

**IN THE HIGH COURT AT CALCUTTA  
Civil Appellate Jurisdiction**

**Present :**

The Hon'ble Mr. Justice Subhro Kamal Mukherjee  
And

The Hon'ble Mr. Justice Ashis Kumar Chakraborty  
F.M.A.T. No. 1408 of 2014

With  
C.A.N. No. 12417 of 2014

**Reckitt Benckiser Healthcare India Limited**

**Vs.**

**Emami Limited & Anr.**

**For the appellant** : Mr. C.M. Lal,  
Ms. N. Ray,  
Mr. P. Basu,  
Mr. K. Dey.

**For the respondent no. 1** : Mr. S.N. Mookherjee ,  
Mr. Debnath Ghosh,  
Mr. Soumya Roy Chowdhury,  
Mr. Praneet Bag,  
Mr. Gautam Banerjee.

**Heard on: - January 07, 2015.**

**Judgment on: - January 29, 2015.**

**Ashis Kumar Chakraborty, J.**

The instant appeal, at the instance of the defendant no. 1 in the Title Suit No. 23783 of 2014 (hereinafter referred to as "the said suit"), is directed against the order dated December 9, 2014 passed by the learned Civil Judge (Senior Division), 4<sup>th</sup> Court at Alipore [hereinafter referred to as "the learned Civil Judge (Senior Division)] extending the ad-interim order of injunction dated November 21, 2014 restraining the appellant and the respondent no. 2 from advertising and publishing and/or circulating in the newspaper and television channels the advertisement of its product namely "MOOV" and from disparaging the product of the respondent no. 1 namely

"ZANDU BALM". On the prayer of the appellant service of notice of this appeal on the respondent no. 2 was dispensed with.

The respondent no. 1 is the manufacturer of an ayurvedic medicine namely "ZANDU BALM", a balm providing relief from headache, backache and cold which is sold in the market in a distinctive packaging predominantly green in colour and combination of white. The respondent no. 1 is the proprietor of the registered trade mark in respect of its product "ZANDU BALM" with its unique packaging being predominantly green in colour with combination of white. The respondent no. 1 has alleged that the appellant/ a manufacturer of another balm namely "MOOV", has launched a new T.V. Commercial for its product "MOOV" which is aired on the channel "Colours" owned by the respondent no. 2 and in such advertisement the appellant has displayed the "ZANDU BALM" and drawn a comparison between its the said product "MOOV" and a balm showing the packaging of the plaintiff's product "ZANDU BALM", in order to denigrate the said "ZANDU BALM". According to the respondent no. 1, the appellant has deliberately aired the said advertisement with a malicious and a deliberate attempt to misrepresent to the general public that the product "ZANDU BALM" is not an effective product and no useful purpose will be served in application of the said product "ZANDU BALM". In the said suit, the respondent no. 1, being the plaintiff, has claimed various reliefs of perpetual injunction against the appellant and the respondent no. 2 from disparaging the said product "ZANDU BALM" and restraining

them from displaying and/ or telecasting and/ or the said impugned advertisement for "MOOV". The respondent no. 1 has also an enquiry into the loss and damage, including special damages suffered by it for the act of disparagement and/or defamation and/or slander committed by the appellant by airing the said advertisement.

In the said suit the respondent no. 1 also moved an application under Order XXXIX Rules 1 and 2 read with Section 151 of the Code of Civil Procedure when the learned Civil Judge (Senior Division) passed the aforesaid ex-parte ad interim order dated January 21, 2014. On an application under Order XL Rule 1 of the Code of Civil Procedure, the learned Civil Judge (Senior Division) also passed an ex-parte order appointing a Receiver to take into custody, the master tape and all copies where such an impugned advertisement is stored and keep the same in his custody until further order. On the returnable date, that is, on December 9, 2014 the appellant appeared before the learned Civil Judge (Senior Division) raised objection to the jurisdiction of the court to entertain the suit and filed an application under Order VII Rules 10 and 11 of the Code of Civil Procedure. The respondent no. 1 prayed for extension of the said interim order dated November 21, 2014. By the impugned order dated December 9, 2014 the learned Court below fixed the hearing of the application filed by the appellant under Order VII Rules 10 and 11 of the Code of Civil Procedure on January 30, 2014 and extended the interim order till January 30, 2014.

