

Special Legal Issues Seminar

**Reliefs in IP Cases that are Prematurely Sought versus Those that are
Founded Legitimately on Anticipatory-Apprehension**

Introduction

- ❖ Civil Suits are instituted in a court of law to seek some relief to protect one's rights. The procedure for institution of suits by one party against another is provided under the Code of Civil Procedure, 1908.
- ❖ This is based on the maxim *Ubi jus ibi remedium* which means 'where there is right, there is a remedy'.
- ❖ The term 'relief' has not been defined under the Code of Civil Procedure, 1908, but has provided different types of reliefs or remedies that can be sought by an aggrieved party in the Specific Relief Act, 1963.
- ❖ The objective of a 'relief' is to rightly compensate an aggrieved party and re-position such party to before when the undue advantage was taken by such other party in default.
- ❖ Reliefs can be broadly categorized into:
 - Non- Monetary Reliefs – Injunction, Declaration, Specific Performance
 - Monetary Reliefs – Damages
- ❖ *Quia Timet* suit - An action against apprehended or threatened invasion.

Relevant Legal Provisions

❖ **Section 34, Specific Relief Act, 1963 —**

“Discretion of court as to declaration of status or right.—Any person entitled to any legal character, or to any right as to any property, may institute a suit against any person denying, or interested to deny, his title to such character or right, and the court may in its discretion make therein a declaration that he is so entitled, and the plaintiff need not in such suit ask for any further relief:

Provided that no court shall make any such declaration where the plaintiff, being able to seek further relief than a mere declaration of title, omits to do so.”

❖ **Order XXXIX, Code of Civil Procedure, 1908 —** *Provides for applicable rules in regard to Temporary Injunctions and Interlocutory Orders.*

Relevant Legal Provisions (Contd.)

❖ Section 36, Specific Relief Act, 1963 —

“Preventive relief how granted.— Preventive relief is granted at the discretion of the court by injunction, temporary or perpetual.”

❖ Section 37, Specific Relief Act, 1963 —

“Temporary and perpetual injunctions.—(1) Temporary injunctions are such as are to continue until a specific time, or until the further order of the court, and they maybe granted at any stage of a suit, and are regulated by the Code of Civil Procedure, 1908 (5 of 1908).

(2) A perpetual injunction can only be granted by the decree made at the hearing and upon the merits of the suit; the defendant is thereby perpetually enjoined from the assertion of a right, or from the commission of an act, which would be contrary to the rights of the plaintiff.”

Relevant Legal Provisions (Contd.)

❖ Section 40, Specific Relief Act, 1963 —

“Damages in lieu of, or in addition to, injunction. —(1) The plaintiff in a suit for perpetual injunction under section 38, or mandatory injunction under section 39, may claim damages either in addition to, or in substitution for, such injunction and the court may, if it thinks fit, award such damages.

(2) No relief for damages shall be granted under this section unless the plaintiff has claimed such relief in his plaint:

Provided that where no such damages have been claimed in the plaint, the court shall, at any stage of the proceedings, allow the plaintiff to amend the plaint on such terms as may be just for including such claim.

(3) The dismissal of a suit to prevent the breach of an obligation existing in favour of the plaintiff shall bar his right to sue for damages for such breach.”

Relevant Judicial Decisions

❖ *P.V. Francis v. P.V. Varghese and Ors.* [2017 (1) KLJ 543]

*“...the meaning of 'relief' is given as follows: i) Aid or assistance given to those in need ii) The **redress or benefit** that a party asks of a court”.*

“A plaintiff may be entitled to one right or several rights in relation to a single relief. Out of the bundle of rights which form the cause of action for the relief prayed for, a part may give rise to one right and another to another right.”

*“The definitions of 'claim' and 'relief' given in the Black's Law Dictionary also fortifies the view that 'claim' indicates rights while '**relief**' indicates assistance of the court.”* [Emphasis supplied]

Relevant Judicial Decisions (Contd.)

❖ *Vithalbhai Pvt. Ltd. v. Union Bank of India* [AIR 2005 SC 1891]

*“The filing of a suit when there is cause of action though premature does not raise a jurisdictional question. The claim may be well-merited and the Court does have jurisdiction to hear the suit and grant the relief prayed for but for the fact that the plaintiff should have waited a little more before entering the portals of the Court. In such a case the question is one of discretion. **In spite of the suit being premature on the date of its institution the Court may still grant relief to the plaintiff if no manifest injustice or prejudice is caused to the party proceeded against.** Would it serve any purpose, and do the ends of justice compel the plaintiff being thrown out and then driven to the need of filing a fresh suit are pertinent queries to be posed by the Court to itself.”* [Emphasis supplied]

Relevant Judicial Decisions (Contd.)

❖ *Mars Incorporated v. Kumar Krishna Mukherjee* [2003 (26) PTC 60 (DEL)]

“THE only tests for injunctive relief in Quia timet Action are:-

- (i) Whether it is **likely to cause confusion or to deceive** the purchasers as to **source or origin** of the trade mark or the goods to be sold in future under the said mark irrespective of the fact whether goods intended to be sold are competitive goods or not;*
- (ii) Whether the intention to use the trade mark is to **trade or cash upon the reputation and goodwill** of the plaintiff earned over the years through extensive advertisement and huge expenses;*
- (iii) Whether there is **likelihood of. real or tangible damage or injury** to the plaintiff or **reasonable probability** if the same would take place. In other words whether use of the trademark by the defendant is **likely to be associated** with the plaintiffs trade mark or business;*
- (iv) Whether the **hardship suffered** by the plaintiff would be greater than that of the defendants if injunction is not granted against the defendants. ” [Emphasis supplied]*

Relevant Judicial Decisions – Premature Relief

❖ *Kuldip Singh v. Subhash Chander Jain & Ors.* [AIR 2000 SC 1410]

- The Appellant/Defendant by way of a SLP approached the Supreme Court against an injunction order injunctioning him from running the Bhatti (viz. baking oven) for which he had not started operations as on the date of the suit. The Appellant/Defendant pleaded that the action initiated by the Respondents/Plaintiffs was *quia timet* action which, on the settled legal principles, was premature on the date of initiation and hence ought not to have been entertained.
- The case of the Respondents/Plaintiffs was on the ground of *apprehended injury* as on the date of the suit.

