HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

S.B. Civil Writ Petition No. 2301/2013

Sanskriti School Through Its Authorized Representative, Gat No. 1164, Village Lavale P.O. Mulshi District Pune 411042, Maharashtra

----Petitioner

Versus

India International Technical Institute Through Its Alleged Secretary Sri Gopal Krishan Agrawal, H-46 Tagore Path, Bani Park, Jaipur, Rajasthan

----Respondent

Connected With

S.B. Civil Writ Petition No. 14500/2021

Sanskriti School, Through Its Authorized Representative G.S. Mungali S/o Late Shri B.C. Mngali, Gate No. 1164, Village Lavale, P.O. Mulshi District Pune-411042, Maharashtra.

----Petitioner

Versus

India International Technical Institute, Through Its Alleged Secretary, Shri Gopal Krishan Agrawal, H-46, Tagore Path, Banipark, Jaipur, Rajasthan.

----Respondent

For Petitioner(s)	:	Mr. R.K. Mathur, Senior Advocate, assisted by Mr. Angad Mirdha
For Respondent(s)	:	Mr. G.D. Bansal

HON'BLE MR. JUSTICE SUDESH BANSAL

Order

06/11/2024

REPORTABLE

1. In both the writ petitions, impugned orders under challenge, passed by the Civil Court of concerned Additional District Judge, Jaipur, are different, but arise out of one Civil Suit bearing No.518/2012 (C.I.S. No.1112/2014) titled as India International

Technical Institute Versus Sanskriti School, registered before ADJ No.4, Jaipur Metropolitan-II or Civil Suit No.446/2012 titled as India International Technical Institute Versus Sanskriti School, registered before ADJ (Fast Track) No.3, Jaipur Metro, hence, in order to eschew repetition of factual matrix and with the consent of counsel for both the parties, both the writ petitions have been heard together and would be decided by this common order.

2. In Civil Writ Petition No.2301/2013 titled as Sanskriti School Versus Indian International Technical Institute, filed by the petitioner-defendant, under Article 227 of the Constitution of India, vide impugned order dated 20.03.2010 passed by the Additional District Judge No.4, Jaipur City, the opportunity to file written statement of the plaint and reply of the application for temporary injunction, by the petitioner-defendant was closed and vide subsequent order dated 30.10.2012, application filed by the petitioner-defendant under Section 151 CPC seeking to extend time and take the written statement as well as reply to the application for temporary injunction on record has been dismissed, therefore, both orders have been challenged and the prayer of the petitioner-defendant is to take his belated filed written statement as also reply to the application for temporary injunction on record, by condoning the delay.

3. In Civil Writ Petition No.14500/2021 titled as Sanskriti School Versus Indian International Technical Institute, filed under Article 227 of the Constitution of India, a challenge has been made to the order dated 24.09.2021 passed by the Additional District Judge No.4, Jaipur Metro-II, in the same Civil Suit whereby and whereunder application dated 16.01.2020 filed by

the petitioner-defendant under Section 151 CPC seeking to reject the plaint has been dismissed. The prayer of the petitioner-defendant is that after filing of the present plaint, the registration of trade mark 'Sanskriti' of the respondent-plaintiff has been cancelled by the Deputy Registrar of Trade Mark, Ahmedabad, vide order dated 10.12.2019, hence, due to such subsequent event and on account of other diverse defects in filing of present plaint including suffering from defect of jurisdiction, the present plaint be not held maintainable before the Civil Court at Jaipur, hence, same deserves to be rejected/dismissed by the Court, at least in exercising of inherent jurisdiction by the Court, under Section 151 CPC.

4. Briefly stated, the relevant facts of the case as culled out from the record and which are necessary to consider both the writ petitions, may be recapitulated as under:-

4.1 A civil suit for prohibitory and mandatory injunction invoking provisions of Section 134/135 of the Trade Mark Act, 1999 (hereinafter referred to as 'the Act of 1999'), has been instituted by the respondent-plaintiff against the petitioner-defendant before the District & Sessions Judge at Jaipur on 22.01.2009. In this civil suit, respondent-plaintiff has come up with a case that it has registered trade mark "संस्कृति" (Sanskriti) under Registration No.1261555 before the Registrar of Trade Marks and is imparting education using the trade mark "Sanskriti" since long. It has further been pleaded that the petitioner-defendant has started educational institution using the trade mark of "Sanskriti", of which the plaintiff is a registered owner as also lawful owner being prior user, hence, a prohibitory and mandatory

injunction has been prayed by the plaintiff against the defendant in following terms:-

"यह कि वादपत्र अन्दर मियाद कानूनानुसार श्रीमान की सेवा में प्रस्तुत है। अतः दावा वादी पेश कर निवेदन है कि वादी का दावा निम्न प्रकार डिक्री फरमाया जाये।

