

Legal Issues in ‘Trademarks’

Issue: What extent of digital activity is sufficient to constitute cause of action for drawing jurisdiction?

Relevant Legal Provisions

❖ Section 134(1), Trade Marks Act, 1999 -

No suit –

- (a) for the infringement of a registered trade mark: or
- (b) relating to any right in a registered trade mark : or
- (c) for passing off arising out of the use by the defendant of any trade mark which is identical with or deceptively similar to the plaintiff's trade mark, whether registered or unregistered shall be instituted in any court inferior to a District Court having jurisdiction to try the suit.

❖ Section 134(2), Trade Marks Act, 1999 -

For the purpose of clauses (a) and (b) of sub-section (1) a “District court having jurisdiction” shall notwithstanding anything contained in the Code of Civil Procedure, 1908 or any other law for the time being in force, include a district Court within the local limits of whose jurisdiction, at the time of the institution of the suit or other proceeding the person instituting the suit or proceeding or where are more than one such persons any of them, actually and voluntarily resides or carries on business or personally works for gain.

Relevant Legal Provisions

❖ Section 29, Trade Marks Act, 1999

Infringement of registered trade marks.

(1) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

(6) For the purposes of this section, a person uses a registered mark, if, in particular, he - (a) affixes it to goods or the packaging thereof; (b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark; (c) imports or exports goods under the mark; or (d) uses the registered trade mark on business papers or in advertising.

Relevant Legal Provisions

❖ Order VII Rule 10, Code of Civil Procedure, 1908 -

Return of plaint.

- (1) Subject to the provisions of rule 10A, the plaint shall at any stage of the suit be returned to be presented to the Court in which the suit should have been instituted.

❖ Section 20, Code of Civil Procedure, 1908

Other suits to be instituted where defendants reside or cause of action arise – Subject to the limitations aforesaid, every suit shall be instituted in a Court within the local limits of whose jurisdiction -

- (a) the defendant, or each of the defendants where there are more than one, at the time of the commencement of the suit, actually and voluntarily resides, or carries on business, or personally works for gain; or
- (b) any of the defendants, where there are more than one, at the time of the commencement of the suit, actually and voluntarily resides, or carries on business, or personally works for gain, provided that in such case either the leave of the Court is given, or the defendants who do not reside, or carry on business, or personally works for gain, as aforesaid, acquiesce in such institution; or
- (c) The cause of action, wholly or in part, arises. [Explanation].—A corporation shall be deemed to carry on business at its sole or principal office in [India] or, in respect of any cause of action arising at any place where it has also a subordinate office, at such place.

Relevant Judicial Decisions

- ❖ ***Hindustan Unilever Limited v. Kwick Living (I) Private Limited [CS(COMM) 904/2026 & I.A.22515/2026, High Court of Delhi, decided on August 25, 2026]***

“33. The principal judicial precedents cited reveal two broad conflicts : firstly, whether Section 134(2) of the Trade Marks Act merely adds a plaintiff friendly forum or is that provision curtailed by the rule derived from Section 20 CPC; secondly, what extent of digital activity is sufficient to constitute a cause of action under Section 20(c).”

“52. It is extremely important to point-out that, by reason of the advent of the internet and the accessibility of goods at any remote location via the world-wide-web, the principles of law in relation to territorial jurisdiction of courts cannot be so diluted or be made so vague that a corporation could sue in just about any location within the country (without any reference to where the cause of action may have arisen, whether in whole or in part). That would throw the very concept of territorial jurisdiction of courts to the winds.”

Relevant Judicial Decisions

❖ ***M/S Kohinoor Seed Fields India Pvt Ltd vs M/S Veda Seed Sciences Pvt Ltd [CS(COMM) 828/2022, High Court of Delhi, decided on April 16, 2025]***

“51. As noted in paragraphs set out above, the India Mart listing had the same address as that of the defendant and therefore, the Court was of the view, the listing was at the behest of the defendant which is not the case in the present matter.

52. In my considered view, the judgments in Marico Limited (Supra) and Shakti Fashion (Supra) do not hold that the jurisdiction can be made out only on the basis of listing of the impugned products on e-commerce portal of India Mart and the like. The jurisdiction has to be made out in each case on the basis of facts and circumstances obtaining in the said case.