Mr. C.M. Lal, the learned Advocate appearing in support of the appeal contended that from the plaint filed in the said suit, it is evident that the suit is within the four corners of the Trade Marks Act of 1999 (hereinafter referred to as "the said Act" of 1999) and as such in view of the provisions contained in Section 134 of the said Act of 1999, the learned Civil Judge (Senior Division), has no jurisdiction to entertain the said suit and as such the above interim orders passed by the learned Civil Judge (Senior Division), Alipore are without jurisdiction. He stressed on the averments contained in some paragraphs of the plaint wherein the respondent no. 1 has asserted its right in respect of its registered trade mark of the said "ZANDU BALM". In support of his argument that the violation of the right alleged by the respondent no. 1 in the said suit is in respect of its registered trade mark, relating to the said "ZANDU BALM", Mr. Lal placed the provisions contained in Sections 2 (Zb), 29(8), 30, 134 and 135 of the said Act of 1999. Section 2(Zb) of the said Act lays down the definition of "trade mark"; section 29(8) provides that on certain grounds a registered trade mark is also infringed by its advertisement. According to him, the defences available under Section 30 of the said Act against a claim of infringement can also be pleaded by the appellant as a defence to the claim of the respondent no. 1 in the said suit. He submitted that the reliefs claimed by the respondent no. 1/plaintiff in the said suit are those provided in Section 135 of the said Act in respect of suits for infringement and passing off.

In support of his contention Mr. Lal cited the following decisions.

1. Khoday Distilleries Limited vs. Scotch Whisky Association and Ors. reported in (2008) 10 SCC 723 (para 16).
2. Carlsberg India (P) Ltd. and Anr. vs. Radico Khaitan Ltd. and Anr. reported in 2012 (49) PTC 54 (paras 32 and 42)
3. Wander Ltd. and Anr. vs. Antox India P. Ltd. reported in (1990) Supp SCC 727.
4. Skol Breweries Ltd. , Mumbai vs. Fortune Alcobrew Pvt. Ltd., Ulhasnagar and Ors. reported in (2013) 3 BOMCR 324 (paras 29 and 36)
5. B.K. Engineering Company vs. Ubhi Enterprises (regd.) and Anr. reported in AIR 1985 DEL 210 (paras 11, 17 and 18).
6. Unreported decision dated March 14, 2014 of the Division Bench of this Court in APO No. 352 of 2013, and A.P.O. No. 353 of 2013, A.P.O. No. 7 of 2014 and A.P.O. No. 8 of 2014 [Reckitt Benckiser (India) Limited and Anr. vs. Hindustan Unilever Limited and Anr.]

Mr. Lal further argued that Article 19(1) (a) of the Constitution of India provides for the fundamental right of a freedom of speech and expression and 'a commercial advertisement' comes within the concept of freedom of speech and expression guaranteed under the said Article 19(1)(a) which can only be subject to any restriction imposed by a law enacted by Parliament or State Legislature.

Relying on the decision of the Supreme Court in the case of Tata Press Ltd. vs. Mahanagar Telephone Nigam Ltd. and Ors. reported in (1995) 5 SCC 139 (para 22) he urged that the right of the appellant to continue with the said advertisement of its said product "MOOV" is protected under Article 19(1)(a) of the Constitution and the same can only be subjected to any restriction imposed by the said Act of 1999, as there is no other of law enacted by State.

In short, according to the appellant the cause of action respondent no. 1 in the said suit is covered by the said Act of 1999 and as such, in terms of Section 134 of the said Act, no court below, the court of the District Judge has the jurisdiction to entertain or try the said suit.

Mr. Lal, on behalf of the appellant, also cited two the decisions of the Supreme Court, the first in the case of Justice P.D. Dinakaran vs. Hon'ble Judges Inquiry Committee and Ors. reported in (2011) 8 SCC 380 (para 63) where it was held that there cannot be any waiver to the objection to the jurisdiction of a court and the second, in the case of Selvi J. Jayalalithaa and Ors. vs. State of Karnataka and Ors. reported in (2014) 2 SCC 401 (para 29) reiterating the settled principle that when a statute requires to do a certain thing in a certain way, the thing must be done in that way and not contrary to it at all.

On the other hand, Mr. S.N. Mookherjee , learned Senior Advocate appearing for the respondent no. 1 submitted that since the application filed by the appellant under Order VII Rules 10 and 11 of the Code of Civil Procedure is pending adjudication before the

learned Civil Judge (Senior Division), we should not entertain this appeal only on the ground that the learned Civil Judge, (Senior Division), does not have the jurisdiction to entertain the said suit. He relied on the decision of the Supreme Court in the case of Tayabbhai M. Bagasarwalla and Anr. vs. Hind Rubber Industries Pvt. Ltd., reported in AIR 1997 SCC 1240 (paras 14, 16 and 29) and contended that even if a defendant raises objection to the jurisdiction of a court, the court does not become helpless forthwith, does not become incompetent to grant the interim relief. He strenuously urged that the said suit filed by the respondent no. 1 is not a suit for infringement of trade mark or passing off and the said suit is a disparaging suit arising out a comparative advertisement published/advertised by the appellant and the respondent no. 1 has filed the said suit in exercise of its right under the law of tort which is the common law right. Mr. Mookherjee, however, did not dispute the appellant's contention that in view of Section 134 of the said Act of 1999, a court of the learned Civil Judge (Senior Division), being below the court of the District Judge does not have the jurisdiction to entertain a suit for infringement of a registered trade mark of a proprietor.