1. यह कि वाद वादी विरूद्ध प्रतिवादी व्यय सहित डिक्री किया जावे।

2. यह कि प्रतिवादी को जरिये स्थाई निषेधाज्ञा पाबंद किया जाये कि वह वादी के पंजीकृत ट्रेडमार्क ''संस्कृति (SANSKRITI)'' या उससे मिलते–जुलते भ्रान्तिकार ट्रेडमार्क के नाम से शिक्षण संस्था नहीं चलावे तथा शिक्षा से संबंधित कार्य नहीं करे।

3. यह कि प्रतिवादी के विरूद्ध आदेशात्मक निषेधाज्ञा जारी किया जावे कि प्रतिवादी के कब्जे में जो भी शिक्षण सामग्री ''संस्कृति (SANSKRITI) या उससे मिलते–जुलते नामों से है उसे जप्त कर नष्ट कराया जावे तथा अन्य सभी स्टेशनरी, लेबल आदि जो कि उक्त विवादित ट्रेडमार्क के तहत प्रतिवादी के कब्जे में है को तुरन्त जप्त किया जावे तथा न्यायालय द्वारा उन्हें नष्ट कराया जावे।

4. यह कि प्रतिवादी के विरूद्ध आदेशात्मक निषेधाज्ञा जारी की जावे कि वह अपने तमाम बही खातों को पेश करे कि उसने ''संस्कृति (SANSKRITI) के नाम से अभी तक कितना अवैध रूप से कमाये गये लाभ की गणना कराई जावे।

5. यह कि अन्य अनुतोष जो न्यायालय श्रीमान उचित समझे वादी के हक में दिलाया जावे।

स्थानः जयपुर वादी

दिनांकः 22.01.2009

(इंडिया इन्टरनेशनल टेक्नीकल इन्स्टीट्यूट
सचिव गोपाल कृष्ण अग्रवाल)

सत्यापन

मैं उपरोक्त श्री गोपाल कृष्ण अग्रवाल वादी सत्यापित करता हूं कि उक्त वाद पत्र में वर्णित मद संख्या 1 से 15 तक मेरी निजी जानकारी एवं ज्ञान से सही है तथा मद संख्या 16 से 19 बसलाह कानूनी सही है तथा कोई भी तथ्य मिथ्या अथवा गलत वर्णित नहीं किया गया है। ईश्वरी मेरी मदद करें।

स्थानः जयपुर सत्यापनकर्ता

दिनांकः 22.01.2009

(इंडिया इन्टरनेशनल टेक्नीकल इन्स्टीट्यूट
सचिव गोपाल कृष्ण अग्रवाल)"

An application for temporary injunction has also been filed with the civil suit.

4.2 It is noteworthy that the school of the petitioner-defendant, namely, 'Sanskriti School' is situated at Pune and is being run by the Sanskriti Shiksha Society registered as a Public

Trust under the provisions of Bombay Public Trust Act, 1950, whereas institution of the respondent-plaintiff is situated at Jaipur, Rajasthan. For the purpose of invoking the jurisdiction of the District Court at Jaipur, in the present suit, plaintiff has taken resort of the provisions of Section 134(2) of the Act of 1999, particularly Clause (a) & (b), on the basis that the plaintiff is a registered trade mark holder of name 'Sanskriti' and its institution is situated at Jaipur, hence, is entitled to file civil suit at Jaipur in view of Section 134(2) of the Act of 1999. The defendant has clarified that its educational institution of Sanskriti School is situated at Pune and its function is confined to the jurisdiction of Pune, State of Maharashtra and the plaintiff has arbitrarily invoked the jurisdiction of District Judge at Jaipur to seek injunction against the defendant. However, it appears that the present suit was entertained and registered before the District Court at Jaipur, in the light of provisions of Section 134(2) of the Act of 1999, since respondent-plaintiff claims itself to be a registered trade mark holder and relied upon the provisions of Section 134(a) & (b) of the Act of 1999, for the purpose of invoking the jurisdiction of the Court at Jaipur, where its institution is situated.

