

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY AND ORIGINAL CIVIL JURISDICTION
IN ITS COMMERCIAL DIVISION**

**LEAVE PETITION NO.405 OF 2016
IN
COMMERCIAL IP SUIT NO.23 OF 2008**

Siyaram Silk Mills Limited

....Petitioner

Vs.

Stanford Siyaram Fashion Pvt. Ltd. & Ors.

....Respondents

Dr. Birendra Saraf a/w. Mr. Rashmin Khandekar, Mr. Minesh Andharia, Ms. Janhvi Chadha, Mr. Hemant Thadhani and Mr. Jay Shah i/b. Krishna and Saurastri Associates for petitioner/plaintiff.

Mr. Hemang Engineer i/b. M/s. Gordhandas and Fozdar for respondents/defendants.

CORAM : K.R.SHRIRAM, J.

DATE : 11th JUNE 2019

P.C.:

1 This is a petition under Clause 14 of the Letters Patent of High Court at Bombay to combine the cause of action of infringement of trademark with the cause of action of passing off.

2 Petitioner has its principal office in Mumbai at the address mentioned in the cause title. Respondent no.1 is a company registered in Delhi and respondent nos.2 and 3 are Directors of respondent no.1. This suit has been filed complaining against the acts of infringement of petitioner's name and mark "SIYARAM" allegedly committed by respondents by using similar name and mark "SIYARAM" as part of respondent no.1's name "STANFORD SIYARAM FASHION PRIVATE LIMITED". The suit is also filed

complaining against alleged wrongful acts of passing off committed by respondents by using the impugned trading name, *inter alia*, containing the word “SIYARAM” as an essential feature of its corporate name, trading name and trading style and also by conducting the business under the said name and mark “SIYARAM” and for other reliefs.

3 Petitioner is the proprietor of a registered trademark “SIYARAM” under the erst while Trade and Merchandise Marks Act, 1958 in class 24 as of 30th December 1986. Petitioner is also the registered proprietor of “SIYARAM'S” as of 19th October 1998 and 26th November 1998 etc. It is petitioner's case that by virtue of its registrations it is entitled to exclusively use the said name and mark “SIYARAM” in respect of and/or in relation to goods including textile piece goods, fabrics etc. According to petitioner, defendant is carrying on identical business and using the same name and mark, *inter alia*, containing the word “SIYARAM”.

4 The suit on the claim of infringement of trademark has been stayed in view of a rectification filed by plaintiff against the registration granted to defendant. Dr. Saraf states, relying upon a judgment of learned Single Judge of this Court (S.J. Kathawalla, J.) in the matter of ***S. Narendra Kumar and Company V/s. Apricot Foods Private Limited***¹, that even if the suit for trademark infringement has been stayed due to rectification, that

1. Chamber summons no.1319 of 2012 in suit no.604 of 2010 pronounced on 29.05.2013.

will not prevent plaintiff from pursuing its suit on the cause of action for passing off.

5 Mr. Engineer submits that since defendant's mark is also registered, this Court lacks inherent jurisdiction to entertain or try the suit for infringement and if that is so, the question of granting leave under Clause 14 cannot arise. This identical objection has been considered by this Court in *M/s. Apricot Foods Private Limited V/s. M/s. S. Narendra Kumar and Company*² and *M/s. Siyaram Silk Mills Limited V/s. M/s. Shree Siyaram Fab Private Limited*³. In all these judgments the Court has come to a conclusion that the submissions of defendant as noted above cannot be sustained that the cause of action for passing off, which at the time of filing of the suit was outside Mumbai, cannot be clubbed with the suit for infringement.

6 It will be useful to reproduce the relevant portions from the three judgments which read as under :

(1) *S. Narendra Kumar and Company (Supra)* -

7. The Defendant has further contended that the Suit, as originally filed, did not lie and was barred by law in view of the fact that the Defendant had registered the mark "EVEREST". It is also the Defendant's contention that since the passing off, as originally pleaded, was outside Mumbai, the entire Suit, as originally filed, was defective and not maintainable and this alleged vested right was sought to be taken away by the amendment. In this connection, the Defendant has relied upon Sections 28 (3), 29 (2) and 30 (2) (e) of the Act to contend that the Suit for infringement cannot lie and is barred by

2. Appeal (lodging) no.378 of 2013 in suit no.604 of 2010 dated 21.12.2013

3. Notice of motion no.50 of 2012 in suit no.2727 of 2011 dated 13.01.2012

law. The Plaintiff, in response to the submission, has correctly submitted that this contention of the Defendant is based on a complete misreading of the Act. None of the aforesaid provisions incorporate any bar on filing of a suit for infringement in a case where the Defendant's mark is also registered. In fact, the Defendant's submission cannot be accepted in view of Section 124 of the Act which clearly states that in a suit for infringement of a trademark, where the Defendant raises a defence under Section 30 (2) (e) of the Act to the effect that the Defendant's mark is also registered and the Plaintiff pleads the invalidity of the Defendant's mark, the Court trying the suit shall, if any proceedings for rectification of the Register in relation to the Plaintiff or Defendant's trademark be pending before the Registrar or before the Appellate Board, stay the suit pending the final disposal of such proceedings. In Section 124 (5) of the Act, it is clarified that the stay of the suit for infringement of a trademark under Section 124 of the Act shall not preclude the Court from making any interlocutory order during the period of the stay. In the present case, the Plaintiff's application for rectification of the register in relation to the Defendant's mark is pending. Section 124 of the Act thus clearly shows that a suit for infringement is not barred by the mere fact that the Defendant's mark is also registered. In fact, the said provision clearly contemplates that a suit can be filed and would lie. The course of action to be adopted in such a suit is also provided for.

