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IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORDINARY ORIGINAL CIVIL JURISDICTION)

TUESDAY, THE 28TH DAY OF MARCH 2017

THE HON'BLE MR.JUSTICE K.KALYANASUNDARAM

A.Nos. 110, 111 AND 457 of 2017
IN
O.A.No.1099 of 2016
in
C.S.No.921 of 2016

Ms.Maimoona Badsha,
Advocate, D/o.Mr.Habibullah Badsha,
Proprietor,
Badsha Legal,
Apartment 5C, Tall Trees Apartments,
LB Road, Thiruvanmiyur,
Chennai - 600 041 ..Applicant/Plaintiff

-Versus-

1.Mr.Shinu J.Pillai,Advocate
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala

2.Mr.Sachin Joseph, Advocate
C/o.Mr.Shinu J.Pillai,
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala

3.Ms.Suja S, Advocate,
C/o.Mr.Shinu J.Pillai,
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala

4.Indulekha S.P.Advocate,
C/o.Mr.Shinu J.Pillai,
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala

5.Mr.Philip T.Paul, Advocate,
C/o.Mr.Shinu J.Pillai
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala

6.Badsha & Co.,
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala ..Respondents/Defendants

O.A.No.1099 of 2016:

Original Application praying that this Hon'ble Court be pleased to grant an interim injunction, restraining the respondents, by themselves, their servants, agents, men or anyone claiming through them from rendering, offering, or advertising their legal services using the mark BADSHA/BADSHA & Co., or similar sounding marks in the course of their legal services on sign boards, letter heads, visiting cards, envelopes, stationery, website www.badsha.co.in or in any other manner and pass of their legal services using the Trade Mark BADSHA/BADSHA & Co. as and for legal services under trademark BADSHA of the Applicant or enable others to pass off pending disposal of the above suit.

A.No.110 and 111 OF 2017:-

1.Mr.Shinu J.Pillai,Advocate
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala

2.Ms.Suja S, Advocate,
C/o.Mr.Shinu J.Pillai,
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala

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3.Badsha & Co.,
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala

..Applicants/Respondents-
Defendant Nos. 1,3 & 6.

-Vs.-

1. Ms.Maimoona Badsha,
Advocate, D/o.Mr.Habibullah Badsha,
Proprietor,
Badsha Legal,
Apartment 5C, Tall Trees Apartments,
LB Road, Thiruvanmiyur,
Chennai - 600 041.

..Respondent/Applicant/Plaintiff

2. Mr.Sachin Joseph, Advocate
C/o.Mr.Shinu J.Pillai,
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala

3. Indulekha S.P.Advocate,
C/o.Mr.Shinu J.Pillai,
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala

4.Mr.Philip T.Paul, Advocate,
C/o.Mr.Shinu J.Pillai
B2, May Fair, Chakola Colony Road,
Thevara, Cochin - 682 015
Kerala. ... Respondents/Respondents/
Defendants 2 ,4 & 5

A.No.110 OF 2017:-

Application praying that this Hon'ble Court be pleased to revoke/vacate the leave granted under section 12 of the letters patent vide Application No. 6365 of 2016 on 30.11.2016 enabling the plaintiff to file the suit C.S.No.920 of 2016 before the Hon'ble Court.

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A.No.111 OF 2017:-

Application praying that this Hon'ble Court be pleased to vacate the order passed on 02.12.2016 in O.A.No.1099 of 2016 in C.S.No.921 of 2016 as against the applicants/defendants Nos.1, 3 and 6.

A.No.457 OF 2017:-

Application praying that this Hon'ble Court be pleased to reject the plaint and dismiss the suit bearing C.S.No.921 of 2016 with costs.

These applications and original Application coming on this day before this court for hearing the court made the following order:

The applicants are defendants 1, 3 and 6 in the suit filed for passing off arising out of the use of BADSHA & Co.

2. C.S.No.921 of 2016 is filed for permanent injunction, restraining the defendants from rendering, offering or advertising their legal services using the mark BADSHA / BADSHA & Co. or similar sounding marks in the course of the legal services on sign boards, letter heads, visiting cards, envelopes, stationery, website www.badsha.co.in, or in any other manner and pass their legal services using the trade mark BADSHA / BADSHA & Co. as and for legal services under trademark BADSHA of the plaintiff or enable others to pass of and for directing the respondents to surrender their trademark BADSHA / BADSHA & Co.