It may be noticed here that although in the present civil suit, plaintiff has referred in Para No.7 that he is a prior user and lawful proprietor of the trade mark 'Sanskriti', but fundamentally, the prohibitory and mandatory injunction has been prayed on the basis of claiming to be a registered trade mark holder of 'Sanskriti', which stands crystal clear by a bare perusal of the prayer clause of the plaint, extracted herein-above. It would not be out of place to refer that as per Section 134(c) of the Act of

1999, suit for infringement of trade mark for passing off a trade mark can be instituted before the District Judge, but in that case, the jurisdiction of the District Court is governed by the provisions of Section 20 of CPC, it means that the plaintiff can invoke the jurisdiction of the District Judge where the defendant actually and voluntarily resides, or carries on business, or personally works for gain or the cause of action, wholly or in part arises, but not at the place, where plaintiff carries on business or works for gain, unlike Clause (a) & (b) of Section 134 of the Act of 1999. Therefore, what has emerged is that, since the school of defendant is running at Pune, the present suit based on the passing off action, may not be filed before the District Court at Jaipur as neither defendant carries on business at Jaipur nor its institution or any of the branch is situated at Jaipur nor any cause of action arises at Jaipur.

4.3 The petitioner-defendant put in appearance in the present suit before the trial Court on 04.04.2009 and obtained a complete set of the documents and a copy of the plaint. Thereafter, petitioner-defendant moved an application under Order 7 Rule 11 CPC as also another application under Section 151 CPC. The application under Order 7 Rule 11 CPC was dismissed vide order dated 29.08.2009, thereagainst, petitioner-defendant preferred Civil Revision Petition bearing No.135/2009, which too was dismissed vide order dated 04.03.2011 with observation that all the objections raised in the application under Order 7 Rule 11 CPC may be taken by the petitioner-defendant in the written statement. The application under Section 151 CPC remained pending.

4.4 In the meanwhile, opportunity to file written statement so also to file reply to the application for temporary injunction by the petitioner was closed by the trial Court vide order dated 20.03.2010.

4.5 The petitioner immediately filed an application on 29.03.2010 along with his written statement and reply to the application for temporary injunction, seeking to recall the order dated 20.03.2010 and to take the written statement/reply to the application for temporary injunction on record. This application has been dismissed by the trial Court vide order dated 30.10.2012, hence, petitioner-defendant has preferred S.B. Civil Writ Petition No.2301/2013, challenging the order dated 20.03.2010 so also order dated 30.10.2012, and made a prayer to permit to take his written statement/reply to the application for temporary injunction on record.

4.6 This is also an undisputed fact that as per the Certification of Registration of Trade Mark "संस्कृति" (Sanskriti) issued by the Registrar of Trade Mark, Ahmedabad, same was not issued in the name of respondent-plaintiff, but issued in the name of 'Gopal Kishan Agarwal', trading as India International Technical Institute. This Certificate was issued without knowledge and without giving an opportunity of hearing to the petitioner, hence, after having knowledge of issuing such registration at Trade Mark No.1261555 dated 16.01.2004 in the name of "Sanskriti", the petitioner submitted objections thereagainst before the Registrar of Trade Mark. On the objection of the petitioner, an opportunity of hearing to the respondent-plaintiff was accorded and finally, vide

order dated 24.09.2019, registration of trade mark at No.1261555 in name of 'Sanskriti' was cancelled.

4.7 It is noteworthy here that in furtherance to the order dated 24.09.2019, the registration of trade mark 'Sanskriti' at trade mark No.1261555 in Clause-41, on which, plaintiff-institution has relied upon to claim itself to be a registered trade mark owner of the trade mark 'Sanskriti', has been removed from the registry of the trade mark and this factual matrix and subsequent development of fact, emanated after institution of the present civil suit has not been disputed by the respondent-plaintiff. Copy of the order dated 24.09.2019, passed by the Deputy Registrar of Trade Mark, Ahmedabad and copy of the status showing removal of trade mark registration No.1261555 are available on record.

4.8 Thereafter, petitioner-defendant moved an application under Section 151 CPC dated 16.01.2020 stating *inter-alia* that in the light of the subsequent events and more particularly due to cancellation of registration of trade mark vide order dated 10.12.2019, on which the plaintiff has placed reliance in the present suit, now the civil suit is liable to be dismissed.

4.9 The application under Section 151 CPC filed by the petitioner-defendant on 16.10.2020 was replied by the respondent-plaintiff and the factual matrix of cancellation of registration of trade mark No.1261555 under the order dated 10.12.2019 was admitted, however, an impression was given that against that order, an appeal has been filed by the plaintiff and further, the present civil suit is also based on common law rights of the plaintiff. Therefore, even if, the registration of trade mark

on which plaintiff has placed reliance, has been cancelled, then also, the civil suit is liable to succeed on the ground of action of passing off the trade mark by the defendant.

4.10 The trial Court vide order dated 24.09.2021 has dismissed the defendant's application dated 16.01.2019 and declined to dismiss the suit in exercise of its powers under Section 151 CPC, there against, petitioner has preferred S.B. Civil Writ Petition No.14500/2021.