We have considered the rival contentions of both the appellant and the respondent no. 1. In the instant appeal, the only ground of challenge to the impugned order passed by the learned Civil Judge (Senior Division), urged on behalf of the appellant is that the said suit filed by the respondent no. 1 is within the four corners of the said Act

of 1999 and in terms of Section 134 of the said Act the learned Civil Judge (Senior Division) being below the rank of the District Judge, lacks the jurisdiction to entertain the said suit.

From a fair reading of the plaint it is evident that the cause of action of the respondent/plaintiff arose from the comparative advertisement aired by the appellant. The purpose of comparative advertising is, in fact, to indicate to the public that the advertiser's goods sold under his mark do not originate from his competitor and in comparative advertising the advertiser, advocates the superiority of its goods and services and invites the market to prefer them to those of his competitor by representing his business to be different from that of his competitor's. Thus, a party causing a comparative advertising does not use the competitor's mark to pass off his goods as those of the competitor.

The contention of the appellant that in view of Section 134 of the Trade Marks Act the learned Civil Judge (Senior Division) lacks the jurisdiction to entertain the suit filed by the respondent no. 1 is based on the following provisions of section 29(8)(a), (b) and (c) of the said Act of 1999 providing as follows:

"29. Infringement of registered trade marks.

(1) .....

(2) .....

(3) .....

(4) .....

(5) .....

(6) .....

(7) .....

(8) A registered trade mark is infringed by any advertising of that trade mark if such advertising –

- (a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or
- (b) is detrimental to its distinctive character; or
- (c) is against the reputation of the trade mark.”

On behalf of the appellant, reliance was also placed Section 30(1) of the said Act of 1999 allowing a person to use the registered trade mark for the purpose of identifying goods or services as those of the proprietor provided the use :-

- (a) is in accordance with honest practices in industrial or commercial matters, and
- (b) is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of the trade mark.

Now, from a combined reading of the provisions contained in Sections 29(8)(a) to (c) and 30(1) of the said Act of 1999 it is evident that though in a case of comparative advertisement the advertiser does not use the competitor's trade mark to pass off his goods as those of the competitor, but if the user of the trade mark of the

competitor is by taking unfair advantage or is contrary to honest practices in industrial and commercial matters or is detrimental to the distinctive character of the competitor's trade mark or is against the reputation of the trade mark of the competitor, such comparative advertisement results in infringement of the competitor's registered trade mark.

It is well settled principle of law, reiterated in the decisions cited by Mr. Lal in the cases of Khoday Distilleries Limited (supra), Carlsberg India (P) Ltd. (supra), Wander Ltd. (supra), Skol Breweries Ltd. , Mumbai (supra), B.K. Engineering Company (supra)) that in an action for infringement of registered trade mark or for passing off there is always a damage to the goodwill and reputation of the product of the proprietor of the registered trade mark. In the unreported decision of Reckitt Benckiser (India) Limited (supra), the Division Bench of this Court has already held that in an action arising out of comparative advertisement, the provisions contained in Sections 29(8)(a), (b) and (c) and 30 of the said Act of 1999 are applicable.

In a disparaging suit arising out of a comparative advertisement, the plaintiff must satisfy the goodwill and reputation of its product and that the damage suffered by him flowed directly from the untrue statements of which he complains. Where a claimant objects to a comparative advertisement that contains his registered trade mark, he may allege infringement of registered trade mark under Section

29(8)(a) to (c) of the said Act of 1999. Of course, he may also bring an action under the law of tort alleging malicious falsehood.

For purpose of deciding the instant appeal, solely on the point of jurisdiction of the learned Civil Judge (Senior Division), we have to ascertain whether the cause of action pleaded by the respondent no. 1/ plaintiff, in the plaint is only the alleged malicious falsehood by the appellant or the respondent no. 1 alleges infringement of its registered trade mark by the appellant. If the respondent no. 1 alleges that the comparative advertisement is an infringement of its registered trade mark in respect of its product "ZANDU BALM" under Section 29(8)(a) to (c) of the said Act of 1999 then in view of Section 134 of the Act, the Civil Judge (Senior Division) lacks the jurisdiction to entertain or proceed with the said suit. In order to decide this issue we have to consider the averments made in the entirety of the plaint.