3. The case of the plaintiff is that she is a

daughter of a renowned Senior Advocate of Madras High Court. He served as a Senior Central Government Standing Counsel, a Public Prosecutor for the State of Tamil Nadu and Senior Special Public Prosecutor for Customs between 1969 and 1980. The plaintiff's father has handled very high profile cases and several judges of this High Court were elevated from his office. Since the date of his enrollment on 11.11.1957, the name Badsha has been associated with quality legal service. The plaintiff is a successor to Mr.Habibullah Badsha's legal practice and also to the name of Badsha used with respect to legal practice.

4. The plaintiff has further stated that in the year 2005, she started a Law Office, in Cochin, Kerala under the name and style of "Badsha and Marikar"; in 2008 she changed it into "BADSHA & Co."; that she returned to Chennai to expand her practice and continued to use the name "BADSHA & Co." with reference to her law practice in Chennai and in 2008, she changed "BADSHA & Co." to "BADSHA LEGAL" and continues to practice under the name "BADSHA LEGAL". The plaintiff and her father are proprietors of the Mark "BADSHA" and the Mark is associated with the plaintiff and her father alone and none else.

5. The plaintiff would further state that in the year 2008, the plaintiff's junior-fifth defendant

requested that few of his associates and colleagues wished to use the office premises and as a gesture of goodwill, she did not object the name "BADSHA & Co." In the year 2012, the fifth defendant shifted to Chennai, therefore, the plaintiff requested him to close the Cochin Office, but he sought time for transit and once again she allowed the defendant to continue to use the name BADSHA. In the year 2015, the fifth defendant resigned from the plaintiff's office and left for Abu Dhabi. The plaintiff became aware that the defendants Trademark "BADSHA & Co." with Logo advertised in Trade Mark Journal, dated 11.07.2016 and also learnt about the defendants website www.badsha.co.in and that they are having a branch office at Chennai. So notice of objection has been filed against the registration of the said Trademark.

6. The plaintiff has alleged that the defendants are using the Trademark "BADSHA & Co." with mala-fide and deceptive manner, which would amount to deception and confusion in the mind of the public. The fraudulent attempt of the defendants to ride on the plaintiff's reputation, will harm goodwill of the plaintiff and will result in loss of reputation, as a result of passing off takes place.

7. The plaintiff filed application No.6365 of 2016 seeking leave to sue the defendants. It was allowed on

30.11.2016. Along with the plaint, the plaintiff filed O.A.No.1099 of 2016, seeking interim injunction, which was granted on 02.12.2016.

8. Application No.110 of 2016 is filed to revoke the leave granted to the plaintiff in Application No.6365 of 2016. The applicants have also filed Application No.111 of 2016 to vacate the interim injunction granted in O.A.No.1099 of 2016 on 02.12.2016. The applicants have filed O.A.No.457 of 2017 to reject the plaint under Order VII rule 11 and Order I Rule 9 of C.P.C.

9. The applicants / defendants 1, 3 and 6 would contend that there is no mark as BADSHA / BADSHA & Co. as that of the plaintiff. There is absolutely no evidence of existence of mark "BADSHA & Co.", belonging to the plaintiff or its use by the plaintiff and establishment of goodwill and reputation approving the plaintiff by such use. It is further contended that the defendants reside and work in Cochin, Kerala. Hence an action of passing off under Section 134 (1)(C) of Trademarks Act, can be instituted only before the District Court having jurisdiction in the state of Kerala. Since no cause of action has arisen in Chennai, the suit is not maintainable.

10. Mr.S.P.Vijayaraghavan, learned counsel for the applicants would submit that there should be a mark belonging to the plaintiff and by using of the mark,

generated goodwill and repute in respect thereof to the plaintiff. Further there must be a misrepresentation made by the applicants in the course of their legal profession to the clients of the plaintiff to cause injury to the business or goodwill of the plaintiff. These basic ingredients are absent in this case. Further, there is no supporting document filed by the plaintiff.

11. The learned counsel would further submit that admittedly the plaintiff does not hold any registration for the alleged mark BADSHA / BADSHA & Co. and therefore, only action under law of Trademark in respect of an unregistered Trademark is passing off, which is governed under Section 134 (1)(c) of Trademarks Act; that Section 134 of the Act clearly distinguishes the rights exercisable in case of a registered mark and in case of unregistered mark. The registered Proprietor of the mark can sue for infringement action under Section 134 (1)(a) (b). Such suit would lie before the District Court having jurisdiction within the local limit where the plaintiff actually and voluntarily resides or carries on business or professionally work for gain, but in the case of passing off action under Section 134(1)(c), the suit would lie before the District Court having jurisdiction within the local limits of whose jurisdiction, at the time of instituting of suit, the defendant actually and voluntarily resides or carries on business or personally

work for gain, which is similar to Section 20 of CPC. The suit filed before this Court drawing jurisdiction based on a non-interactive website of the defendants, is not maintainable. The learned counsel in support of his contentions has relied upon the following judgments:-