5. Heard learned counsel for both the parties and carefully perused the record.

6. The legal position in respect of filing the written statement/reply to the application for temporary injunction by the defendant is well established that the defendant is under an obligation to present written statement/reply of his defence within a period of 30 days from the date of service of summons, however, proviso appended to the provisions of Order 8 Rule 1 CPC, enables the Court to extend the period upto 90 days. It has been established that the nature of provisions of Order 8 Rule 1 CPC is procedural and it is not a part of substantive law, hence, the Court has jurisdiction to extend the period beyond (30 +90) days as well to permit the defendant to submit his defence subject to satisfaction of the Court about the delay. In this way, provisions of Order 8 Rule 1 CPC and the proviso appended thereto has been held directory in nature and not mandatory, however, the jurisdiction by the Court to extend the time limit should be exercised exceptionally in hard cases and not in a routine manner. To buttress such legal proposition, reference of the celebrated judgment of the Apex Court delivered in the case of *Kailash*

Versus Nanhku & Ors.: **(2005) 4 SCC 480**, would be suffice. The ratio decidendi of this judgment has been followed and reiterated time and again and holds the field at present as well, and in that respect, the reference of judgment of the Supreme Court in case of *Sambhaji & Ors. Versus Gangabai & Ors.*: **(2008) 17 SCC 117** and judgment of *Atcom Technologies Limited Versus Y.A. Chunawala and Company & Ors.*: **(2018) 6 SCC 639**, would be relevant.

7. In the present civil suit at hand, the right of defendant to submit his defence in the civil suit as also in the application for temporary injunction was closed by the trial Court vide order dated 20.03.2010. Thereafter, immediately on 29.03.2010, the defendant submitted written statement/reply to the application for temporary injunction along with an application under Section 151 CPC, seeking to recall the order dated 20.03.2010 and to take his written statement/reply on record. Learned trial Court rejected the application vide order dated 30.10.2012 assigning the reason that the Court has no jurisdiction to recall its own order dated 20.03.2010 and further, the pretext of not filing defence by the defendant on account of filing an application under Order 7 Rule 11 CPC and other miscellaneous application under Section 151 CPC, would not suffice. It was also observed by the trial Court in the order dated 30.10.2012 that the application under Order 7 Rule 11 CPC filed by the defendant has been dismissed on 29.08.2009 and Civil Revision Petition No.135/2009 filed by the defendant thereagainst has also been dismissed by the High Court on 04.03.2011. With such reasonings, the trial Court dismissed

the application under Section 151 CPC and declined to take the defence of defendant on record.

8. The submission of learned counsel for defendant is that firstly, on 20.03.2010, when the right to submit defence of defendant was closed, the case was not fixed for filing of the written statement/reply to the application for temporary injunction, rather it was fixed for filing of reply/hearing on the application under Section 151 CPC. It has been submitted that on that day, the counsel for the defendant from Delhi could not put in appearance before the trial Court at Jaipur and behind his back, the right to submit defence of the defendant was closed. Another submission of the counsel for the defendant is that though it may be true that mere filing of application under Order 7 Rule 11 CPC may not be a sufficient reason for not filing the written statement, but the facts and circumstances obtained in the present case are that when the application under Order 7 Rule 11 CPC was dismissed by the trial Court vide order dated 29.08.2009 and thereagainst Civil Revision Petition No.135/2009 was filed by the defendant, the High Court while dismissing the said Revision Petition vide order dated 04.03.2011, clearly observed that the petitioner-defendant may take all his objections in the written statement. The order dated 04.03.2011 by the High Court was passed in the presence of the counsel for the plaintiff, though in absence of the counsel for the defendant, the plaintiff did not disclose that the opportunity to submit defence of the defendant has already been closed by the trial Court on 20.03.2010. Learned counsel submits that the implication of the order dated 04.03.2011 passed by the High Court is that it virtually granted an

opportunity to the defendant to submit written statement, allowing the defendant to take all his objections in the written statement. Hence, in the light of the order dated 04.03.2011 passed by the High Court, the trial Court ought to have permitted the written statement/reply of the application for temporary injunction filed by the defendant on 29.03.2010 to be taken on record by condoning the delay, hence, on such ground, the order dated 30.10.2012 declining to take the written statement/reply to the application for temporary injunction on record suffers from perversity as much as jurisdictional error and is liable to be quashed.