In this case, from the averments contained in paragraphs 10, 11, 12, 17, 27 and 29 of the plaint, it is evident that the respondent no.1/plaintiff has asserted its right as the proprietor of the registered trademark in respect of the product "ZANDU BALM" and in paragraph 39 of the plaint it is expressly stated "such TV Commercial of the defendant amounts to/is solely aimed to disparage and take unfair advantage of the plaintiff's trade mark "ZANDU BALM". Such act of the Defendant is contrary to honest practices in industrial and commercial matters....." This is a clear and unambiguous averment claiming infringement of registered trade mark provided in

Section 29(8)(a) of the said Act of 1999. Thus, though in paragraph 63 of the plaint, the respondent alleges its cause of action is based on tort, there cannot be any doubt that the respondent no. 1 has also filed the said suit claiming infringement of its registered trade mark in respect of its said product "ZANDU BALM" by the comparative advertisement aired by the appellant.

Where a claimant objects to a comparative advertisement that contains his registered mark, he may allege both malicious falsehood and infringement of the registered mark. In this regard, we may profitably refer to the following passage contained in para 24-21 of Clerk & Lindsell on Torts (Nineteenth Edition at page 1489).

"Where a claimant objects to a comparative advertisement that contains his registered mark, he may allege both malicious falsehood and infringement of the registered mark. Jacob J. in *Cable & Wireless plc v. BT plc* considered that in such cases the tort claim often added nothing (though it increased costs) given it is difficult to imagine a case where the tort would provide wider protection than the statutory provision."

There is no dispute that in view of the provisions contained in Section 134 of the said Act of 1999 if a plaintiff intends to file a suit alleging infringement of the registered trade mark of his product, no Court inferior to a District Judge can entertain the said suit. Therefore, we are satisfied that when the respondent no. 1 has filed the said suit, claiming infringement of its trade mark under Section 29(8)(a) of the said Act of 1999, the Court of the learned Civil Judge (Senior

Division), Alipore lacks jurisdiction to entertain the said suit and consequently, all the said ex parte ad-interim orders of injunction and appointment of Receiver passed on November 21, 2014 and the impugned order dated December 19, 2014 are all without jurisdiction and void.

So far as the decision of the Supreme Court in the case *Tayabhai M. Bagasarwalla* (supra) relied by the respondent is concerned we find that was a case where the Supreme Court was deciding the question as to whether a defendant can violate or refuse to obey an order passed by a court, by raising objection to the jurisdiction of the Court to pass the said order. In that case, the defendant raised an objection to the jurisdiction of the court, the court overruled the objection as to jurisdiction and made the interim injunction absolute and the appeal of the defendant against the interim orders were pending before the High Court; it took about six years for the High Court's decision that the Civil Court had no jurisdiction to entertain the suit. In those circumstances the Supreme Court held that any contention that by virtue of the said decision of the High Court, no one can be punished thereafter for disobedience of violation of the interim orders committed, prior to the said decision of the High Court would indeed be subversive of rule of law and would seriously erode the dignity and authority of the Courts. In the said case the Supreme Court found that the suit was not filed in wrong Court knowingly or with a view to snatch and interim order.

However, in this case, the respondent no. 1/plaintiff itself in its plaint appears to have claimed relief on the ground of infringement of its trade mark by the appellant by airing the said alleged disparaging advertisement. The appellant raised the objection to the jurisdiction of the Court of the learned Civil Judge (Senior Division) at the earliest. However, Civil Judge (Senior Division) passed the impugned order extending an ex parte ad-interim order of injunction without deciding the question of jurisdiction. Thus, we are unable to convince ourselves that the decision of the Supreme Court in the case of *Tayabbhai M. Bagasarwalla (supra)* has any application in this case. In view of our aforesaid findings, we do not reiterate the ratio of the decisions of the Supreme Court in the cases of Justice P.D. Dinakaran (*supra*) and Selvi J. Jayalalithaa (*supra*) cited by the appellant. In view of our above findings, we refrain from dealing with the contention of the appellant based on Article 19(1)(a) of the Constitution of India.

For all the forgoing reasons we allow the appeal and set aside the impugned order dated December 9, 2014 passed by the learned Civil Judge (Senior Division) 4<sup>th</sup> Court , Alipore in T.S. No. 23783 and the Receiver stands discharged. The Receiver is directed to forthwith return all items of which he has taken custody, if any in terms of the order dated November 21, 2014.

We make it clear that we have not gone into the merits of the matter and the view expressed in this order are our prima facie view. The learned Civil Judge (Senior Division), 4<sup>th</sup> Court, Alipore will

dispose of the pending applications under Order VII Rules 10 and 11 of the Code of Civil Procedure as also the applications filed by the respondent no. 1/plaintiff under Orders XXXIX and XL of the Code of Civil Procedure, 1908.

Appeal is allowed. However, there will be no order as to costs.

In view of the aforesaid disposal of the appeal, the connected stay application is also disposed of without any order.

**[Ashis Kumar Chakraborty, J.]**

**Subhro Kamal Mukherjee, J.**

I agree.

**[Subhro Kamal Mukherjee, J.]**