(i) ***2010 (42) PTC 361, Banyan Tree Holding (P) Limited vs. A.Murali Krishna Reddy & Anr.***

(ii) ***In 2015 (63) PTC 188 [United Phosphorus Limited Vs. Ajay Garg & Anr.]***

(iii) ***In 2015 (63) PTC (1) [Indian Performing Rights Society Ltd. vs. Sanjay Dalia and anr.]***

(iv) ***A.Nos.2025, 1633 and 1634 of 2009 and O.A.No.460 of 2008 in C.S.No.422 of 2008, dated 14.09.2009***

12. Per contra Mr.R.Krishnamoorthi, learned Senior Counsel for the respondent / plaintiff referring to the counter, would submit that the plaintiff operated legal practice under the name and style of BADSHA / BADSHA & Co. in Kochin and maintained Office at B-2, MayFair, Chakola Colony Road, Thevara, Cochin. The fifth defendant was the plaintiff's junior and he introduced the first defendant to the plaintiff seeking to associate him with the plaintiff's office. The plaintiff shifted to Chennai in 2008 and thereafter, the plaintiff requested the

defendants to close the Cochin Office and to stop using the name of BADSHA & Co. But, the defendants continued to use the name BADSHA & Co. without the plaintiff's permission, from the very same premises, where the plaintiff had maintained the office in Cochin.

13. The learned Senior Counsel would further submit that the documents filed by the plaintiff would show that she is entitled for relief sought for in the suit and with regard to jurisdiction, since the defendants have not denied the ownership of the website nor their statement in their website that they have an office in Chennai. Since the defendants are carrying on profession within the jurisdiction of this Court, the present suit is maintainable. The learned Senior counsel placed reliance on the decisions reported in ***2008 (37) PTC 269, 2013 (56) PTC 372*** and ***1994 (2) SCC 44***8 in support of his contentions.

14. The sole issue arises for consideration in A.No.110 of 2017 is whether this Court has jurisdiction to entertain the suit.

15. In the cause of action paragraph 7 of the plaint, it is alleged that the defendants are having their branch office at Chennai and the same is evident from their website www.badsha.co.in and they are rendering legal services at Chennai to institute the suit

before this Court.

16. It is the specific case of the applicants that they are carrying on their profession at Cochin, Kerala and in view of Section 134 (1)(C) of the Act, the present suit cannot be instituted in Chennai.

17. Indisputably, the plaintiff mainly relies on the website of the defendants to contend that a part of cause of action had arisen within the jurisdiction of this Court. Admittedly, the plaintiff has not made any other statement nor produced any material to substantiate her case that the respondents are rendering legal service at Chennai.

18. Section 134 (1) of the Act reads as follows:

"(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."

19. Section 20 of Civil Procedure Code would run thus:-

"(a) 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

(b) 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

(c) the cause of action, wholly or in part, arises."

20. The Calcutta High Court in ***AIR 1949 Calcutta 495***

(***Madanlal Jalan vs Madanlal and others)***, has laid down the principles governing discretion of the Court under Clause 12 of the letters patent, which would run thus:-

> *"(a) that an application lies for revoking leave granted under cl. 12 of the Letters Patent;*
>
> *(b) that such an application should be made at an early stage of the suit and delay and acquiescence may be a bar to such an application;*
>
> *(c) that if the application depends on difficult questions of law or fact the Court should not revoke leave on a summary application but should decide the question at the trial;*
>
> *(d) that if the Defendant shows clearly that no part of the cause of action arose within juris diction, the leave should be revoked as a matter of course;*
>
> *(e) that if only a part of the cause of action arose within jurisdiction, then it is a question of discretion for the Court to give or refuse leave or where leave has already been granted to revoke or maintain the leave;*
>
> *(f) that assignment is a very important part of the cause of action in a suit by the assignee;*
>
> *(g) that in giving or refusing leave or maintaining or revoking leave the Court will ordinarily take into consideration the balance of convenience and may, if the balance is definitely in favour of the Defendant, apply*

the doctrine of forum conveniens;

(h) that the Court may refuse leave or revoke leave on the ground of balance of convenience although there be no evidence of bad faith or abuse of process on the part of the Plaintiff;

(i) that if the cause of action is founded on an assignment within jurisdiction of a negotiable instrument, the Court will, in recognition of the principle of negotiability, insist on a far greater degree of balance of convenience in favour of the Defendant and will more readily give or maintain leave than in other cases of assignment;

(j) that if the Court is satisfied that the suit has been filed mala fide for the purpose of harassing or oppressing the Defendant or might result in injustice the Court should in all cases readily refuse leave or if leave has already been granted revoke the leave as a matter of course."

