

IN THE HIGH COURT AT CALCUTTA
Ordinary Original Civil Jurisdiction
ORIGINAL SIDE

IA NO. GA/1/2022
In CS/269/2022
FOX AND MANDAL AND ORS.
Vs
SOMABRATA MANDAL AND ORS.

BEFORE:

The Hon'ble JUSTICE RAVI KRISHAN KAPUR

Date : 15 November, 2022.

Appearance:

*Mr. S. N. Mookherjee, Sr. Adv.
Mr. Ratnanko Banerjee, Sr. Adv.
Mr. Soumya Roychowdhury, Adv.
Mr. Souvik Chowdhury, Adv.
Mr. Paritosh Sinha, Adv.
Mr. Tirthankar Das, Adv.
....for the petitioners*

*Ms. Pinky Anand, Sr. Adv.
Mr. Promit Roy, Adv.
Ms. Mamta Tiwari, Adv.
Mr. Partha Ghosh, Adv.
Mr. Ajay Chaubey, Adv.
Mr. Savinder Singh, Adv.
Mr. Biswarup Mukherjee, Adv.
Mr. Debmalya Ghosal, Adv.
Dr. Ms. Kreeti Gupta, Adv.
Ms. Saudamini Sharma, Adv..
Mr. Soumya Paul, Adv.
Mr. Vinayak Chaubey, Adv.
.....for the respondent no.1*

*Mr. Joy Saha, Sr. Adv.
Mr. Arindam Banerjee, Adv.
Mr. Soumabho Ghosh, Adv.
Mr. Sarvapriya Mukherjee, Adv.
Mr. D. Sarkar, Adv.
...for the proforma respondent no.3*

*Mr. A. Mitra, Sr. Adv.
Mr. J. Chowdhury, Adv.
Mr. B. Kumar, Adv.
...for the proforma respondent no.4*

The Court:-

1. This is a suit for infringement of trade mark and passing off.

2. The petitioner no.1 is a registered partnership firm engaged in providing legal services, legal consultancy, advisory and other allied services. The petitioner no.1 was incorporated in the year 1896 and has ever since been using the trade mark "Fox & Mandal" uninterruptedly and extensively. The word "Fox & Mandal" also forms the business name of the firm. The firm enjoys unparalleled reputation and has enormous goodwill in the legal fraternity.
3. Originally, the firm was started as a partnership between John Kerr Fox, an English Attorney and Gokul Chandra Mandal, an Indian Attorney. There is sufficient evidence to demonstrate that the firm has been carrying out business operations since 1896. Over the years, the firm has been reconstituted.
4. The firm is the owner of the trade mark "Fox & Mandal" which has been registered on 7 March 2006 in Class 42 with the user date of the mark recorded as 'since 01.01.1896'. As on date, the firm is also the proprietor of a number of other registered trademarks.
5. The respondent no.2 is a partnership firm registered in the year 1984 by the then partners of the petitioner no.1 having its principal place of business at New Delhi. In 2003, the respondent no.1 caused a trade mark to be registered in his name with the Trade Mark Registry. The registration certificate in favour of the respondent no.1 records the user details of the respondent no.2 "since 31 December 1986".
6. The respondent no.1 is the eldest son of the Late Dinabandhu Mandal who was one of the common partners both of the petitioner no.1 and the respondent no.2. Admittedly, the respondent no.1 has never been

a partner of the petitioner no.1. He alongwith his wife have always been associated with the respondent no.2.

7. The disputes between the parties culminating in filing of the suit have arisen after the death of Dinabandhu Mandal on 30 June 2022. Prior thereto, the petitioner no.3 and the proforma respondent no.3 had on 2 October, 2001 resigned from the respondent no.2. Thus, since 1 July 2020, the petitioner no.1 and the respondent no.2 have had no common partners.
8. By an order dated 7th November, 2022 passed in this application, it had been submitted on behalf of the respondents that no further publications similar to those published in Annexure-V to the petition (pages 574 to 592), shall be published by the respondent nos. 1 and 2. It is fairly submitted by the respondents that since the matter is being heard at an *ad interim* stage, the respondents shall not use the petitioner's trade mark, i.e., 'Fox and Mondal' or 'F&M' till the final hearing of this application. In view of submissions made on behalf of the respondents, no order needs be passed on this aspect of the matter at this stage of the proceeding. Both parties reserve their rights to agitate all points at the final hearing of this application.
9. It is contended on behalf of the petitioners that the respondents have been falsely representing to have been 'incorporated in the year 1896' and thus, claiming to be one of India's oldest and largest law firm and thus remain associated with the petitioner no.1. This is the only bone of contention between the parties.

