) R.C.R.(Civil) 675;**
- 4. Casio India Co. Ltd. vs. Ashita Tele Systems Pvt. Ltd. 2003(7) AD (Delhi) 184;**
- 5. Mars Incorporated vs. Kumar Krishna Mukerjee and others 2003(26) PTC 60; and**
- 6. M/s Jawahar Engineering Co. & others vs. M/s Jawahar Engineers Pvt. Ltd. 1984 AIR (Delhi) 166** to contend that for the purpose of adjudication of the application filed Order VII Rule 10 and Rule 11(a) and (d) read with Section 151 of the Code of Civil Procedure, the Court is enjoined upon an obligation to seek the

averments made in the plaint and as per the findings rendered in paragraph 13 in **LT Foods Limited's case (supra)**, before the Hon'ble Division Bench of Delhi High Court, similar question arose, wherein, it was held that the intention to sell the product throughout the length and breadth of the country would include place where suit is instituted also, and therefore, the Court at Amritsar had the jurisdiction to try the adjudication vis-a-vis passing off. While referring to the judgment rendered in M/s Jawahar Engineering Co.'s case (supra), he submits that judgment rendered by the Division Bench in Jawahar Engineering has not been set aside in Dhodha House's case (supra), and in this respect, he has referred to paragraph 27 of Dhodha House. Similarly, he has relied upon the other judgments to contend that where there is threat perception in the mind of the trademark holder that offending goods would be sold in the particular area where suit qua infringement of Trademark and violation of the copyright, much less, rendition of accounts is sought, the claim of "Passing Off", would also be maintainable. He, thus, urges this Court for dismissal of the present revision petition with exemplary costs as the petitioner-defendant had moved an application when the case was ripe for argument on interim stay.

In rebuttal, Mr. Gaurav Chopra, has also relied upon the judgment of the Hon'ble Supreme Court rendered in **Indian Performing Rights Society Limited vs. Sanjay Dhalia and others, Civil Appeal No.10643-10644 of 2010.**

I have heard learned counsel for the parties and appraised the paper book and of the view that there is no substance

and plea in the submissions of Mr.Chopra, for the following reasons:-

It would be apt to reproduce the provisions of Section 134 of 1999 Act, and as well as, paragraph 9 of the petition which read thus:-

“Section 134 Suit for infringement, etc. to be instituted before District Court- (1) No suit -

a) for the infringement of a registered trade mark; or
b) relating to any right in a registered trade mark; or
c) for passing off arising out of the use by the defendant of any trade mark which is identical with or deceptively similar to the plaintiff's trade mark, whether registered or unregistered, shall be instituted in any Court inferior to a District Court having jurisdiction to try the suit.

2. For the purpose of Clauses(a) and (b) of sub-section (1), a “District Court having jurisdiction” shall notwithstanding anything contained in the Code of Civil Procedure, 1908 (5 of 1908) or any other law for the time being in force, include a District Court within the local limits of whose jurisdiction, at the time of the institution of the suit or other proceeding, the person instituting the suit or proceeding, or, where there are more than one such persons any of them, actually and voluntarily resides or carries on business or personally works for gain.”

Paragraph 9 of the petition

“9. That earlier the petitioner has applied for mark

“MOHAN'S” in class 30 under application No.865401 in respect of “Namkeen of All Kind in class 30”. Since then his business grew and now petitioner is manufacturer/trader/exporter of Biscuit, Namkeen, Rusk, Sohan Papdi, Gulab Jamun, Rasgulla etc in India as well as outside India. Apart from that the petitioner has also acquired the mark “MOHAN'S” under Trademark application No.1774982 in class 30 by way of assignment deed dated May 22, 2014. The said mark 1774982 was filed in class 30 and claimed user since December 17, 1990 and as a successor in title and business the petitioner acquired all rights in the said mark including the goodwill since as early as year 1990. The assignment request has been allowed and the said application has been accordingly advertised in name of the petitioner herein in TM Journal.”