21. The view taken by the Calcutta High Court was approved by the Hon'ble Apex Court in the judgment reported in ***2004 6 SCC 254 [Kusum Ingots and Alloys Ltd. Vs. Unioin of India and another]***

22. Similar issue arose before the Delhi High Court,

whether the hosting of universally accessible interactive/passive website would give a cause of action for a Court to decide the passing off action or infringement action. The Division Bench of Delhi High Court in ***Banyan Tree Holding (P) Limited vs. A.Murali Krishna Reddy & Anr.*** reported in ***2010 (42) PTC 361***, framed the following questions for consideration:-

> *"(i) For the purposes of a passing off action, or an infringement action where the Plaintiff is not carrying on business within the jurisdiction of a court, in what circumstances can it be said that the hosting of a universally accessible website by the Defendants lends jurisdiction to such Court where such suit is filed ("the forum court")?*
>
> *(ii) In a passing off or infringement action, where the defendant is sought to be sued on the basis that its website is accessible in the forum state, what is the extent of the burden on the Plaintiff to prima facie establish that the forum court has jurisdiction to entertain the suit?*
>
> *(iii) Is it permissible for the Plaintiff to establish such prima facie case through "trap orders" or "trap transactions"?"*

The Division Bench after considering a number of decisions on this point, in paragraph No.58 answered thus:-

"58. We summarise our findings on the questions referred for our opinion as under:
Question (i): For the purposes of a passing off action, or an infringement action where the Plaintiff is not carrying on business within the jurisdiction of a court, in what circumstances can it be said that the hosting of a universally accessible website by the Defendants lends jurisdiction to such Court where such suit is filed ("the forum court")?
Answer: For the purposes of a passing off action, or an infringement action where the Plaintiff is not carrying on business within the jurisdiction of a court, and in the absence of a long-arm statute, in order to satisfy the forum court that it has jurisdiction to entertain the suit, the Plaintiff would have to show that the Defendant "purposefully availed" itself of the jurisdiction of the forum court. For this it would have to be prima facie shown that the nature of the activity indulged in by the Defendant by the use of the website was with an intention to conclude a commercial transaction with the website user and that the specific targeting of the forum state by the Defendant resulted in an injury or harm to the Plaintiff within the forum state.
Question (ii): In a passing off or infringement action, where the defendant is sought to be sued on the basis that its website is accessible in the forum state, what is the extent of the burden on the Plaintiff to prima facie establish that the forum court has

jurisdiction to entertain the suit?

Answer: For the purposes of Section 20 (c) CPC, in order to show that some part of the cause of action has arisen in the forum state by the use of the internet by the Defendant the Plaintiff will have to show prima facie that the said website, whether euphemistically termed as "passive plus" or "interactive", was specifically targeted at viewers in the forum state for commercial transactions. The Plaintiff would have to plead this and produce material to prima facie show that some commercial transaction using the website was entered into by the Defendant with a user of its website within the forum state resulting in an injury or harm to the Plaintiff within the forum state.

Question (iii): Is it permissible for the Plaintiff to establish such prima facie case through "trap orders" or "trap transactions"?

Answer: The commercial transaction entered into by the Defendant with an internet user located within the jurisdiction of the forum court cannot possibly be a solitary trap transaction since that would not be an instance of "purposeful" availment by the Defendant. It would have to be a real commercial transaction that the Defendant has with someone not set up by the Plaintiff itself. If the only evidence is in the form of a series of trap transactions, they have to be shown as having been obtained using fair means. The Plaintiff seeking to establish jurisdiction on the basis

of such trap transactions would have to aver unambiguously in the plaint, and also place along with it supporting material, to prima facie show that the trap transactions relied upon satisfy the above test."