9. In addition to the above, further submission of the counsel for the defendant is that considering the nature of the present suit, which involves issue in respect of infringement of the intellectual property rights of the parties, using the trade name 'Sanskriti' for running the educational institutions, the defence of the defendant is material and in such category of civil suit, it would be expedient and in the interest of justice that the Court may exercise its jurisdiction to extend the time for submission of defence by the defendant, moreso when, the provisions of Order 8 Rule 1 CPC appended with proviso thereto have been declared as directory in nature and further, the written submission has already been submitted by the petitioner on record before the trial Court on 29.03.2010. The purpose to honour the timeline as prescribed under Order 8 Rule 1 CPC is to keep the defendant vigilant and to conclude the proceedings of civil matters expeditiously. In the present case, on the issue of taking or not the defence of defendant on record, the matter is pending since more than 10

years whereas petitioner has submitted his defence before the trial Court on 29.03.2010 itself, therefore, it would be expedient and in the interest of justice to allow that defence taken on record to be considered on merits.

10. Counsel for respondent-plaintiff has vehemently opposed the contentions and submits that the extension of timeline to submit defence by the defendant can be made by the Court only on furnishing sufficient reasons and not in a routine manner. Since the reasons assigned by the petitioner-defendant for not submitting his defence within timeline, are not sufficient, therefore, the impugned orders do not warrant any interference by this Court and the writ petition deserves to be dismissed.

11. Having considered the rival contentions of the counsel for both the parties and taking into consideration the legal proposition as referred herein-above as also in the light of observations made by the High Court in the order dated 04.03.2011 while dismissing Civil Revision Petition No.135/2009 filed by the petitioner-defendant against dismissal of application under Order 7 Rule 11 CPC, allowing the petitioner to take all his legal objections in the written submission, and moreover proceedings of the present civil suit are withheld for more than 10 years only on the issue of delay in filing written statement, in the opinion of this Court, a liberal view needs to be taken in respect of reasons assigned by the defendant for delay in submission of his defence. In addition, it may be observed here that the delay in submission of written statement/reply to the application for temporary injunction may not be termed as deliberate and willful, but same seems to be circumstantial and moreover, the written statement/reply to the

application has already been submitted by the petitioner-defendant on record of the trial Court on 29.03.2010. Thus, in such peculiar circumstances obtaining in the present case, this Court finds that present case is a hard case and exceptional circumstances are available where the written statement/reply to the application for temporary injunction submitted by the petitioner-defendant before the trial Court on 29.03.2010 should be allowed to be taken on record and considered on merits. But certainly, petitioner must be mulcted with exemplary cost. Hence, ordered accordingly.

12. It appears from the record that petitioner was asked to deposit cost of Rs.10,000/- by this Court vide order dated 18.02.2013 while issuing notices to the respondent and in pursuance thereof, petitioner has deposited such cost. Hence, it is hereby ordered that on payment of cost of Rs.10,000/-, which has been deposited by the petitioner before this Court, the written statement/reply to the application for temporary injunction of defendant, already filed before the trial Court, is directed to be taken on record. The cost lying deposited before the High Court may be disbursed to the respondent-plaintiff.

13. Coming to another issue in respect of dismissal of the application dated 16.01.2020 filed by the petitioner-defendant under Section 151 CPC seeking dismissal of the civil suit in the light of the cancellation of registration of trade mark 'Sanskriti' by the Deputy Registrar of Trade Marks vide order dated 10.12.2019, this is an undisputed fact that the respondent-plaintiff instituted present suit before the District & Sessions Judge at Jaipur on 22.01.2009. In the suit, respondent-plaintiff has strongly relied

upon the registration of trade mark 'Sanskriti' under Registration No.1261555 before the Registrar of Trade Marks. It is also undisputed that later on, one rectification application was filed by Sanskriti Shiksha Samiti, which is running the Sanskriti School at Pune i.e. petitioner, seeking to cancel the registration of trade mark 'Sanskriti'. Such rectification application was contested by the respondent-plaintiff, but finally in the rectification proceedings, vide order dated 10.12.2019, registration of trade mark 'Sanskriti' has been cancelled and struck down from the record. Thus, the present civil suit for infringement of trade mark of 'Sanskriti', which was filed on the basis of registration of such trade mark, obviously does not survive after cancellation of the registration. Although before the trial Court, an impression was given by the respondent-plaintiff that against the order dated 10.12.2019, an appeal before the Intellectual Property Appellate Board (IPAB), Chennai, has been filed, but in counter thereto, counsel for the petitioner-defendant has referred to the notification dated 22.04.2021 issued by the Ministry of Commerce & Industry whereby the establishment of the Intellectual Property Appellate Board (IPAB) established under Section 83 of the Trade Marks Act, 1999, has been dissolved w.e.f. 04.04.2021. In this view, the pretext taken by the respondent-plaintiff that the order dated 10.12.2019 is not final, has turned futile and the counsel for the respondent-plaintiff, before this Court does not dispute that in view of cancellation of the registration of trade mark 'Sanskriti' vide order dated 10.12.2019, the plaintiff's suit for infringement of registered trade mark does not survive and the cause of action in respect of infringement has disappeared.