10. It is submitted that any representation of the respondents of having been incorporated in the year 1896 or claiming any association with the petitioner no.1 since 1896 is *ex facie* false, misleading and malafide. This is an attempt solely to encash on the goodwill and reputation of the petitioner no.1. In this connection, the petitioners rely on a number of publications in various newspapers, magazines and other online portals published on 15th October, 2022 wherefrom it appears that the respondent nos. 1 and 2 are describing themselves or have been described to be India's oldest law firm since 1896. It is alleged that the representation of being connected and associated with the petitioner no.1 amounts to misrepresentation and passing off. In this connection, the petitioners rely on Clause 17 of reconstituted partnership deed dated 27th October, 2014. On an interpretation of Clause 17, it is contended that the respondent no.1 can only be entitled to a monetary claim in respect of goodwill of the petitioner no.1. Reliance is also placed on the decision reported in '*Bhagwan Dass Khanna Jewellers versus Bhagwan Das Khanna Jewellers Private Limited and Others*' (2012) SCC OnLine Del 6129.

11. On behalf of the respondents, it is contended that there is no basis whatsoever to restrain the respondents from claiming to be associated with the petitioner no.1 since 1896. It is urged that the respondents have been claiming such rights since the formation of the respondent no.2 and there has been no objection whatsoever by the petitioners. It is further alleged that the firm 'Fox and Mondal' is a family firm which was controlled entirely by Dinabandhu Mandal and his family. Thus,

any restraint on the use of the business of the respondents being carried out since 1896 is unwarranted and unjustified. In this connection, reliance is placed on the following decisions: *Shri Ram Education Trust Vs. SRF Foundation & Anr. 2016 SCC OnLine Del 472*, *Mrs. Sujan Suresh Sawant Vs. Dr. Kamlakant Shantaram Desa AIR 2004 Bom 446* and *Khushal Khemgar Shah & Ors. Vs. Mrs. Khorshed Banu Dadiba Boatwalla (1970) 1 SCC 415*.

12. At this ad interim stage, certain incontrovertible facts which emerge are that the petitioner has been uninterruptedly using the name Fox & Mondal since 1896 and is a prior user and first in the market. Moreover, the respondent no.1 was never connected or associated with the petitioner no.1. The father of the defendant no.1 died on 30 June 2020. Any right in respect of the name "Fox and Mandal" is exclusively an asset of the partnership business. The goodwill and the trademarks of the petitioner no.1 are clearly partnership property and do not belong to any partner individually.
13. There also appears to be inter-se disputes pertaining to the estate of the late Dinabandhu Mandal. In fact, the disputes and differences between youngest son of Late Dinabandhu Mandal who was also a surviving partner in the petitioner no.1 have been amicably resolved and the petitioner no.1 has since been reconstituted on 30 March 2022. A suit being C.S. No.178 of 2022 (*Fox & Mandal & Co. & Anr. Vs. Somabrata Mandal & Ors.*) is also pending before this Court in respect of the share of the Late Dinabandhu Mandal in the partnership business.

14. Section 55 of the Indian Partnership Act, 1932 provides as follows:

“55. Sale of goodwill after dissolution.- (1) In settling the accounts of a firm after dissolution, the goodwill shall, subject to contract between the partners, be included in the assets, and it may be sold either separately or along with other property of the firm.

Rights of buyer and seller of goodwill.- (2) Where the goodwill of a firm is sold after dissolution, a partner may carry on a business competing with that of the buyer and he may advertise such business, but, subject to agreement between him and the buyer, he may not,-

(a) use the firm name,

(b) represent himself as carrying on the business of the firm, or

(c) solicit the custom of persons who were dealing with the firm before its dissolution.”

