

Ashwini

REPORTABLE

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
IN ITS COMMERCIAL DIVISION
INTERIM APPLICATION (L) NO. 3766 OF 2021
IN
COMMERCIAL IP SUIT(L) NO. 3761 OF 2021**

HINDUSTAN UNILEVER LTD

A Public limited company, incorporated
under the Indian Companies Act, 1913,
having its registered office at Unilever
House, BD Sawant Marg, Chakala, Andheri
(East), Mumbai 400 099, Maharashtra

... PLAINTIFFS

~ VERSUS ~

AN OPPOSING PARTY

... DEFENDANT

APPEARANCES

**FOR THE APPLICANTS/
PLAINTIFFS**

**Mr Hiren Kamod, with Ms Laher Shah,
i/b ALJ & Partners.**

CORAM : G.S.Patel, J.

DATED : 22nd March 2021

ORAL JUDGMENT:

1. I have today made a separate ex parte ad-interim order against the Defendant. I granted an injunction and appointed a Receiver. I also directed that the order is not to be uploaded until the Receiver executes his commission. For that reason, the Defendant's name is not shown in this order.

2. I am making this short order to address a question of both form and substance that seems to me to generally arise in applications and suits of this nature, viz., actions in trade mark infringement and passing off, whether with or without an accompanying cause of action in copyright infringement and passing off.

3. These matters have tended to take a standardized form in this Court. Typically, the plaintiff casts a separate prayer for relief in infringement and a distinct prayer for relief in passing off. But both seek only one thing: an injunction against the defendant from using the impugned mark, label or artistic work.

4. To my mind, this is incorrect, and may even be counter-productive. There is no one-to-one correspondence between a cause of action and relief. A single cause of action might yield a large number of prayers or reliefs, as we see very often in partition suits, for example. Equally, multiple cause of actions can be coalesced into a single prayer. When it comes to infringement and passing off, the reliefs is simply an injunction. It is inconceivable that a defendant would be under an injunction not to infringe, but would be set at liberty to pass off, or vice versa. The correct form, therefore, is simply to seek an injunction. Whether that injunction is obtained on the

ground of infringement or on the ground of passing off (either or both) is immaterial to the framing of the relief. I am unable to see how any defendant could ever be able to say, for instance, that his use is not an infringing use but is permissibly a use in passing off, or vice versa.

5. A cause of action is not evidence. It is also not the relief sought. A cause of action is a set or bundle of facts which, if traversed, a plaintiff must prove to obtain relief. In *Abraham Ajit v Inspector of Police*,¹ the Supreme Court said:

14. It is settled law that cause of action consists of a bundle of facts, which give cause to enforce the legal inquiry for redress in a court of law. In other words, it is a bundle of facts, which taken with the law applicable to them, gives the allegedly affected party a right to claim relief against the opponent. It must include some act done by the latter since in the absence of such an act no cause of action would possibly accrue or would arise.

15. The expression “cause of action” has acquired a judicially settled meaning. In the restricted sense cause of action means the circumstances forming the infraction of the right or the immediate occasion for the action. In the wider sense, it means the necessary conditions for the maintenance of the proceeding including not only the alleged infraction, but also the infraction coupled with the right itself. Compendiously, the expression means every fact, which it would be necessary for the complainant to prove, if traversed, in order to support his right or grievance to the judgment of the court. Every fact, which is necessary to be proved, as distinguished from every piece of evidence,

1 (2004) 8 SCC 100.

which is necessary to prove such fact, comprises in “cause of action”.

16. The expression “cause of action” has sometimes been employed to convey the restricted idea of facts or circumstances which constitute either the infringement or the basis of a right and no more. In a wider and more comprehensive sense, it has been used to denote the whole bundle of material facts.

