

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

IN ITS COMMERCIAL DIVISION

**LEAVE PETITION NO. 38 OF 2017
IN
COMMERCIAL SUIT (LODG.) NO. 44 OF 2017**

Kalpataru Properties Private Limited .. Petitioner/Plaintiff
Vs.
Sri Kalpatharu Housing Private Limited .. Respondent/Defendant

Dr.Abhinav Chandrachud a/w. Ms.Smriti Yadav and Mr.Dhiren Karania i/b
Khaitan and Co. for petitioner/plaintiff.
Mr.Mahesh A. Mahadgut a/w. Ms.Poonam Teddu for respondent/defendant.

**CORAM : K.R.SHRIRAM, J.
DATE : 5TH JULY, 2017**

P.C.

1 Mr.Mahadgut for the respondent/defendant states that in Paragraph 3 of the affidavit in reply, they have raised an issue of jurisdiction on the basis that the plaintiff has its office in Andhra Pradesh also and therefore in view of what is stated in the last paragraph of the judgment of the Apex Court in *Indian Performing Rights Society Ltd. Vs. Sanjay Dalia & Anr.*¹, this Court will not have jurisdiction and the plaintiff will have to necessarily come and file in the Andhra Pradesh Court where the defendant is based and where the plaintiff also has a branch.

2 Mr.Mahadgut relied on a judgment in *Sandeep Gopal Raheja Vs.*

1 2015 (63) PTC 1 [SC]

Sonali Nimish Arora & Ors.² and submitted that once the defendant raises an issue of Section 9A, this Court has to necessarily frame the issue and give a finding. The following issue, therefore, is framed :

(i) Whether this Court has jurisdiction to receive, try and dispose of this suit?

Answer : For, reasons given below, this Court has jurisdiction to receive, try and dispose of this suit.

3 In paragraph 47 of of Sanjay Dalia (Supra) the Supreme Court has not held that if the plaintiff has a branch office or is carrying on business in a place other than the registered office where the cause of action arose, the plaintiff cannot file the suit at the place where his registered office is. The judgment has to be read as a whole to understand the law laid down.

4 Section 134 of the Trade Marks Act, 1999 reads as under :

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

² MANU/MH/1795/2016

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.

Explanation.—For the purposes of sub-section (2), “person” includes the registered proprietor and the registered user.

5 In my view and as held by this Court in ***Manugraph India Ltd. vs. Simarg Technologies Pvt. Ltd. and Ors.***³, the Supreme Court recognized that an additional forum has been provided under Section 134 (2) of the Trade Marks Act, 1999 by including the District Court within whose limits a plaintiff actually and voluntarily resides or carried on business or personally works for gain as a possible place for such a plaintiff to bring a trade mark action. It will be useful to reproduce paragraphs 34, 35 and 36 of *Manugraph India Ltd. (Supra)* which read as under :

“34. Mr. Kane draws my attention to the judgment of another learned Single Judge (Vipin Sanghi J) of the Delhi High Court in RSPL Limited v Mukesh Sharma & Anr.⁷ Mr. Justice Sanghi was of the view that the case before him was unaffected by the Division Bench’s decision in Ultra Home, one he came upon after he reserved judgment in RSPL Ltd. Yet, as a student of law, he set out his reasons for disagreeing with the view of the Division Bench. Mr. Justice Sanghi’s judgment sets out several passages from Sanjay Dalia and he too concludes, as have I, that the Supreme Court recognize that an additional forum had been provided under Section 62(2) and Section 134(2) of the Trade Marks Act, 1999 by including the District Court within whose limits a plaintiff actually and voluntarily resides or carries on business or personally works for gain as a possible place for such a plaintiff to bring a trade mark or copyright action. In paragraph 22 of his decision, Mr. Justice Sanghi summarized the position as it emerges from Sanjay Dalia with admirable precision and concision:

“22. From the aforesaid decision in Indian Performing Rights Society Limited (supra), and the decision cited by the Supreme Court therein, in my opinion, the position that emerges is as follows:

3. AIR 2016 Bom. 217

(a) By resort to Section 134 of the Trade Marks Act and 62 of the Copyright Act, the Plaintiff may institute the suit where the Plaintiff voluntarily resides or carries on business or personally works for gain. In the context of corporation, which includes a company incorporated under the Indian Companies Act, 1956, such a place would be the place where the registered office of the company is situated. Thus, a company can maintain a suit under

Section 134 of the Trade marks Act, or Section 62 of the Copyright Act, at the place where its registered office is situated, irrespective of the fact, whether or not, cause of action has arisen within the jurisdiction of the Court, within whose jurisdiction the registered office of the company is situated.