15. Clause 17 of the reconstituted Partnership Deed dated 27 October, 2014 is set out hereinbelow:

“17. The death or retirement of a partner shall not dissolve the partnership but the partnership shall be carried on by the surviving partners. The partnership accounts shall be made up after two years from the date of death/retirement of a partner but within three years from the said date. The share of the deceased or retiring partner in the outstanding bills upto the date of his death/retirement less the cost of realization assessed at 30% of the amount realized on these bills shall be paid to the retiring partner or the legal representative of the deceased partner on account of his share of the profit and goodwill of the firm. The amount payable for the share of profit and goodwill of the deceased/retiring partner to be calculated in the manner aforesaid shall be determined and paid in the manner decided by Dinabandhu Mandal in his absolute discretion and the heirs of the deceased partner or the retiring partner shall not be entitled to raise any question or objection thereto.”

16. Prima facie, the consequence of Clause 17 read alongwith Section 55 of the Act is that, the respondent no.1 as heir or legal representative

of the Late Dinabandhu Mandal is only entitled to a monetary claim in the profits and the goodwill of the petitioner no.1 and not to any right over the use of the name of the petitioner no.1 or be permitted to represent to the public of having an association or connection with the services being rendered by the petitioner no.1. The right to use the name of the petitioner no.1 or to claim to have any association with the same cannot accrue as a vested right on the respondent no.1 during the interregnum when the accounts of the deceased partner or his estate remain unsettled. In fact, any such right would mean giving the respondent no. 1 an entitlement which does not exist in this case [*Bhagwan Dass Khanna Jewellers versus Bhagwan Das Khanna Jewellers Private Limited and Others (Supra)*].

17. There is no quarrel with the proposition laid down in the cases cited by the respondents. In *Kusalal Kembar Shah (Supra)* the concept and consequences of dissolution have been laid down. It is true that the goodwill of a firm cannot be ignored upon the death of a partner. However, in view of Clause 17 of the partnership deed, the entitlement of respondent no.1 is only a monetary consideration. The facts of *Shri Ram Education Trust Vs. SRF Foundation & Anr. (supra)* are also distinguishable and inapposite. In the said decision, the parties were claiming a right to a common family lineage shared between the parties. The plaintiffs were also found not to be prior users of the name Shri Ram for educational institutions. Moreover, not only were other members of the family using the impugned mark but third parties had also adopted the said mark for educational

institutions prior to the plaintiffs. In conclusion, the defendants were inter alia directed to show that they have no connection or relation with the plaintiffs' school. Similarly, the decision in *Mrs. Sujan Suresh Sawant Vs. Dr. Kamlakant Shantaram Desa (supra)* is also distinguishable. As a proposition of law, it is indisputable that a legal heir or representative of a deceased partner is entitled to treat the goodwill of the firm as an asset of the partnership firm and this has to be taken into account when the accounts are finally settled.

18. At this stage, I find that there is a direct attempt by the respondent no.1 to mislead, if not deceive. The acts complained of suggest that there exist a connection between the petitioner no.1 and the respondent nos. 1 and 2. Misrepresentation lies in the heart of a passing off action. In describing that the respondent nos. 1 or 2 have been carrying on business since 1896 there is undoubtedly scope of confusion if not deception. *Prima facie*, there appears to be an attempt by the respondent nos. 1 and 2 to trade on the goodwill and reputation of the petitioner no. 1.
19. I also do not find any substance in the submission of the respondents that there is any delay in the petitioners approaching this Court.
20. Thus, in my view, the petitioners have been able to establish a strong prima facie case on merits. The balance of convenience is overwhelmingly in favour of protective orders being passed in favour of the petitioners. The petitioners are bound to suffer irreparable prejudice if the respondents are permitted to carry out the impugned acts without lawful justification.

21. In view of the aforesaid, there shall be an order of injunction restraining the respondent nos. 1 and 2 their men, agents, servants or assigns from holding themselves out as the petitioner no.1 firm i.e. "Fox and Mandal" or representing that the respondent nos. 1 or 2 have any connection or relation with the services rendered by petitioner no.1 firm.
22. The parties are directed to exchange affidavits. Let Affidavit in Opposition be filed within 2 weeks from the date. Reply one week thereafter.
23. The matter is made returnable on 15 December, 2022.

(Ravi Krishan Kapur, J.)

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