

IN THE HIGH COURT AT CALCUTTA
ORIGINAL SIDE
Intellectual Property Rights Division

BEFORE:

The Hon'ble JUSTICE RAVI KRISHAN KAPUR

IA NO. GA-COM/1/2025
In IP-COM/47/2025

NEELAM GUPTA
Vs
ESME CONSUMER PRIVATE LIMITED AND ANOTHER

For the petitioner : Mr. Subhasish Sengupta, Adv.
Mr. Akash Munshi, Adv.
Mr. Aditya Rattan Tiwary, Adv.

For the respondent no.1 : Mr. Soumya Ray Chowdhury, Adv.
Mr. Sarosij Dasgupta, Adv.
Mr. Sumit Biswas, Adv.
Mr. Aakash Mukherjee, Adv.
Ms. Samina Khanum, Adv.
Ms. Rajashree Boowmick, Adv.

Heard on : 30.01.2026

Judgment on : 30.01.2026

Ravi Krishan Kapur, J.:

1. This is a suit filed for groundless threats of legal proceedings under section 142 of the Trade Marks Act 1999 and section 60 of the Copyright Act, 1957.
2. Briefly, the petitioner claims to be a bona fide adopter, proprietor and registered owner of the trademark "GRACE HEAVEN". It is alleged that the petitioner had obtained registration as far back as in 2019 and has been using the same continuously, extensively and uninterruptedly in relation to cosmetics and allied goods. The petitioner also has a distinctive trade dress, stylized artistic logo and unique representation of the mark "GRACE HEAVEN".

3. The respondent no.1 is the registered proprietor of the trademark “BLUE HEAVEN” also in respect of cosmetic products and carries on similar business based out of Haryana. This suit has been instituted in view of a cease-and-desist notice dated 4 September, 2025 issued by the respondents to the petitioner. By the impugned notice, the petitioner alleges that the respondent no.1 has made groundless threats of legal proceedings without any basis at all. Upon receipt of the notice dated 4 September, 2025, the petitioner without responding to the same has filed the instant suit for groundless threats and for consequential reliefs.
4. In the suit, the petitioner seeks interlocutory reliefs. It is only after the filing of the suit that the petitioner on 26 September 2025 replied to the notice dated 4 September 2025. Upon receipt of the response, the respondent no.1 has filed a suit being CS-(COM)/476/2025 (*Esme Consumer Pvt. Ltd. vs. Neelam Gupta & Anr.*) before the Commercial Court at Saket, New Delhi, *inter alia* for infringement of trademark and copyright.
5. On behalf of the respondent no.1, it is submitted that in view of the express mandate of section 142 of the Trademarks Act 1999 and section 60 of the Copyright Act 1957 upon the filing of the subsequent suit for infringement of trademark and copyright before the Commercial Court at Saket, New Delhi, this suit is liable to be dismissed and should not be proceeded with any further. In support of such contentions, the respondent no.1 relies on *Music India Ltd. vs. Super Cassettes Industrial Pvt. Ltd. & Ors.* MANU/MH/0827/1987, *Super Cassette Industries Ltd. vs. Bathla Cassettes India (P) Ltd.* AIR 1994 DEL 237, *Manya Vejju vs. Sapna Bhog,* MANU/MH/5031/2023, *Chancery Pavilion vs. Indian Performing Rights*

Society Ltd & Ors. MANU/KA/3404/2023, M/s. Arjies Aluminim Udyog vs. Sudhir Batra, New Delhi (AIR 1997 Del 232) M.K. Rao Family Trust and Ors. vs. Zippy Edible Products Pvt. Ltd. & Ors. MANU/TL/0417/2022, The Chartered Institute of Taxation vs. Institute of Chartered Tax Advisers of India Ltd., 2019(80) PTC 378, Vortex Engineering Pvt. Ltd. vs. NCR Financial Solutions Group Ltd., 2013 (54) PTC 196 and Zee Entertainment Enterprises Ltd. vs. Saregama India Ltd. (2017) 70 PTC 209].

6. On behalf of the petitioner, it is submitted that notwithstanding the filing of the subsequent suit for infringement, this suit cannot be dismissed at this stage without a formal application for rejection of plaint under Order VII Rule 11 of the Code of Civil Procedure, 1908. It is conceded that though no reliefs can be granted in respect of the groundless threats, the prayer for damages survive and hence the suit can always be proceeded with. It is further contended that the suit is not one for groundless threats simpliciter and the prayer for damages takes the same outside the purview of the above sections. In any event, there can be no partial rejection of the plaint. In support of such contention, the petitioner relies on *Radio Today Broadcasting Ltd. vs. Indian Performing Rights Society Ltd. & Ors.* 2008 SCC OnLine Calcutta 969; *Central Bank of India vs. Smt. Prabha Jain & Ors.* in Civil Appeal no. 1876 of 2016 passed on 09.01.2025; and *Vinod Infra Developers Ltd. vs. Mahaveer Lunia & Ors.* 2025 SCC Online SCC 1208.
7. For convenience, section 142 of the Trademarks Act, 1999 is set out below:

142. Groundless threats of legal proceedings.—(1) Where a person, by means of circulars, advertisements or otherwise, threatens a person with an action or proceeding for infringement of a trade mark which is registered, or alleged by the first-mentioned person to be registered, or with some other like proceeding, a person aggrieved may, whether the person making the threats is

or is not the registered proprietor or the registered user of the trade mark, bring a suit against the first-mentioned person and may obtain a declaration to the effect that the threats are unjustifiable, and an injunction against the continuance of the threats and may recover such damages (if any) as he has sustained, unless the first-mentioned person satisfies the court that the trade mark is registered and that the acts in respect of which the proceedings were threatened, constitute, or, if done, would constitute, an infringement of the trade mark.

(2) The last preceding sub-section does not apply if the registered proprietor of the trade mark, or a registered user acting in pursuance of sub-section (1) of section 52 with due diligence commences and prosecutes an action against the person threatened for infringement of the trade mark.

(3) Nothing in this section shall render a legal practitioner or a registered trade marks agent liable to an action under this section in respect of an act done by him in his professional capacity on behalf of a client.

(4) A suit under sub-section (1) shall not be instituted in any court inferior to a District Court."

8. A similar provision is also to be found in section 60 of the Copyright Act, 1957 which is set out below:

60. Remedy in the case of groundless threat of legal proceedings.

Where any person claiming to be the owner of copyright in any work, by circulars, advertisements or otherwise, threatens any other person with any legal proceedings or liability in respect of an alleged infringement of the copyright any person aggrieved thereby may, notwithstanding anything contained 1[in section 34 of the Specific Relief Act, 1963 (47 of 1963)], institute a declaratory suit that the alleged infringement to which the threats related was not in fact an infringement of any legal rights of the person making such threats and may in any such suit--

(a) obtain an injunction against the continuance of such threats; and

(b) recover such damages, if any, as he has sustained by reason of such threats:

b. Provided that this section does not apply if the person making such threats, with due diligence, commences and prosecutes an action for infringement of the copyright claimed by him."

9. Significantly, the precursor to section 142 of the Trade Marks Act 1999 being section 120 of the Trade and Merchandise Marks Act, 1958 was as follows:

120. Groundless threats of legal proceedings.

(1)Where a person, by means of circulars, advertisements or otherwise, threatens a person with an action or proceeding for in fringement of a

trade mark which is registered, or alleged by the first- mentioned person to be registered, or with some other like proceeding, a person aggrieved may, whether the person making the threats is or is not the registered proprietor or the registered user of the trade mark, bring a suit against the first- mentioned person and may obtain a declaration to the effect that the threats are unjustifiable, and an injunction against the continuance of the threats, and may recover such damages (if any) as he has sustained, unless the first- mentioned person satisfies the court that the trade mark is registered and that the acts in respect of which the proceedings were threatened constitute, or, if done, would constitute, an infringement of the trade mark.

(2)The last preceding sub- section does not apply if the registered proprietor of the trade mark, or a registered user acting in pursuance of sub- section (1) of section 51, with due diligence commences and prosecutes an action against the person threatened for infringement of the trade mark.

(3)Nothing in this section shall render a legal practitioner or a registered trade marks agent liable to an action under this section in respect of an act done by him in his professional capacity on behalf of a client.

(4)A suit under sub- section (1) shall not be instituted in any court inferior to a District Court.”

10. The intent of the legislature in enacting Section 142 of the Trademarks Act, 1999 was to provide a remedy against persons who without instituting any proceedings mete out threat of the legal proceedings. It is clear from sub- section (2) of section 142 that once an action for infringement of trademark is initiated, the action for groundless threats automatically comes to an end. Section 142(2) makes it amply clear that section 142(1) would have no application if the persons who have made such threats commences and prosecutes with due diligence an action for infringement. (*M.K. Rao Family Trust and Ors. vs. Zippy Edible Products Pvt. Ltd. & Ors. (2022) 90 PTC 209*). A similar interpretation is also to be found in section 60 of the Copyright Act, 1957.

