

# A case of beer

## THE CASE:

*Carlsberg Breweries A/S v Som Distilleries & Breweries*  
High Court of Delhi  
14 December 2018

The landmark ruling on infringement and passing off in India is explored by **Bisman Kaur**

**In a landmark judgment delivered on 14 December 2018, a Special Bench of the High Court of Delhi ruled on the maintainability of a composite suit filed in relation to infringement of a registered design and for passing off.** Indicative of the importance of the issue raised in the case at hand – *Carlsberg Breweries A/S v Som Distilleries & Breweries Ltd* [CS (COMM) 690 of 2018] – this was the first time that such a bench had been constituted at the High Court of Delhi in an intellectual property suit.

In 2015 Carlsberg Breweries, represented by Remfry & Sagar, instituted a suit for infringement of registered design and passing off against Som Distilleries with respect to Carlsberg's beer bottle 'TUBORG'. Relying upon a decision issued by a three-judge bench of the Delhi High Court in *Mohan Lal v Sona Paint*,<sup>1</sup> Som Distilleries argued that the cause of action for a suit for infringement of a registered design was different from the cause of action on which a claim of passing off was premised, thus two separate suits must be filed. Carlsberg Breweries countered by arguing that the judgment in *Mohan Lal* was *per incuriam*, that is, it had been decided wrongly. Finding merit in the argument, the single judge requested the matter be considered by a larger bench of the Delhi High Court (comprising more than three judges) to bring greater clarity to the issue. Accordingly, the Chief Justice of the Delhi High Court constituted the special five-judge bench.

The *Mohan Lal* ruling referred to the Supreme Court decision in *Dabur India v RK Industries*.<sup>2</sup> Before the larger bench, it was argued that though the Supreme Court had indeed held that two different causes of action could not be combined in one single suit, this had been said in the context where the court lacked jurisdiction to entertain any one of the causes of action. To explain further, under the general law governing litigation procedures

– the Indian Code of Civil Procedure (CPC) – a plaintiff can sue a defendant at the place where:

- The cause of action arises; or
- Where the defendant resides and/or carries on business.

However, plaintiffs are provided with the benefit of an additional forum under the Indian trademarks statute and copyright statute – both also permit filing a suit for trademark and/or copyright infringement where the plaintiff resides or carries on business.

What the Supreme Court clarified in *Dabur India* was that a plaintiff taking advantage of an additional forum under the trademark/copyright statute to file a suit for infringement in place 'X', could not, in the same suit, club a second action of passing off, if the territorial jurisdiction for the latter was restricted by the CPC to place 'Y' and/or 'Z' only. To allow clubbing of both causes of action in a single suit in such circumstances would amount to conferring jurisdiction on a court where it had none.

Moreover, in the case of designs, the statute did not expand jurisdiction akin to the trademarks and copyright acts, which meant that whether one was filing an infringement suit and/or a passing off suit, the choice would be limited to two, identical forums – either where the defendant resided/carried on business or where the cause of action arose. Therefore, the situation contemplated under *Dabur India* would never arise in cases involving design infringement and passing off – the decision in *Mohan Lal*, thus, was incorrect.

Furthermore, a provision under the CPC – Order II Rule 3 – explicitly allowed a plaintiff to unite in the same suit several causes of action against the same defendant(s). Accordingly, Carlsberg Breweries argued that a composite

suit involving two causes of action was maintainable, subject to the court being vested with jurisdiction to entertain both causes of action.

The Special Bench concurred with these arguments and held that the basic facts which impelled a plaintiff to approach a court of law complaining of design infringement were the same ones that underlay a case of passing off; thus, in such circumstances it was inconceivable that a cause of action be split and presented in the form of two separate suits. Overruling *Mohan Lal*, the bench reasoned that both causes of action ie, infringement of design and passing off would arise from the "same transaction of sale"; common questions of law and fact would be presented; and thus, joinder of causes of action "ought" to be done.

Accordingly, in a decision bound to have far-reaching implications, it was held that a composite suit for infringement of a registered design and passing off is maintainable.

## Footnotes

1. 2013 (55) PTC 61 (Del).
2. 2008 (10) SCC 595.

## Author



Bisman Kaur is of counsel at Remfry & Sagar. She is a trademark attorney and has extensive experience in advising clients on the adoption and protection of brand names and strong knowledge of the finer nuances of assignment and licensing of trademark rights. Kaur also handles all media outreach, communications and publishing activities at the firm. Carlsberg Breweries was represented by Remfry & Sagar