53. It is the settled position of law that a plaintiff cannot, by clever drafting, vest jurisdiction in a Court, if it otherwise does not have the same...”

Relevant Judicial Decisions

- ❖ ***Impressario Entertainment & Hospitality v S&D Hospitality [(CS(COMM) 111/2017), High Court of Delhi, decided on May 31, 2023]***

“19... even if the defendant has been able to attract customers from other jurisdiction including by way of Zomato and Dine-Out, the services of defendant cannot be availed unless the customers go to Hyderabad. Thus, through Zomato and Dine-Out the customers will only be able to invite customers and reserve a table at the restaurant of the defendant at Hyderabad. The commercial transaction will take place only at Hyderabad once the defendant avails the services there. Merely booking at Delhi for availing the services of defendant at Hyderabad will not give rise to cause of action at Delhi resulting in jurisdiction to the plaintiff on the said ground as the plaintiff does not have its registered office at Delhi nor the cause of action has arisen in Delhi...”

Relevant Judicial Decisions

❖ ***Shakthi Fashion & Anr. v. Burberry Limited [CRP-IPD 2/2022, High Court of Delhi, decided on May 24, 2022]***

“12. The Court has perused the pleadings and documents. The first and the foremost feature in this case is the website of IndiaMart where the Defendant No.1's business is clearly advertised as 'Shakti Fashion, Bengaluru, Bommanahalli, Bengaluru, Karnataka'. Furthermore, IndiaMart clearly permits enquiries for the garments which are advertised on the said website. It is possible to obtain information about the said products, such as the price and details of garments, girls garments, ladies fashion garments and ladies woven garments. Defendant No.1's listing also has the feature of 'get touch with us', 'about us', 'contact us', 'send e-mail', 'view mobile number', 'submit requirements', etc.”

Relevant Judicial Decisions

❖ ***Burger King Corporation v. Techchand Shewakramani & Ors. [CS(COMM) 909/2016 & CS(COMM) 122/2017, High Court of Delhi, decided on August 27, 2018]***

“21. Thus, jurisdiction of a Court in a trade mark action, could be invoked where there is use upon or in relation to goods. The phrase ‘in relation to’ has been interpreted to include advertising, promotion, publicity, etc. Thus, in addition to actual sale of goods and providing services, if a person advertises his or her business under the mark in a territory, promotes his or her business under the mark in a territory or for example invites franchisee queries from a particular territory, sources goods from a particular territory, manufactures goods in a particular territory, assembles goods in a particular territory, undertakes printing of packaging in a particular territory, exports goods from a particular territory, it would constitute ‘use of a mark’.”

“26. It is clear from the above extract and the dictum of the Supreme Court that the concept of infringement and passing off is not fixed in time. It is elastic in nature inasmuch as use of a mark is continuous and each and every use constitutes a fresh cause of action. In a suit where infringement and passing off is complained of, basing the jurisdiction, only as per the date of the plaint would not be the correct approach....”

Relevant Judicial Decisions

❖ ***Marico Limited vs Mr. Mukesh Kumar & Ors. [AIRONLINE 2018 DEL 1322, High Court of Delhi, decided on August 27, 2018]***

“66. This Court finds that the plaintiff has positively asserted in its plaint that the defendants are selling their products within the jurisdiction of this Court through the departmental store “Big Bazar”. The plaintiff has also placed on record a printout of the defendants’ website, which specifically states that the defendants’ products are available on various e-commerce websites including „Big Bazar”. It is an admitted position that “Big Bazar” has outlets in Delhi...

67. The plaintiff has further asserted in its plaint that the defendants are indulging in online sale of the impugned product in Delhi through another website “Indiamart”. Printouts of the “Indiamart” website showing the defendants products range have been filed. A perusal of the “Indiamart” website prima facie shows that it is an interactive website inasmuch as it permits the viewers to ask for price and specifically states “before dispatching the product, they are firmly tested and checked by the team of quality controllers”. Accordingly, in the present case the “purposeful avilment” as well as “sliding scale” and “effects” tests as stipulated in Banyan Tree Holding (P) Limited Vs. A. Murali Krishna Reddy and Anr., 2010 (42) PTC 361 (Del) are satisfied.”