11. In such circumstances, once the suit has been instituted with due diligence for infringement of trademark or copyright by the registered proprietor or user against the person threatened before a Court, the entire cause of action insofar as the groundless threats is concerned automatically extinguishes.
12. On a combined reading of paragraphs 6, 8, 11, 13, 14, 18, 21, 23, 25, 27, 32 and 34 of the plaint, it would be evident that the suit is one for groundless threats. The cause of action in the filing of such suit is the cease and desist notice dated 4 September, 2025 which the petitioner alleges to be the groundless threats. Once the suit is filed for infringement, the threats are no longer groundless. All rights and liabilities of the parties can be decided in the subsequent proceeding. To this extent, the cause of action no longer survives. The consequential claim for damages as pleaded in the plaint arises only out of groundless threats and is not based on any other cause of action. [*Music India Ltd. vs. Super Cassettes Industrial Pvt. Ltd. MANU/MH/0827/1987 at para 5, Super Cassettes Industrial Pvt. vs. Bathla Cassettes India (P) Ltd. AIR 1994 Del 237 at para 6, Manya Vejju vs. Sapna Bhog Manu/MH/5031/2023 at para 21 & 26, Chancery Pavilion vs. Indian Performing Rights Society Ltd. & Ors. MANU/KA/3404/2023 and M/s. Arjies Aluminim Udyog vs. Sudhir Batra New Delhi AIR 1997 Del 232 at paras 10.3 & 12*].
13. Significantly, there has been no challenge on the aspect of due diligence shown in the filing of the suit for infringement before the Commercial Court at Saket. On a holistic and meaningful reading of the plaint, it is evident that the suit is only for groundless threats and the prayer for damages is intrinsically linked and dependant on such groundless threats. Any relief

claimed must be in conformity with the pleadings. The ancillary relief for damages is based on the primary relief and cannot be granted until and unless the petitioner succeeds in respect of the primary relief which has automatically becomes infructuous. In such circumstances, once the suit in respect of which the main relief stands barred, the other ancillary reliefs claimed therein are also rendered nugatory. In any event, it would only lead to multiplicity of proceedings and defeat the very purpose and object of section 142 of the Trademarks Act, 1999 and 60 of the Copyright Act, 1957 in permitting both suits to continue parallelly. There is no other cause of action pleaded in the plaint. (*Nikhila Divyang Mehta and Anr. vs. Hitesh P. Singhvi & Anr.* 2025 SCC OnLine 779 @Paras 16, 19 and 30).

14. There is also no merit in the contention of the petitioner that the suit cannot be dismissed without any formal application under Order VII Rule 11 of the Code of Civil Procedure, 1908. It is well settled that no formal application is mandatorily required for dismissal of a suit and a duty is cast on Court to even *suo moto* reject the plaint in case the suit is barred by law or on any of the grounds enumerated under Order VII Rule 11 of the Code of Civil Procedure, 1908 even without the intervention of the respondent or without an application. [*State of West Bengal vs. Union of India* (2024) 8 SCC 767 (paras 25 to 31)].
15. In *M/s. Mac Charles (I) Ltd. –vs.- M/s. Indian Performing Rights Society Ltd.* [Unreported decision dated 30 September, 2013 of the Hon'ble Supreme Court of India in Special Leave to Appeal (Civil) No(s).39994 of 2012)], it has been held "*Once a suit is filed for infringement of the copyright by the person*

who has given the threat, the suit under Section 60 becomes infructuous as the section ceases to apply in such a situation”.

16. Similarly, in *Zee Entertainment Enterprises Ltd. –vs.- Saregama India Ltd.*, 2017 SCC Online Del 7630: (2017) 70 PTC 209 a Division Bench of the High Court at Delhi has held as follows :

“6. From the facts noted hereinabove it is clear that the respondent has, with due diligence, commenced an action for infringement of the copyright claimed by it. It assumes importance to highlight that rather than to respond to the legal notice dated December 30, 2016 caused to be served by the respondent upon the appellant, it filed a suit for declaration on January 02, 2017 which was listed before a learned Single Judge of this Court on January 03, 2017. On the very first date the respondent informed the Court that it was in the process of drafting and filing a suit for injunction. Indeed, one was filed within 2 weeks thereof.

7. The juridical philosophy behind Section 60 of the Copyright Act is obvious. If a person issues a legal notice to a party alleging violation of a copyrightable work, the party to whom the notice is served would have to engage the services of a lawyer to respond to the notice, for the reason a non-traverse of the claim in the notice would be held against the recipient of the notice. In this manner a party can be unnecessarily harassed. Therefore, if a party issuing a notice continues with the threat and as a result the sword of domiciles continues to hang over the head of the noticee, the noticee may seek a declaration. But where the person alleging violation commences prosecution with due diligence, of an action for infringement, the proviso to Section 60 would come into play. The argument of learned senior counsel for the appellant that the proviso envisages commencement of an action for infringement prior in point of time to the suit for declaration filed is noted and rejected keeping in view the facts of the instant case. Rather than to respond to the legal notice served by the respondent upon the appellant, within two days the appellant filed the suit for declaration. It is not a case where the alleged infringer believed that groundless threats of legal action are imparted to him for months together had waited at the mercy of the alleged owner of the copyrighted work.”

17. To this extent, the decision cited on behalf of the petitioner in *Radio Today Broadcasting Ltd. (Supra)* is distinguishable and inapposite. In the said decision, there was a challenge to the petitioner’s ownership of the right alleged. In any event, on facts it was found not to be a suit for groundless threats.

18. In view of the above, the application for interlocutory reliefs is no longer maintainable and stands dismissed. For the above reasons, the suit being I.P. COM No.47 of 2025 also stands dismissed.

(RAVI KRISHAN KAPUR, J.)

S.Bag/S.Pal