14. However, the contention of the counsel for the plaintiff-respondent is that since the present suit for prohibitory and mandatory injunction in respect of use of trade mark 'Sanskriti' has been filed on the basis of passing off alleging that plaintiff is prior user and lawful owner of such trade mark, therefore, the suit shall survive on this ground, hence, cannot be dismissed merely on account of cancellation of registration of trade mark 'Sanskriti'. Learned counsel submits that the trial Court considered this aspect in the order impugned dated 24.09.2021 and having placed reliance on the judgment of Delhi High Court in case of *Pankaj Goel Versus Dabur India Ltd.*: **MANU/DE/2271/2008**, has not committed any illegality and jurisdictional error in dismissing the application filed by the respondent-plaintiff under Section 151 CPC and declining to dismiss the present suit.

15. On this issue, counsel for the petitioner-defendant submits that fundamentally, plaintiff's suit for prohibitory and mandatory injunction in respect of trade mark 'Sanskriti' has also been invoked on the ground of registration of trade mark invoking provisions of Section 134/135 of the Trade Marks Act. Further, in the prayer of suit, plaintiff has relied upon only on registration of trade mark and has prayed for damages as well, which cannot be claimed in the suit for injunction, if filed on the basis of passing off the trade mark. Learned counsel for the petitioner submits that when undeniably the registration of trade mark 'Sanskriti' on which plaintiff relied upon, has been cancelled by the competent authority of Trade Marks vide order dated 10.12.2019, which has attained the finality, in view of such subsequent facts and relied

upon the principle of *ex debito justitiae,* the present suit is liable to dismissed.

16. In addition, it has been argued that in the suit for injunction on the ground of passing off trade mark, damages cannot be claimed and further, the jurisdiction of Court would be governed by the provisions of Section 134(c) of the Trade Marks Act. It means that the suit can be filed before the District Court within whose jurisdiction, defendants or any of the defendant, actually and voluntarily resides and carries on business or personally works for gain or where the cause of action wholly or partly has accrued. Clauses (a) and (b) of Section 134 of the Trade Marks Act, which provide a privilege to invoke the jurisdiction of District Court where the person instituting the suit resides or carries on business or personally works for gain, has no applicability in the suit for injunction filed on the basis of passing off. Thus, in that view, the civil suit instituted before the District & Sessions Judge at Jaipur, on the basis of claiming registration of trade mark in favour of plaintiff and taking resort of Section 134 of the Trade Marks Act cannot be maintained at Jaipur, since the school of the petitioner-defendant is situated and running at Pune, State of Maharashtra. Learned counsel submits that in the suit for injunction based on passing off trade mark, the jurisdiction of civil suit would be governed as per Section 20 of CPC, hence, in that view, the civil suit pending before the District & Sessions Judge at Jaipur is liable to be dismissed.

17. This Court has extended its thoughtful consideration over the rival contentions of learned counsel for both the parties. The legal position is well established that a joint suit for injunction in

respect of intellectual property rights, based on infringement of registered trade mark as also passing off the registered trade mark is maintainable, rather the suit based on passing off trade mark, it means, claim of the prior user of the trade mark prevails over the suit based on subsequent registration of trade mark and even if, a person has failed to prove the infringement of registration of trade mark, may succeed in obtaining injunction on establishing the prior user of the trade mark. The legal position in this respect has been clarified by the Division Bench of Delhi High Court in case of *N.R. Dongre Versus Whirlpool Corporation* reported in **MANU/DE/0461/1984** : **AIR 1985 Delhi 300** and in case of *Century Traders Versus Roshan Lal Duggar & Co.* reported in **MANU/DE/0153/1977** : **AIR 1978 Delhi 250**, which have been followed in case of *Goenka Institute of Education and Research Versus Anjani Kumar Goenka & Ors.*: **AIR 2009 Delhi 139**. In view view of legal position, obviously the civil suit for injunction based on passing off trade mark or claiming prior user and on the basis of common law rights can survive, even if, the claim for injunction on the basis of infringement of registered trade mark has ceased to operate due to subsequent cancellation of registration of trade mark. It is no more *res-integra* that the sustainability of a civil suit in the light of subsequent events may be considered by the Court and if it is found that on account of accrual of the subsequent events post institution of original civil proceedings, either the cause of action has disappeared or the suit has rendered infructuous or has become not sustainable in the eyes of law or has suffered from jurisdictional error, and it is expedient to not proceed with such suit, the Court may pass

appropriate orders while exercising its inherent jurisdiction under Section 151 CPC following the principle of *ex debito justitiae*. In support of such proposition of law, reference of a celebrated judgment of the Apex Court in case of *Shipping Corporation of India Ltd. Versus Machado Brothers & Ors.*: **(2004) 11 SCC 168**, would be suffice and Para 25 of the said judgment is being reproduced hereunder:

> "25. Thus it is clear that by the subsequent event if the original proceeding has become infructuous, ex debito justitiae, it will be the duty of the court to take such action as is necessary in the interest of justice which includes disposing of infructuous litigation. For the said purpose it will be open to the parties concerned to make an application under Section 151 of CPC to bring to the notice of the court the facto and circumstances which have made the pending litigation infructuous. Of course, when such an application is made, the court will enquire into the alleged facts and circumstances to find out whether the pending litigation has in fact become infructuous or not."