17. The expression “cause of action” is generally understood to mean a situation or state of facts that entitles a party to maintain an action in a court or a tribunal; a group of operative facts giving rise to one or more bases for sitting; **a factual situation that entitles one person to obtain a remedy in court from another person.** In Black’s *Law Dictionary* a “cause of action” is stated to be the entire set of facts that gives rise to an enforceable claim; the phrase comprises every fact, which, if traversed, the plaintiff must prove in order to obtain judgment. In *Words and Phrases* (4th Edn.), the meaning attributed to the phrase “cause of action” in common legal parlance is existence of those facts, which give a party a right to judicial interference on his behalf.

(Emphasis added)

6. This has been reaffirmed recently by the Supreme Court in *Swaati Nirakhi & Ors v State (NCT of Delhi) & Ors.*²

² 2021 SCC OnLine SC 202. Also see: *Nawal Kishore Sharma v Union of India & Ors*, (2014) 9 SCC 329.

7. The decision by Dr Justice AK Sikri in *S Syed Mohideen v P Sulochana Bai*³ notes that trade mark registration merely recognises rights that already exist in common law; it does not create any new rights. Where one registered proprietor of a mark sues another registered proprietor of the same or similar mark, the plaintiff will not get an injunction “merely” on the ground of registration.⁴ *S Syed Mohideen* tells us that in a conflict between two registered proprietors, there must be an evaluation of which of the two has better rights in common law, to enable the court to determine whose rights are better and superior — in common law (and which common law rights have received statutory recognition by the provisions for registration).⁵ This process of evaluation of superior common law rights even in a conflict between two registered proprietors (disabling an injunction merely on the ground of registration) is to be undertaken for a single purpose: to see whether an injunction should be granted. Therefore, it necessarily follows that the prayer for relief must be framed as one simply for an injunction. That relief may be supported by establishing a cause of action either in infringement or passing off, or both. A plaintiff in such a case may be able to sustain a case for injunction on either or both grounds. The injunction will be refused if the Plaintiff

3 (2016) 2 SCC 683.

4 Trade Marks Act, 1999, Section 28(3): Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons *merely* by registration of the trade marks but each of those persons have otherwise the same rights as against other persons (not being registered proprietor. (*emphasis supplied*))

5 See: *Radico Khaitan v Devans Modern Breweries Ltd*, 2019 SCC OnLine Del 7483 : (2019) 258 DLT 177 : (2019) 78 PTC 223; *Aegon Life Insurance Co Ltd v Aviva Life Insurance Company India Ltd*, 2019 SCC OnLine Bom 1612.

cannot make out a case in infringement and *also* cannot make out a case in passing off. As a corollary, the form of the order itself must be simply for an injunction (with such particularisation as the court thinks necessary). This is the consistent practice of the Delhi High Court, and I believe it is the correct one.

8. The practice of segregating injunction prayers for infringement and passing off is also inconsistent with the other standard-form prayers. There is no such segregation in prayers for a Court Receiver (it would be inconceivable to have the Court Receiver seize goods with marks that are infringing but to leave alone those that are used in passing off) or even damages. For such prayers (Court Receiver, damages, etc), the two causes of action in infringement and passing off are indeed telescoped into one. There is no logical reason, therefore, to separate the injunction prayers.

9. This brings us back to the *S Syed Mohideen* paradigm. In a contest between two registered proprietors, an injunction in infringement will not simply be granted on the basis of registration. But on an evaluation of superior common law rights, *the very same injunction*, with no difference at all as to the interdiction, will issue.

10. This is why I believe that setting out two separate prayers, one for infringement and one for passing off is a singularly unwise practice. In a given case, it may lead to very serious complications. I would urge the Advocates to reconsider the manner in which they frame these prayers. In any case, irrespective of the frame of the prayers, I would venture to suggest as a matter of law that the

operative injunction order should only be as an injunction without a restriction specifying infringement or passing off. That consideration is to be returned as a judicial finding, i.e., there is a case made out on the cause of action in infringement or passing off, but without affecting the framing of the injunction.

11. This order will be digitally signed by the Private Secretary/Personal Assistant of this Court. All concerned will act on production of a digitally signed copy of this order.

(G.S. PATEL, J.)