From perusal of Annexure P-2 (collectively), at page 81 is the packet of Bread Toast Utsav, whereby, the petitioner is selling the Bread Toast under the Trademark “MOHAN'S” had fixed the MRP of the good to be sold in Delhi @ ₹42/- for 300 grams and outside Delhi @ ₹44/-. Now it is un-certainable at this stage of the case whether such product is being sold in Amritsar or not or any other part of India. This fact would be proved only by leading direct and cogent evidence. On perusal of the averments made in paragraph 9 of the petition, extracted supra, it leaves to an irresistible conclusion that the petitioner had shown intention to sell Namkeen of all kinds in

class 30 under the trademark "MOHAN'S" in entire India and as well as, outside India. Since the respondent-plaintiff is aggrieved of the alleged "Passing Off", in my view, once composite suit containing the relief of infringement, copyright and rendition of accounts including passing off the Court had been filed at Court at Amritsar would prima facie have the territorial jurisdiction to decide the same subject to proving the same by leading the evidence, in essence, the petitioner and respondent shall be at liberty to press the issue of territorial jurisdiction when leading evidence in support of the same and, therefore, the trial Court shall decide the same at the time of final arguments but not at this stage by throwing out the suit at threshold. There is no dispute to the ratio decidendi culled out in the judgments relied upon by Mr. Gaurav Chopra, but the fact remains that facts and circumstances of the each case have to be examined independently by relying upon the provisions of Section 134 read with Sections 19 and 20 for sub-section (2) of Section 134 does not prescribe the place of Court for institution of a suit qua "Passing Off", and therefore, the Court will have to resort to the provisions of Sections 19 and 20. Section 20 of the Code of Civil Procedure enables the party to institute a suit at three places:-

"i) the defendant or each of the defendants where there are more than one at the time of the commencement of the suit, actually and voluntarily resides or carries on business or personally works for gain; or

ii) any of the defendants where there are more than one, at the time of the commencement of the suit, actually and

voluntarily resides, or carries on business or personally works for gain, provided that in such case either the leave of the Court is given or the defendants who do not reside, or carry on business, or personally work for gain, as aforesaid, acquiesce in such institution; or

iii) the cause of action, wholly or in part arises.”

For the adjudication of the lis at this stage, I am of the view that Section 20 (c) would come to the rescue of the respondent-plaintiff for the purpose of invoking the jurisdiction of the Court at Amritsar, as prima facie the documents annexed with the plaint and the averments made in the plaint, enable this Court to form an opinion that there is alleged “Passing Off” at Amritsar also but this aforementioned finding is without prejudice to right of the petitioner-defendant which shall be adjudicated later on after determination of the entire controversy between the lis, much less, on issue of territorial jurisdiction. Rather in paragraph 54 of the judgment rendered in Dhodha House's case (supra), the Hon'ble Supreme Court had categorically held that the recourse to the additional forum may be taken if both the cause of action arise within the jurisdiction of the Court which otherwise had necessary jurisdiction to decide all issues. In all the cases relied upon by Mr. Gaurav Chopra, there was a categorical evidence on record to form prima facie view or opinion for the Court that for claiming the relief of passing off alleged infringer was not carrying on any activity within the jurisdiction of a particular Court, where the suit was filed. But as already noticed above, there are certain documents which reveal that the product under the brand

name "MOHAN'S" being sold outside Delhi also.

Keeping in view the aforementioned facts and circumstances of the case, I am of the view that at this stage, no case is made out for allowing the application under Order VII Rule 10 and Rule 11(a) and (d) read with Section 151 of the Code of Civil Procedure and the suit cannot be thrown out at threshold. However, liberty is granted to the petitioner to agitate while seeking framing of issue vis-a-vis territorial jurisdiction. Parties shall be free to lead evidence in support of their case by discharging the onus and in rebuttal. The trial Court shall determine the same at the final stage being mixed question of facts and law.

With the aforementioned observations, the impugned order is affirmed and the revision petition stands dismissed.

Any observation of mine shall not be construed as an expression of merit in the pending suit. Trial Court shall decide controversy without being influenced.

(AMIT RAWAL)
JUDGE

April 07, 2016
savita