23. ***In 2015 (63) PTC 188 [United Phosphorus Limited Vs. Ajay Garg & Anr.],*** a Single Judge of Delhi High Court has followed the dictum of the Division Bench made in ***Banyan Tree Holding (P) Limited vs. A.Murali Krishna Reddy & Anr.*** **(referred above)**

24. ***In 2015 (63) PTC (1) [Indian Performing Rights Society Ltd. vs. Sanjay Dalia and anr.]*** the Hon'ble Apex Court while deciding the jurisdiction of a Court under the provisions of Section 62 of Copyright Act and Section 134 of the Trademarks Act has held as follows:-

"21. The provisions of Section 62(2) of the Copyright Act and Section 134 of the Trade Marks Act are pari materia. Section 134(2) of the Trade Marks Act is applicable to clauses (1) and (b) of Section 134 (1) of the Trade Marks Act. Thus, a procedure to institute suit with respect to Section 134(1)(c) in respect of "passing off" continues to be governed by Section 20 of CPC."

25. In similar facts, this Court in ***A.Nos.2025, 1633***

and 1634 of 2009 and O.A.No.460 of 2008 in C.S.No.422 of 2008, dated 14.09.2009, following the judgments made in ***Parle Products Pvt. Ltd., Vs. Surya Food & Agro Ltd.,*** reported in ***2007 (35) PTC 542 (Mad)*** and ***2007 (35) PTC 774 (Mad),*** held that no part of cause of action had arisen within the jurisdiction of this Court and the plaintiff has not made out a case to entertain the suit.

26. I would like to consider the judgments referred by the learned Senior Counsel for the respondents. In 2008 37 PTC 269, the plaintiff in that case had the principle place of business at Bangalore, but filed the suit at Chennai by virtue of the Branch Office situated at Chennai. The Division Bench of this Court has observed that if a branch office of the plaintiff is situated within the jurisdiction of Chennai, there is no need to obtain leave to sue under clause 12 of letters patent.

27. The Delhi High Court in ***2013 (56) PTC 372*** and in ***2012 (51) PTC 293,*** has held that where the defendants previously associated with the plaintiff and thereafter setup on their own using the same name, it would show malafides on the side of the defendants and injunction was granted. The same view was taken in the case of ***Prakash Road lines vs. Prakash Parcel Services Ltd.*** reported in ***PTC (Suppl) (2) 177.***

28. In ***1994 (2) SCC 448,*** the Hon'ble Supreme Court

has held that there can be only one mark, one source and one proprietor. It cannot have two origins. Even the joint proprietor must use the trademark jointly for the benefit of all. It cannot be used in rivalry and in competition with each other.

29. There is absolutely no quarrel over the propositions laid down in the decisions relied on by the learned Senior counsel for the respondents, but in my considered opinion, they cannot be applied to decide the issue involved in A.No.110 of 2017.

30. The Division Bench of the Delhi High Court in Banyan Tree Holding Pvt. Ltd. (supra) has held that the plaintiff will have to show prima facie that the website was specifically targeted at viewers in the forum state for commercial transaction. Further, the plaintiff would have to plead this and produce material to prima facie show that commercial transaction using the website was entered into by the defendant with the use of its website within the forum state resulting in an injury or harm to the plaintiff within the forum state.

31. It is not in dispute that the present suit is governed by Section 134(1)(c) of the Trade Marks Act. The recent judgment of the Hon'ble Apex Court in ***2015 (63) PTC 1*** would make it clear that the procedure to institute a suit with respect to Section 134 (1)(C) in

respect of passing off continuous to be governed by Section 20 of CPC. In the case on hand, the plaintiffs except making bald and vague statement that the defendants have hosted the website and they are rendering legal services at Chennai, no specific averment found in the plaint where actually the respondents are having their office in Chennai and by using the website commercially, the defendants targeted the clients of the plaintiff, thereby caused injury and harm to the plaintiff. As rightly contended by the learned counsel for the defendants that even in the plaint, the plaintiff has given Cochin address of the defendants for service of suit summons.

32. Keeping in mind the principles laid down in the judgments referred above and the facts of this case, I have no hesitation in holding that no part of cause of action had arisen within the jurisdiction of this Court. Though rival submissions have been made on the merits of the case, they are left open to be decided by the competent Court, since I have already taken the view that this Court has no territorial jurisdiction to entertain the suit.

33. In the result, Application No.110 of 2017 is allowed. The Registry is directed to return the plaint to the plaintiffs to enable her to institute the suit before the appropriate forum. The application No.457 of 2017 is

closed. Since leave granted to the plaintiff is revoked, the interim injunction already granted cannot be continued. Hence, the application No.111 of 2017 seeking to vacate the interim injunction is allowed. The injunction application O.A.No.1099 of 2016, stands dismissed. No costs.

sd/.M.K.K.S.J

28.03.2017

//Certified to be a true copy//

Dated this the day of 2017

COURT OFFICER

From 25.09.2008 the Registry is issuing certified copies of the Order/Judgment Decree in this format.