18. In another judgment, the Supreme Court in case of *Kedar Nath Agrawal (dead) & Anr. Versus Dhanraji Devi (dead) by LRs*: **(2004) 8 SCC 76**, while considering the issue of extending weight to the subsequent events and effect thereof on the pending civil proceedings and on the issue as to whether the suit should be allowed to continue or not, held and observed in Para No.16 as under:-

> "16. In our opinion, by not taking into account the subsequent event, the High Court has committed an error of law and also an error of jurisdiction. In our judgment, the law is well settled on the point, and it is

this: The basic rule is that the rights of the parties should be determined on the basis of the date of institution of the, suit or proceeding and the suit/action should be tried at all stages on the cause of action as it existed at the commencement of the suit/action. This, however, does not mean that events happening after institution of a suit/proceeding, cannot be considered at all. It is the power and duty of the court to consider changed circumstances. A court of law may take into account subsequent events inter alia in the following circumstances:

(i) The relief claimed originally has by reason of subsequent change of circumstances become inappropriate; or

(ii) It is necessary to take notice of subsequent events in order to shorten litigation; or

(iii) It is necessary to do so in order to do complete justice between the parties."

19. In view of the established proposition of law referred herein-above, the effect of cancellation of the registration of trade mark 'Sanskriti', on the basis of which, the plaintiff filed the present suit for infringement of trade mark of 'Sanskriti' against defendant, is explicit that the present suit for prohibitory and mandatory injunction and for consequential claim for damages as prayed in the suit, does not survive and is liable to be rejected on account of cancellation of registration. To this extent, counsel for respondent-plaintiff also has no quarrel. The trial Court committed illegality in observing that the suit for compensation/damages shall survive.

20. As far as survival of the present suit for the prayer of injunction only, on the basis of claiming prior user of trade mark 'Sanskriti' by plaintiff and passing off the trade mark of 'Sanskriti' is concerned, a perusal of the plaint as a whole goes to show that

the drafting of the present suit revolves around the claim of infringement of registration of trade mark, although in Paras No.7 & 12, slight reference of prior user and entitlement of plaintiff for injunction on the basis of lawful owner of trade mark and under the common law rights, have been pleaded, but in prayer clause of the plaint, the injunction and the damages have been prayed only on the basis of registration of trade mark.

In the opinion of this Court, the present plaint does not contain material facts in respect of claiming the injunction on the ground of prior user or passing off under the common law rights nor the prayer of injunction is based on such rights.

21. That apart, the major issue has emerged in respect of continuing the present suit within the jurisdiction of the District & Sessions Court at Jaipur. Since, initially when the suit was filed on 22.01.2009, the jurisdiction of District Court at Jaipur was invoked by the plaintiff relying upon the registration of trade mark and taking resort of Section 134(a) & (b) of the Trade Marks Act, but such cause of action does not survive and has disappeared, after cancellation of registration vide order dated 10.12.2019 passed by the Registrar of Trade Marks. The suit on the basis of prior user and passing off can be filed by the respondent-plaintiff against the petitioner-defendant before the District Judge having jurisdiction by virtue of Section 20 of CPC read with Section 134(c) of the Trade Marks Act. Therefore, this Court is of the considered opinion that the present suit, even if held to be survived on the ground of prior user or passing off under the common law rights, then also same cannot be allowed to continue within jurisdiction of the District Court or Additional District Court situated at Jaipur and in

view of the cancellation of the registration of trade mark on the basis of which plaintiff invoked the jurisdiction of the District Court at Jaipur, now the District Court or Additional District Court at Jaipur, has no jurisdiction to entertain and continue the present civil suit. The cause of action of prior user or passing off the trade mark has not been accrued within jurisdiction of Jaipur Court as defendant is running school at Pune. The trial Court could not ponder over this aspect, while considering the application under Section 151 CPC filed by the petitioner-defendant.