8. The response of the Defendant to Section 124 of the Act, viz. that it does not confer any jurisdiction upon and/or enable the Court to entertain a suit for infringement against the registered Proprietor of the allegedly offending mark, runs contrary to the fundamental principle that the jurisdiction of a Court is not excluded unless barred. As correctly submitted on behalf of the Plaintiff, the Defendant has not disclosed any bar to the filing of a suit for infringement in circumstances where the Defendant's mark is also a registered mark.

9. Consequently, the contention of the Defendant that the Suit for infringement was barred and therefore the cause of action for passing off, which at the time of the filing of the Suit was outside Mumbai, cannot be clubbed with the suit for infringement, cannot be accepted.

(2) M/s. Apricot Foods Private Limited (Supra)

7. A similar contention was raised before one of us (S.J. Vazifdar, J.) in *Siyaram Silk Mills vs. Shree Siyaram Fab Pvt. Ltd.* (2012) 5 BCC 306. The contention was rejected on several grounds. It was held that section 29 merely enumerates the circumstances in which a registered trademark is infringed but does not prohibit the filing of the suit for infringement merely because the defendant's mark is also registered. The defendant's mark being registered does not bar the inherent jurisdiction of the Court to try an action for infringement. It merely provides a defence to an infringement action, but does not bar the filing of the suit. It was also held that section 124 of the Act was a complete answer to the defendant's contention as it expressly recognizes the right to file an infringement action even if the defendant's

mark is registered. That section 124 recognizes the right to file such an action is clear from the fact that it provides that such an action may be stayed if it otherwise satisfies the provisions thereof. An appeal against the judgment was dismissed.

(3) M/s. Siyaram Silk Mills Limited (Supra)

3. The suit is filed for infringement and passing off. Leave under clause XIV of the Letters Patent has been sought but not obtained as yet. The contention in support of this notice of motion is that as the defendants' mark is also registered, this Court lacks inherent jurisdiction to entertain or try the suit for infringement. If that is so, the question of granting leave under clause XIV cannot arise.

.....

5. The words in section 29, underlined by me were relied upon in support of the submission. The submission is not well founded. Section 29 enumerates the circumstances in which a registered trade mark is infringed. I will presume that the effect of the underlined words is that even if the other factors exist a mark cannot be said to be infringed by the mark in question if it is registered to wit the act of infringement does not extend to persons whose marks are also registered. Section 29 however does not prohibit the filing of a suit for infringement merely because the defendants' mark is also registered. The defendants' mark being registered does not bar the inherent jurisdiction of the Court to try an action for infringement. Section 29 provides a defence to an infringement action but does not bar the filing of the suit. It may well be that the suit would be dismissed or interim reliefs may be rejected on the ground that the defendants' mark is also registered. That however, is an entirely different matter. It does not affect the inherent jurisdiction of the Court to entertain the action.

6. For the same reasons, section 30(2)(e) also does not bar the filing of a suit for infringement merely because the defendants' mark is also registered. Section 30(2)(e) reads as under :-

"30. Limits on effect of registered trade mark.—

(2) A registered trade mark is not infringed where—

(e) the use of a registered trade mark, being one of two or more trade marks registered under this Act which are identical or nearly resemble each other, in exercise of the right to the use of that trade mark given by registration under this Act."

While section 30(2)(e) provides a defence to an action for infringement it does not bar the institution of a suit for infringement.

9. Section 124 of the Act which is a complete answer to the defendants' contention reads as under :-

“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 Appellate Board, 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 Appellate Board 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.”

10. Section 124 expressly recognizes the right to file an action for infringement even if the defendants' mark is registered. Whether or not the plaintiff has challenged the defendants' registration as yet or not is not relevant. Section 124 establishes that the legislature did not intend prohibiting the filing of a suit for infringement merely because the

defendants' mark is also registered. Section 124 in fact expressly recognizes the right to file such an action. This is clear from the fact that section 124 provides that such an action may be stayed, if it otherwise satisfies the provisions thereof. If it were not so, the Act would have provided for a bar to the filing of such an action.

7 Therefore, the contention of defendant that the suit for infringement was barred and therefore, the cause of action for passing off, which at the time of filing of the suit was outside Mumbai, cannot be clubbed with the suit for infringement, cannot be accepted.

8 In the circumstances, leave under Clause 14 has to be granted and is hereby granted.

9 Leave petition accordingly stands disposed.

(K.R. SHRIRAM, J.)