*“In our opinion, no case for quia timet action was made out. **The suit filed by the plaintiffs was premature.** No relief, much less by way of preventive injunction, could have been allowed to the plaintiffs. In our opinion, **the suit filed by the plaintiffs should be dismissed with liberty to file an appropriate suit on proof of cause of action having accrued to the plaintiffs** consistently with the observations made hereinabove.”* [Emphasis supplied]

Relevant Judicial Decisions – Premature Relief (Contd.)

❖ ***Medical Technologies Ltd. v. Neon Laboratory Pvt. Ltd. and the Registrar of Trade Marks [2009 (40) PTC 576 (IPAB)]***

“It is settled that the expression 'trade mark was registered' occurring in Clause (b) of Sub-section (1) of Section 47 of the Act would mean that the trade mark was actually put on the register, having regard to the definition of "registered trade mark" in Section 2(1)(w) of the Act. Thus, the statutory period of 5 years and three months would be computed from the date on which the trade mark was actually entered in the register. In this case, the impugned mark was entered in the register on 14.9.2001 and the statutory period of 5 years three months would complete on 15.12.2006. The present application has been filed on 1.3.2006 that is say the present application was filed about 9 months before the completion of the statutory period specified under the Act. Thus, the application is premature.”

Relevant Judicial Decisions – Relief on Legitimate Anticipatory Apprehension

❖ *Toni & Guy Products Ltd. and Ors. v. Shyam Sunder Nagpal* [2014 (57) PTC 159 (Del)]

*“Relief of passing off could be based even on an apprehension of threat of Defendant's proposed launch of their products as Quia timet action...Thus, the plaintiff is entitled to seek injunction from an apprehended action of the defendant and **hence the present suit is not liable to be rejected for want of cause of action.**”*

*“However issue which arises for consideration in this Application...whether Plaintiff would be entitled to damages for **quia timet action** - For an apprehended action of invasion to right of Plaintiff, Plaintiff would be **entitled to file suit seeking injunction** - However when admittedly Defendant had not used mark and had not invaded proprietary rights of Plaintiffs in trademark by either infringing same or passing off, Plaintiffs **could not lay an action for damages** as neither invaluable goodwill or reputation of Plaintiffs was lost nor infringer had passed off his goods as that of Plaintiffs nor had any action taken place by which Defendant had become unjustly rich by trading upon goodwill and reputation of Plaintiffs” [Emphasis supplied]*

Relevant Judicial Decisions – Relief on Legitimate Anticipatory Apprehension (Contd.)

- ❖ *Super Cassettes Industries Private Limited and Ors. v. Nandi Chinni Kumar and Ors.* [2021 (85) PTC 435]

“...the apprehension expressed by the plaintiff is prima facie credible enough for entertaining the suit and the facts and the prima-facie collusion among the defendants and other circumstances narrated above in the instant case justify grant of interim relief to the plaintiff.”

“We are of the opinion, the plaintiff, in the facts and circumstances of the instant case, has shown a strong prima facie case as to the existence of a right and also a prima facie case as regards infringement, and that he has reasonable likelihood of success at the trial. We also hold that if the defendants are permitted to exhibit and distribute their film, whatever novelty there is in the plaintiff's screenplay and script would be lost, and it would be difficult to compensate him by way of damages.”
[Emphasis supplied]

Relevant Judicial Decisions – Relief on Legitimate Anticipatory Apprehension (Contd.)

- ❖ *Radio Today Broadcasting Ltd. v. Indian Performing Rights Society Ltd. and Ors.* [2009 (39) PTC 431 (Cal)]

“...the definition of quia timet...means a legal doctrine that allows a person to seek equitable relief from future probable harm to a specific right or interest. Therefore, such equitable relief can be granted to a person, provided he can successfully demonstrate before a Court that his fears in this regard are not unfounded.”

*“...we are convinced that a quia timet relief can be granted in favour of the Appellant, having regard to the facts and circumstances of the instant case as discussed in detail above, we are also of the opinion that the same ought not to be in the nature of a relief which, if granted, would, in effect, allow the present suit itself, at the interlocutory stage. Therefore, although it may not be open to the Plaintiff/Appellant to invoke Section 60 of the Copyright Act, 1957, and seek quia timet relief as contemplated under that provision of law, consequent to filing of the subsequent suit at Delhi High Court by IPRS, we are nevertheless of the **prima facie opinion that in the facts and circumstances of the instant case, as discussed above, the Appellant is entitled to a quia timet relief in the nature of an injunction restraining the Respondent IPRS from initiating any proceeding against the Plaintiff as well as the added Defendants, under Chapter XIII of the Copyright Act, 1957, until disposal of the present suit.**”*
[Emphasis supplied]

Conclusion

- ❖ The determination of whether a relief being sought is premature or is founded on legitimate anticipatory apprehension is dependent on the facts and circumstances in each case.
- ❖ The Courts may look into the evidence placed before it, balance of convenience and extent of (irreparable) damage that may be caused to the aggrieved party (as in the case for determination of grant of injunction), among other factors subject to the surrounding circumstances in the subject matter – each at the discretion of the court keeping in mind equity, fairness and justice.

THANK YOU!

Questions?

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