(b) Section 134 of the Trade Marks Act and Section 62 of the Copyright Act do not take away right of the Plaintiff to institute the suit by resort to Section 20 of the CPC, as Section 134 of the Trade marks Act and Section 62 of the Copyright Act provide an additional forum to the Plaintiff alleging infringement of the registered trademark or copyright, as the case may be. This is clear from the inclusive definition of the expression, 'District Court having jurisdiction' contained in Section 134(2) of the Trade Marks Act and Section 62(2) of the Copyright Act. Thus, the Plaintiff may file a suit for infringement of trademark/copyright either at the place where the Plaintiff voluntarily resides or carries on business or personally works for gain by resort to Section 62 of the Copyright Act and Section 134 of the Trade Marks Act, or at the place where, 'the Defendant, or each of the Defendants where there are more than one, at the time of commencement of the suit, actually and voluntarily resides, or carries on business, or personally works for gain'. [Section 20(a)]; or where 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 [section 20(b)]; or the cause of action wholly or in part, arises [section 20(c)].

(c) The Plaintiff cannot file a suit alleging infringement of trademark/copyright at a place where it has a subordinate office, by resort to

Section 134 of the Trade Marks Act or Section 62 of the Copyright Act, unless one of the conditions of Section 20 CPC are satisfied."

35. I am in most respectful agreement with the views expressed by Mr. Justice Sanghi. In my view, his reading of Sanjay Dalia is correct on all counts.

36. What emerges from this discussion is this:

(a) a plaintiff suing under the Trade Marks Act or Copyright Act can always file the suit in the jurisdiction where he lives, works for gain or carries on business. In the context of a company,

given the view in Sanjay Dalia, this would mean where the company has its principal or registered office. All issues of cause of action and situs or location of the defendant or the cause of action are inconsequential. It makes no difference where the defendant resides. It makes no difference where the cause of action arose. It certainly makes no difference that the plaintiff also happens to have a branch office in another location where the cause of action may have arisen or where the defendant may reside or carries on business.

(b) Where the plaintiff has only one office, it presents no difficulty. Where the plaintiff has multiple offices, however, he has a limited choice. He may either bring a Suit under Section 134(2) or Section 62(2), i.e., within the jurisdiction where he resides; or he may invoke Section 20 and file a suit where the Defendants reside or work for gain or where the cause of action arose wholly or in part. The fact that the Plaintiff has the choice of bringing a suit based on Section 20 of the CPC does not mean that his rights under Section 134(2) or Section 62(2) are in any way eroded, curtailed or restricted.

(c) However, where the plaintiff chooses not to file a Suit at his or its principal business or where his registered office is located, and also chooses not to file a suit in a jurisdiction covered by Section 20 of the CPC but instead attempts to file the suit at some other location where the plaintiff happens to have a subsidiary or satellite office, but where there is absolutely nothing else (neither cause of action nor any of the defendants) the Plaintiff cannot invoke Section 134(2) or Section 62(2) to drag the Defendant to that distant location. That, following the decision of the Supreme Court, is the abuse that is required to be prevented. That is in fact the only abuse that is required to be prevented.

4. The Section 134(2) and Section 62(2) privilege or advantage attaches to the registered office or principal place of work. It is a privilege not to be used by abandoning the registered office situs, abandoning the Section 20 situs options, and travelling to some remote location where there is neither defendant nor cause of action. That is the mischief addressed in Sanjay Dalia. To illustrate: the plaintiff has its registered office in Mumbai. The defendant is in Delhi. The cause of action arose in Delhi. The plaintiff also has another branch office in Port Blair. A plaintiff can sue in Mumbai or in Delhi, but not in Port Blair.”

6 In the circumstances, because the plaintiff has multiple offices, he may either bring a suit under Section 134(2) within the jurisdiction where he resides or carries on business or personally works for gain or he may invoke

Section 20 and file a suit where the defendants reside or work for gain or where the cause of action wholly or in part has arisen. The fact that the plaintiff has the choice of bringing a suit based on Section 20 of the Code of Civil Procedure does not mean that his rights under Section 134(2) are in any way eroded, curtailed or restricted.

Since admittedly, the plaintiff has its registered office in Mumbai and the trade mark has also been registered with the Registrar of Trade Marks in Mumbai, this Court will have jurisdiction.

7 Mr.Mahadgut for the defendant states that without prejudice to the defendant's right to challenge this Court's finding under Section 9A, this Court having come to a conclusion that this Court has jurisdiction, he has no objection if the Leave Petition under Section 14 of the Letters Patent is allowed. Mr.Mahadgut states that in the Appeal Court, if he succeeds in the 9A issue, then he should be granted liberty for applying for revoking this leave granted as well. Leave granted.

8 Leave Petition accordingly disposed.

9 The notice of motion be listed on 10th August 2017 at 3:00 P.M.

(K.R. SHRIRAM, J.)