Relevant Judicial Decisions

- ❖ ***World Wrestling Entertainment, Inc. v. M/S Reshma Collection & Ors [CM Nos. 17627/2013, 18606/2013, High Court of Delhi, decided on October 15, 2014]***

“23. Let us now apply these principles to the type of transaction over the internet, which we have explained above. The website of the appellant/ plaintiff refers to various goods and services. It is not an offer but an invitation to an offer, just as a menu in a restaurant. The invitation, if accepted by a customer in Delhi, becomes an offer made by the customer in Delhi for purchasing the goods —advertised on the website of the appellant/ plaintiff.

When, through the mode of the software and the browser, the transaction is confirmed and payment is made to the appellant/ plaintiff through its website, the appellant / plaintiff accepts the offer of the customer at Delhi. Since the transaction between the two takes place instantaneously, the acceptance by the appellant/ plaintiff is instantaneously communicated to its customer through the internet at Delhi. Therefore, in such a case, part of the cause of action would arise in Delhi.”

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Relevant Judicial Decisions

- ❖ ***Banyan Tree Holding (P) Limited v. A. Murali Krishna Reddy and Ors. [CS (OS) No.894/2008, High Court of Delhi, decided on November 23, 2009]***

“58. We summarise our findings on the questions referred for our opinion as under:

Question (i): For the purposes of a passing off action, or an infringement action where the plaintiff is not carrying on business within the jurisdiction of a court, in what circumstances can it be said that the hosting of a universally accessible website by the Defendants lends jurisdiction to such Court where such suit is filed (“the forum court”)

Answer: For the purposes of a passing off action, or an infringement action where the plaintiff is not carrying on business within the jurisdiction of a court, and in the absence of a long-arm statute, in order to satisfy the forum court that it has jurisdiction to entertain the suit, the plaintiff would have to show that the Defendant availed itself of the jurisdiction of the forum court. For this it would have to be prima facie shown that the nature of the activity indulged in by the Defendant by the use of the website was with an intention to conclude a commercial transaction with the website user and that the specific targeting of the forum state by the Defendant resulted in an injury or harm to the plaintiff within the forum state...”

Relevant Judicial Decisions

- ❖ ***Banyan Tree Holding (P) Limited v. A. Murali Krishna Reddy and Ors. [CS (OS) No.894/2008, High Court of Delhi, decided on November 23, 2009] (Contd.)***

“...Question (ii): In a passing off or infringement action, where the defendant is sought to be sued on the basis that its website is accessible in the forum state, what is the extent of the burden on the plaintiff to prima facie establish that the forum court has jurisdiction to entertain the suit?

Answer: For the purposes of Section 20(c) CPC, in order to show that some part of the cause of action has arisen in the forum state by the use of the internet by the Defendant the plaintiff will have to show prima facie that the said website, whether euphemistically termed as "passive plus" or "interactive", was specifically targeted at viewers in the forum state for commercial transactions. The plaintiff would have to plead this and produce material to prima facie show that some commercial transaction using the website was entered into by the Defendant with a user of its website within the forum state resulting in an injury or harm to the plaintiff within the forum state.”

Conclusion

- ❖ Section 134(2) of the Trade Marks Act, 1999 gives a plaintiff an additional forum where it carries on business. The difficulty, however, is in applying this provision to the increasingly digital nature of commercial activity. While mere accessibility of a website has generally not been considered sufficient to confer jurisdiction, it is less clear where the line should be drawn when a website or e-commerce platform goes beyond being merely accessible and actively facilitates commercial interaction with users in the jurisdiction.
- ❖ This creates a grey area particularly in cases involving platforms such as IndiaMART, where infringing products may be displayed, enquiries may be made and transactions may potentially be facilitated online, even though the defendant has no physical presence in the forum. The question, therefore, is whether such interactivity is enough to establish the territorial nexus required under Section 134, or whether some further connection with the jurisdiction is necessary.

THANK YOU!

Questions?

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