22. In view of the above discussion, the real scenario in respect of the present suit has emerged in the manner that the suit was filed way back on 22.01.2009, wherein till date no progress has commenced. Counsel for the respondent-plaintiff admits that no ad-interim injunction order has been passed in the present suit and the proceedings have been pending at the stage of taking or not the written statement/reply to the application for temporary injunction on record. The cause of action to continue the civil suit for prohibitory and mandatory injunction and consequential prayer of damages, passed on the ground of infringement of registered trade mark of Sanskriti, does not survive after cancellation of registration vide order dated 10.12.2019. No cause of action on the basis of prior user and passing off has accrued within the territorial jurisdiction of District Court at Jaipur and undeniably, the educational institution of defendant is running at Pune in the State of Maharashtra. As has been noticed herein-above that the prayer in the suit is wholly based on the infringement of registered trade mark and not on the basis of prior user or passing off action. The pleadings in respect of claiming injunction on the basis of

prior user and passing off action suffer from lapses of material facts and moreover, the territorial jurisdiction of the District Court at Jaipur, ceased to operate to continue the present suit on the basis of prior user and passing off for want of territorial jurisdiction. Undisputedly, the school of defendant is running at Pune and Sanskriti Shiksha Samiti, which is running the defendant's school, has not been made party to the present suit for which an application for impleadment has been stated to be pending before the trial Court. Thus, this Court finds that the present civil suit, at one hand has suffered from the defect of territorial jurisdiction to be continued within the jurisdiction of District Court at Jaipur, suffer from diverse defects. In such peculiar facts and circumstances, allowing to continue the present civil suit before the District Court at Jaipur would be against the law whereas on the contrary, the cause of action in respect of prior user and passing off is a recurring cause of action, hence, the plaintiff has liberty to file a fresh suit with narration of material and substantive pleadings in respect of claiming injunction on the basis of prior user and passing off action for which, obviously the jurisdiction of Court can be invoked with the aid of Section 134(c) of the Trade Marks Act read with Section 20 of CPC. Thus, in the opinion of this Court, it would be in the interest of justice as also would be in conformity to the principle of *ex debito justitiae* that the present civil suit be ordered to be dismissed with liberty to plaintiff to file a fresh suit before the competent Court having jurisdiction to entertain the suit for injunction on the basis of passing off action.

23. It is well established principle of law that the inherent powers by the Civil Court may be exercised to pass necessary orders in order to secure the ends of justice. This Court finds that such inherent powers ought to have been and must be exercised in the present case, adhering to the principle of *ex debito justitiae*, it means to do the complete justice with the parties.

24. As a result, this Court is of the considered opinion that the trial Court has committed jurisdictional error in passing the order impugned dated 24.09.2021. This Court, applying the principle of *ex debito justitiae* and in exercise of inherent power under Section 151 CPC, holds that the present suit does not survive further before the District Court at Jaipur as also for the other reasons discussed herein-above, it is in the interest of justice to continue the proceedings of such civil suit, which otherwise suffers from diverse defects as noticed herein-above. Hence, in order to secure the ends of justice and to do equity with both the parties, the present suit is ordered to be dismissed with liberty to the respondent-plaintiff to file a fresh suit with complete details and drafting of facts in respect of claiming injunction on the basis of prior user or passing off the trade mark before the District Court having jurisdiction to entertain the same in view of Section 20 of CPC and Section 134(c) of the Trade Marks Act.

25. The net outcome of the discussion made herein-above is that S.B. Civil Writ Petition No.2301/2013 titled as Sanskriti School Versus India International Technical Institute is hereby allowed. The impugned orders dated 20.03.2010 and 30.10.2012 are quashed and set aside. The written submission/reply to the application for temporary injunction, which has already been

submitted by the petitioner-defendant before the trial Court way back on 29.03.2010, are directed to be taken on record on cost of Rs.10,000/-. The cost, which has already been deposited by the petitioner-defendant before this Court, may be disbursed to the respondent-plaintiff.

26. S.B. Civil Writ Petition No.14500/2021 titled as Sanskriti School Versus India International Technical Institute also succeeds and is hereby allowed. The impugned order dated 24.09.2021 is hereby quashed and set aside and Civil Suit No.518/2012 titled as India International Technical Institute Versus Sanskriti School pending before the Additional District Judge No.4, Jaipur Metropolitan-II is hereby dismissed. However, the respondent-plaintiff is at liberty to file a fresh suit, with complete details and drafting of facts in respect of claiming injunction on the basis of prior user or passing off the trade mark before the District Court having jurisdiction to entertain the same in view of Section 134(c) of the Trade Marks Act read with Section 20 of CPC.

27. Stay application and any other pending application(s), if any, stand disposed of.

28. A copy of this order be placed in each of the file.

(SUDESH BANSAL),J

SUNIL SOLANKI /57-58